



CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO
(Registered Charity Number: 1189174)

REPORT AND ACCOUNTS

31 DECEMBER 2023

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

REFERENCE AND ADMINISTRATIVE DETAILS

REGISTERED CHARITY NUMBER **1189174**

CONSTITUTION

The Charity is governed by a Charitable Incorporated Organisation constitution registered with the Charity Commission on 23 April 2020

TRUSTEES OF THE CHARITY

Sister Anne Morris	Provincial Superior and trustee
Sister Margaret Abbott	Provincial Councillor and trustee
Sister Dympna Connolly	Provincial Councillor and trustee
Sister Eileen Gorman	Provincial Bursar and trustee

PRINCIPAL ADDRESS

Provincial House
22 Holyrood Road
NORTHAMPTON
NN5 7AH

BANKERS

Barclays Bank plc
PO Box 3261
Ashton House
497 Silbury Boulevard
MILTON KEYNES
BX3 2BB

SOLICITORS

Pothecary Witham Weld
84 Eccleston Square
Pimlico
LONDON
SW1V 1PX

INDEPENDENT AUDITOR

Buzzacott
130 Wood Street
LONDON
EC2V 6DL

INVESTMENT ADVISORS

Charles Stanley & Co. Limited
Ropemaker Place
25 Ropemaker Street
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CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees are pleased to present their report for the year ended 31 December 2023.

INTRODUCTION

The Congregation of the Daughters of the Holy Spirit (The Congregation) is an International Roman Catholic Religious Congregation with communities in England, Ireland, France, Nigeria, Cameroon, Burkina Faso, Chile, Peru and the U.S.A. It was founded in Brittany in 1706 where the Generalate is located. For administrative purposes it is divided into 3 provinces, 3 vice-provinces and one delegation, it is governed by its own constitution.

OBJECTS OF THE CHARITY

The accounts accompanying this report are the accounts of a charitable trust (The Charity) on which the assets of the Congregation in England are held. The objects of the Charity are to apply the Trust property either as capital or income for such charitable purposes which advance the religious and other charitable work for the time-being carried on by or under the direction of the society as the Trustees with the approval of the Superior shall from time-to-time think fit.

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Commission in determining the activities undertaken by the Charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Province is administered by the Provincial Superior, her Councillors, and the Provincial Bursar who are appointed by the General Council. The Provincial visits each community at least once every 12 months.

The General Chapter of the Congregation, which is held every six years, took place in July and August 2021. Between Chapters, province meetings are held on an annual basis – to review the past year and to set objectives for the following year. The Provincial and her Council meet every month to discuss the needs of the Province. During 2023, we have gathered as a province at our convent in Olney.

The trustees of the charity are the members of the Provincial Council together with the Provincial Bursar. As all the trustees are members of the Congregation, they have a detailed knowledge of the work of the charity and of its structure. They meet on a monthly basis to review developments with regard to the charity and make important decisions. When necessary, they seek advice and support from the charity's professional advisers including property consultants, investment managers, solicitors, accountants and insurance broker. Regular financial reviews are carried out. The structure of the Congregation and its Council militates against dominance by any one individual. There is regular contact with the Generalate and the General Bursar, and the accounts are sent to them on an annual basis.

Training has taken place. Two trustees have attended the Bursar's Conference and followed zoom meetings, covering various topics related to their role as governors, for example safeguarding.

Key management

The Trustees consider that the key management of the Charity consists of themselves and, in particular, the Province Leader and Provincial Bursar to whom much of the running of the day-to-day operation devolves. As religious sisters, under a vow of poverty, the Trustees do not receive remuneration.

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IN ORDER TO REALISE OUR OBJECTIVES

1. We maintain 10 religious communities. The Sisters work in 10 parishes where, according to their age, capacities and training, they serve the local Catholic and Civic Community professionally or on a voluntary basis. We keep in mind the mission of the province and the objects of the Charity.
2. Sisters work in Spiritual Formation, Health and Pastoral Work ensuring each one has the necessary training which enables her to bring to her ministry:
 - Christian values
 - Attentiveness to the disadvantaged
 - Respect for the value and dignity of the individual
3. We provide for the needs of our sick and elderly sisters wherever they may be.

OUR MISSION

Rule of Life Ch1.: 'The first Daughters of the Holy Spirit chose to live together to serve the poor, the sick, the children.'

In our Trustees Report for 2023, we have given examples of some of the various ministries carried out by the sisters (The Daughters of the Holy Spirit) Ministries undertaken to **fulfil the charities objectives to care for the poor / the sick / and the deprived**. Key to enabling the charity to achieve its objectives is the contribution of individual members in volunteering their time.

We are committed to:

- providing spiritual support by inviting people to pray with us in our communities.
- working with the poor and deprived in the areas in which we live.
- visiting the, sick and elderly in hospital and in their own homes - providing spiritual support / friendship.
- supporting ecumenism and interfaith activities.
- working to promote justice and peace issues.
- supporting our Missions in France / Africa / Chile and Peru.

SPIRITUAL SUPPORT

Rule of life Ch.4.: 'We share in the prayer of the people among whom we live and it is with other believers that we try to hear the word that God speaks.'

Wistaston Hall, Crewe, is a centre where people can find peace, rest and an opportunity for prayer away from the stresses of daily life. Coming from the Catholic tradition it sponsors a range of events and hosts a wide variety of groups from different faiths and social backgrounds.

The story of Wistaston Hall goes back to the 12th century. The present house was built in the early 17th Century and is one of Cheshire's historic buildings with many local associations.

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SPIRITUAL SUPPORT (CONTINUED)

WISTASTON HALL, CREWE.



Throughout the year people can visit Wistaston Hall to make a private or directed retreat, other people come to enjoy a time of rest and relaxation.

Sr. Anne Donnelly

In November 2021 one of our sisters, Sr. Anne Donnelly, became a member of staff at Wistaston Hall. She is the assistant director and is responsible for the running of the centre in the absence of the director. She directs individually guided retreats. These retreats enable people to come for a time of silence and prayer. A retreat is a few days spent with the Lord. Time spent discovering the presence of Christ in the every-day events of our own lives. During this time Sr. Anne accompanies them on their journey.

She also facilitates chapters and assemblies for different religious congregations.

Mission to the poor and deprived.

UKRAINE

In 2022 Russia invaded Ukraine. This war has, and continues to, displaced many families. The men remained in Ukraine to fight and defend their country. Many of the women and children left Ukraine to live in safer areas of the world. Some of these refugees eventually arrived here in England.

The Government asked anyone who was able to do so, to offer them accommodation. We, the Daughters of the Holy Spirit offered the bungalow in the grounds of Provincial House, Northampton, to Galyna and her daughter Alexandra. After living in hotels in the town of Northampton, they arrived at Provincial House on the 13th June 2022.

The following account, describes the situation Galyna and her daughter found themselves in, as Russia began to bomb Kyiv. She tells of her journey first to Poland and then to safety in England.

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SPIRITUAL SUPPORT (CONTINUED)



My name is Galyna. I am 44 years of age and from Ukraine. I have a daughter aged 17. In 2011 we moved to Kyiv from Horshini Palvni as I sought a new career that might make a better future for us. It wasn't long before I was able to secure a good job working for a company dealing with wholesale foreign currency exchange. All was going well. We had a small but comfortable place to live and had a happy life. The year 2022 started full of hope. My daughter will be 18 this year, she will enter the University. I am extremely proud of the woman she is becoming. It has just been the two of us since she was one year old. She has worked hard at her studies and was doing very well at school. I hoped she would have a great future.

As we entered the new year, there were rumours of hostilities from Russia. This was nothing new, there had been conflict between Ukraine and Russia after they occupied some of our land in 2014. Whilst conscious of the hostilities, I didn't think

too much about it. On the 24th February at 6.00am. we awoke to the sound of explosions. Followed shortly by the deafening sound of jets flying overhead.

I received a call from work advising me that with immediate effects my office was closing, but that I must go and close the premises. I headed out and saw that everywhere was closing. The only people on the streets were those with bags looking to get out of the city as fast as they could and pensioners too old to flee queuing to empty the food stores of what stock they had before they too would close. I secured the office as quickly as possible.

My daughter called in tears begging me to hurry. She was very scared as jets continued to fly overhead, whilst air raids sirens screamed out. I got back to our apartment. We grabbed a bag each and filled them with necessary documents, passport etc, what clothes we could fit in and one or two sentimental items. We then set off, for hoping to make our way to my parent's home in Kremenchuck. We didn't get far. The roads were blocked and people were shouting for us to get off the streets. We managed to get to a subway where we stayed until nightfall, finally we were able to make our way to Kremenchuck under the cover of dark.

There we quickly established a routine. We spent the days sitting in the subways and returned to my parent's apartment at night. This went on for a few days. It seemed like forever! We were constantly on edge never knowing when the next attack would hit. My daughter was terrified. I knew I had to get her out of Ukraine to safety.

I am fortunate to have some family in bordering Poland. They were obviously aware of what was happening and had invited us to come and stay with them for a while. They could offer a sofa to sleep on for a few days at a time and I could rotate between other distant relatives in Poland. I tried to persuade my parents to come with us, but they felt they would not be able to make the journey. They refused to leave, so I set off alone with my daughter.

We got to the train station. Everything was in chaos people piled on to every train that was able to depart. My daughter and I finally managed to board a train heading for the Polish border. We stood as the train was packed and there were no seats available. As we were waiting for the train to depart there was an almighty whoosh and an explosion nearby. The windows in the train station were shattered sending shards of glass everywhere. The building close by the Ministry for Internal affairs received a direct hit. The lights in the train went out and we stood in the darkness for four hours. We were told not to use mobile phones or make a noise as we waited for the next explosion. Praying it would not hit us.

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SPIRITUAL SUPPORT (CONTINUED)

We finally got on our way and arrived at the polish border. We had missed our bus to Warsaw. We spent the night at the station waiting for the next bus which arrived the following morning. Once in Warsaw we spent a few days with our relatives but it was clear that they could not house us for any length of time. Their offer was kind and much appreciated, but it was not practical to sleep myself and my daughter on a sofa together in a small apartment. We had no choice but to register as refugees.

We were found a temporary place in a hotel. I used this time to try and find something more permanent. It was during this time that the UK opened up – Homes for Ukraine scheme. A distant acquaintance had had registered and offered us a room in England. We gladly accepted, even though I spoke almost no English. I completed my paperwork and after a total of four weeks in Poland, I headed for the UK and safety.

My intention was to learn English and find work in England as soon as possible. I have been independent for so long, I hated being reliant on others. We had been with our sponsor for just a few days when it became very apparent this was not the safe-place we thought it would be. I felt I had made a terrible mistake, but didn't know what to do about it. The two of us stayed in our bedroom as much as possible. I didn't dare to leave my daughter's side. After two weeks, representatives of the Consulate came to check the living conditions. I shared my concerns with them and what we had witnessed. They took immediate action to get us out of there and into emergency accommodation. Over the next four weeks we were moved from hotel to hotel, but at least we felt safe if a little insecure. I started to learn the English language and even managed to find a job. It was just warehouse work paying minimal wage, but I could do this without the need to speak English.

After four weeks I received the good news that the Daughters of the Holy Spirit had offered to help us. I was taken to meet them and was overwhelmed by their warmth, kindness and hospitality. Finally, somewhere we could start to calm down. The sisters were very welcoming and friendly and we felt safe with them. We could not have hoped for more. I wish I could have expressed my gratitude better, but my English was still very limited.

I would like to take this opportunity to thank them from the bottom of my heart for the help and compassion that they have shown me and my daughter. After some of the sights I have witnessed this year, I cannot express how comforting it is to know that there are such good people in this world.

I have just recovered from surgery to remove a tumour from my throat and am happy to be able to work as many hours as possible. I have a zero hours contract so take whatever is available and my English is improving. I am trying to save for a deposit on a rental property so I can be independent when I have to leave the Daughters of the Holy Spirit's accommodation in ten weeks- time. The future is still very uncertain as I understand it will not be straightforward for someone with no UK credit score to rent a home, but for now I take strength from the fact that I see the smile has returned to my daughters face and she is settling into life here very well. She has made friends through college and I hope that she is able to enjoy what remains of her childhood.

There are moments when it hits me what has happened and how I have found myself to be here and in this situation. It all seems to play out like a movie in my mind, almost as if it was something I witnessed, but didn't really happen to me. That being said, I consider myself extremely fortunate. Many of my countrymen have not been so lucky. I still have family and friends in Ukraine who I am very worried about. I am preparing myself for the next big challenge that December will bring. I know that whatever happens, things could have been much worse for us.

Galyna and her daughter Alexandra



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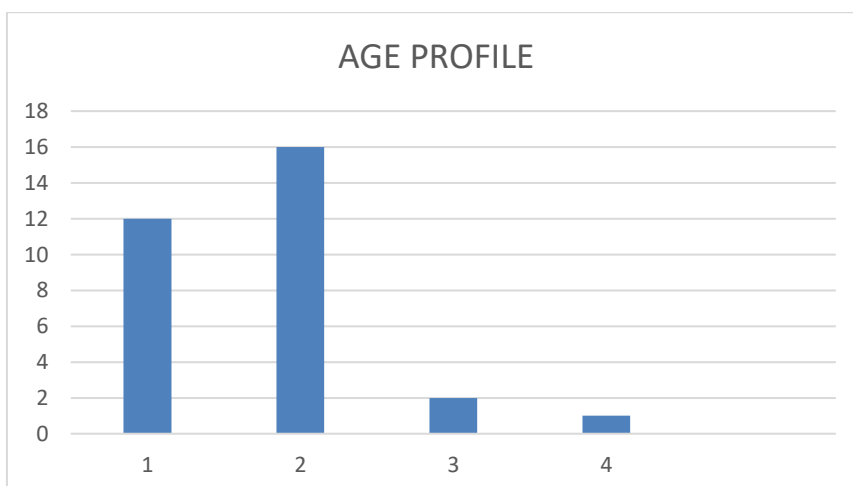
FOR THE YEAR ENDED 31 DECEMBER 2023

Areas in which Sisters give voluntarily of their time, are given in the table.

Care of our own elderly / frail Sisters	Care Unit closed March 21
Volunteer work / Hospital / Hospice visiting	5 hours per week
Visits to housebound / sick / elderly people	7 hours per week
Visits to residential Homes	19 hours per week
Teaching English to Foreign Students	10 hours per week
Working for Justice and Peace Issues	14 hours per week
Empowering Education in Africa	20 hours per week
Ecumenism / Inter- faith	21 hours per week
Working as a Parish Sister	90 hours per week
Society of St. Vincent de Paul	10 hours per week
Spiritual Formation / Spiritual Direction	77 hours per week
Chaplaincy—Hospital / School / Detention Centre	13 hours per week
Bereavement work with Adults / Children	7 hours per week
Work with Asylum Seekers	5 hours per week
Centres for Homeless People	14 hours per week
Work with the homeless in Bosnia	12 hours per week
Pastoral / Parish Support Worker	13 hours per week
Administration	70 hours per week
Care of our own elderly / frail Sisters	Care Unit closed March 21

Caring for Members The age profile of the members of the EIW Province is increasing. The age profile in England, Ireland and Wales is shown graphically below.

Age Range 2022 1 = 12 sisters 85+. 2 = 16 sisters 75+. 3 = 2 sisters 60+. 4 = 1 sisters 40+
TOTAL NUMBER OF SISTERS 2022 = 31



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The nursery in Koudougou – Burkina Faso

We the Daughters of the Holy Spirit, opened a nursery school in Koudougou, Burkina Faso, September 2020. The construction of this nursery school has continued, extra rooms have been built and various facilities added. It was completed in 2022.

The children are now in a safe environment, happily playing with a variety of games.

These children and their parents are living in an atmosphere of permanent insecurity.

The terrorist attacks have forced more than 500,000 people to leave their homes and their villages, to escape death. Some of them have found refuge with relatives or friends.

The Daughters of the Holy Spirit continue to do what they can, in the areas in which they live, to provide support and help to these displaced families.



Touroua – Cameroon

The Congregation has built new dormitory blocks equipped with beds, for young girls attending the school. The young girls who live far from the school are accommodated here. They have the opportunity to do their own cooking.

In this photograph the young girls are sitting in front of their kitchen utensils.



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RISK MANAGEMENT

The Trustees undertake an annual review of the principal risks and uncertainties that the charity faces categorising the risks between those affecting the governance and management of the charity, operational risks, financial risks, reputational risks and those which occur because of circumstances outside of the charity's control such as changes in government policy, laws and regulations. They regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures should they be needed to minimise or manage any potential impact on the Charity should those risks materialise.

The key risks identified include the age profile of the sisters and the need to ensure that charity has sufficient resources to continue to care for them and their needs. This is mitigated through the existence of the retirement fund represented by the charity's investments. Listed investments are subject to stock market movements – both up and down. The risk is mitigated by the fact that the charity uses professional managers and monitors performance regularly. Donations sent overseas are sent by bank transfer and reports are always obtained confirming receipt and use of the funds.

Having assessed the major risks to which the charity is exposed, the Trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks.

FUNDRAISING POLICY

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The charity takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

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FINANCIAL REVIEW

A summary of the results for the year ended 31 December 2023 can be found on page 16 of this report and accounts.

Total income for the year was £985.4k (2022: £1,230k). It included investment income of £381.9k (2022: £345.7k) and voluntary income of £603.5k (2022: £630.3k). 2022 also included gains on foreign exchange of £3.5k and a net surplus on the disposal of tangible fixed assets of £247.8k. Voluntary income includes the salaries and pensions of members of the Congregation donated to the charity under Deed of Covenant or Gift Aid.

Expenditure for the year to 31 December 2023 amounted to £1,140k (2022: £1,050k). Expenditure includes the cost of supporting members of the Congregation and their ministry and donations to third parties.

Net expenditure before investment gains for the year amounted to £156.0k (2022: net income of £177.3k). Investment gains amounted to £884.2k (2022: losses of £1,720k). The overall result was a net increase in funds of £728.2k (2022: a net decrease in funds of £1,540k).

INVESTMENT POLICY

The Charity has a discretionary investment management agreement with Charles Stanley & Co. Limited. There are no restrictions on the Charity's power to invest. The investment strategy is set by the trustees and takes into account income requirements, the risk profile and the investment manager's view of the market prospects in the medium term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised by the Trustees from time to time. There is also an Ethical Policy excluding investment in any company which has significant business interests in activities which are contrary to the teachings of the Christian Church

INVESTMENT PERFORMANCE

The Trustees meet with the fund managers once every four months and ensure that the fund is managed in accordance with their written guidelines and with the religious and ethical principles of the Charity. The target set for the fund manager is to achieve a certain return of both income and capital growth with no more than a moderate level of risk, within the ethical guidelines set out by the Trustees.

In the year the portfolio generated a total return of around +9.2% (2022: -12.0%). This was broadly in line with the returns shown by published benchmarks for the performance of charity portfolios in the year. The Trustees, therefore, are satisfied with the returns generated but will continue to monitor investment performance closely.

RESERVES POLICY

The Charity requires investment in tangible fixed assets to enable it to continue its charitable work. A fund of £2.16m (2022: £1.65m) has been designated to reflect the amount of reserves represented by tangible fixed assets.

The Charity also has an ongoing commitment to provide for the retirement and old age of Sisters, none of whom have resources of their own. The funds set aside for this purpose have been assessed and the calculations, based on annuity tables, indicated that a fund of approximately £10.9m is needed. At the end of the year, the Fund designated for this purpose was £10.9m (2022: £10.9m).

Undesignated Funds stood at just over £5.6m (2022: £5.4m), which is broadly equivalent to five years' expenditure and is thus above the target range of approximately three years' expenditure. However, the investment losses suffered in the previous year, highlight the transitory nature of some asset values. The Trustees, therefore, consider the level of the Charity's reserves to be adequate but not excessive.

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FUTURE PLANS

- ◆ To enable all members of their Congregation to continue with their individual ministries for as long as possible. In some communities it is now necessary to install adaptations in order to aid and improve the quality of life of the sisters, thus allowing them to remain and work in their local parishes.
- ◆ To continue to provide ongoing care for our sick and elderly sisters in third-party owned care homes following the closure of our own care facility in Olney in March 2021.
- ◆ To continue to contribute financially to the upkeep and mission of the communities in Africa, Latin America, and to the functioning of the Generalate in France.
- ◆ To provide opportunities for on-going formation for our sisters at all stages of life including exchanges from other units of the Congregation. (General Chapter 2008).
- ◆ To review and rationalise, where possible, the Charity's properties. To this end we are planning to sell the building which is currently used as the Provincial House during 2024.

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TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the charity for that period.

In preparing these accounts, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the Accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the Charity's Constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and finance information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by the Trustees on 17th Oct 2024 and signed as authorised on their behalf by: Eileen H. Gorman

EILEEN GORMAN

Sister Eileen Gorman
Provincial Bursar
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

Opinion

We have audited the accounts of the Congregation of the Daughters of the Holy Spirit CIO (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records; or
- ◆ we have not received all the information and explanations we require for our audit.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF THE CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO
(continued)**

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement director ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102); and Safeguarding Regulations as they affect the direct charitable activities of the charity; and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of trustees' meetings.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ Making enquiries of management and representatives from the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Reviewed journal entries to identify unusual transactions;
- ◆ Carried out substantive testing on expenditure including the authorisation thereof;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF THE CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO
(continued)**

Auditor's responsibilities for the audit of the accounts (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We did not identify any irregularities, including fraud.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



21 October 2024

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 Total £	2022 Total £
INCOME			
Donations and legacies	1	603,507	630,341
Investment income and interest receivable	2	381,870	345,670
Other Income			
(Loss)/gain on translation of foreign currencies		(551)	3,463
Surplus on disposal of fixed assets	3	-	247,818
Total income		984,826	1,227,292
EXPENDITURE on			
Cost of raising funds			
Investment management fees		58,575	71,519
Charitable expenditure			
Costs of charitable activities	4	1,082,231	978,460
Total expenditure		1,140,806	1,049,979
Net (expenditure)/ income before gains/(losses) on investments		(155,980)	177,313
Net gains/(losses) on investments		884,177	(1,717,576)
Net income/(expenditure) ad net movement in funds for the year		728,197	(1,540,263)
Reconciliation of funds			
Fund balances brought forward		17,936,856	19,477,119
Fund balances carried forward		£18,665,053	£17,936,856

All of the above activities derived from continuing activities. The statement of financial activities includes all gains and losses recognised in the year.

All of the above income and expenditure related to unrestricted funds in the above year.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible fixed assets	10	2,164,746	1,645,296
Investments	11	13,320,014	11,511,329
		<u>15,484,760</u>	<u>13,156,625</u>
CURRENT ASSETS			
Debtors	12	71,751	86,125
Cash at bank and in hand		3,147,569	4,728,619
		<u>3,219,320</u>	<u>4,814,744</u>
CREDITORS: Amounts falling due within one year	13	<u>(39,027)</u>	<u>(34,513)</u>
NET CURRENT ASSETS		<u>3,180,293</u>	<u>4,780,231</u>
TOTAL NET ASSETS		<u>£18,665,053</u>	<u>£17,936,856</u>
Represented by:			
General fund		5,600,307	5,391,560
Designated funds	14	10,900,000	10,900,000
Tangible fixed assets fund	15	2,164,746	1,645,296
		<u>£18,665,053</u>	<u>£17,936,856</u>

Approved by the trustees and signed on their behalf by:

Approved by the Council of Trustees on 17th Oct 2024 and signed on its behalf by Eileen P. Gorman.

EILEEN GORMAN

Sister Eileen Gorman
Provincial Bursar
Trustee

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	(442,837)	(148,573)
Cash flows from investing activities		
Dividends and interest from investments	381,870	345,670
Payments to acquire tangible fixed assets	(595,575)	(492,375)
Receipts from sales of fixed assets	-	333,057
Payments to acquire investments	(1,028,709)	(716,365)
Receipts from sales of investments	104,201	781,255
Net cash (used in)/provided by investing activities	(1,138,213)	251,242
Change in cash and cash equivalents in year	(1,581,050)	102,669
Cash and cash equivalents at 1 January 2023	4,728,619	4,625,950
Cash and cash equivalents at 31 December 2023	£3,147,569	£4,728,619
	£	£

Notes to the Statement of Cash Flows

A. Reconciliation of net movement in funds to net cash flow from operating activities

Net movement in funds

(as per the Statement of Financial Activities)	728,197	(1,540,263)
--	---------	-------------

Adjustments for

(Gains)/Losses on investments	(884,177)	1,717,576
Dividends and interest from investments	(381,870)	(345,670)
Depreciation	76,125	67,971
Net surplus on disposal of tangible fixed assets	-	(247,818)
Decrease in debtors	14,374	204,461
Increase/(Decrease) in creditors	4,514	(4,830)

Net cash used in operating activities	£(442,837)	£(148,573)
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B. Analysis of cash and cash equivalents

Cash at bank and in hand	3,147,569	4,728,619
Total cash and cash equivalents	£3,147,569	£4,728,619

C. Analysis of changes in net cash funds

	At 1 January 2023 £	Cashflow £	At 31 December 2023 £
Cash at bank and in hand	£4,728,619	£(1,581,050)	£3,147,569

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 December 2023.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees to make significant judgements and estimates.

The key areas in the accounts where these judgements and estimates have been made relate to estimating the useful economic life of tangible fixed assets for the purpose of determining an annual depreciation charge and determining the amount to be set aside as a designated fund to provide for the retirement and care of the Sisters.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above.

With regard to the next accounting period, the year ending 31 December 2024, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (please see the investment policy and the risk management sections of the trustees' report for more information).

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2023

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, investment income and other income including the surplus on the disposal of tangible fixed assets.

Donations, including salaries and pensions of individual religious received under Gift Aid or deed of covenant, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

The surplus on the disposal of tangible fixed assets is calculated as the difference between the sale proceeds due under the contract for sale and the net book value of the relevant asset prior to disposal less those direct costs, including legal fees, incurred in connection with the disposal. The surplus is accounted for at the time of legal completion.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2023

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This comprises investment management fees.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Charity through the provision of its charitable activities. Such costs include charitable grants and donations to overseas missions, direct and support costs in respect of the support of members of the Congregation and enabling their ministry, including governance costs.

Charitable grants and donations to overseas missions are made where the Trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants, where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released, are not accrued for but are disclosed as financial commitments in the notes to the accounts.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are allocated directly to the support of members of the Congregation and their ministry.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2023

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

◆ ***Freehold land and buildings***

Freehold properties are included at cost with the exception of those which were owned at 31 December 1996 and for which cost figures were not available when the accounting requirements of the Charities Act came into force. These have been included at a Trustees' valuation determined as at that date and this is now the deemed cost of such assets. The value attributed to land is not depreciated but the value of the buildings element is depreciated over a fifty-year period on a straight line basis.

◆ ***Leasehold land and buildings***

Leasehold properties are included at cost the value attributed to land is not depreciated but the value of the buildings element is depreciated over a fifty-year period on a straight line basis.

◆ ***Fixtures, fittings and office equipment***

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a four-year period, based on the estimated useful life of the asset, on a straight line basis.

◆ ***Motor vehicles***

Motor vehicles are capitalised and depreciated over a four-year period, on a straight line basis, in order to write off the cost of each asset over its estimated useful life.

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The Charity does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value, if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

The Charity has established a pension scheme for certain Sisters. The scheme is a Deferred Annuity Contract whereby a certain guaranteed sum is payable to the charity at a fixed future date. No current value can be attributed to the contract as future returns are dependent on bonuses which in turn depend on investment return and inflation. Therefore the asset included in the balance sheet in respect to this scheme is valued on the basis of premiums paid to date in respect to Sisters still in the scheme. Receipts on maturity are recognised as investment gains net of the relevant premiums paid and the annual premiums are included as additions to the Deferred Annuity Contract.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2023

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund structure

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the Charity's charitable objects.

The tangible fixed assets fund comprises the net book value of Charity's tangible fixed assets, the existence of which is fundamental to the Charity being able to perform its charitable work and thereby achieve its charitable objectives. The value represented by such assets should not be regarded, therefore, as realisable.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Services provided by members of the Congregation

For the purposes of these accounts, no value has been placed on administrative and other services provided by the members of the Congregation.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

Pension contributions

Contributions in respect of the Charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The Charity's contributions are restricted to the contributions due for the year. There were no outstanding contributions at the year end. The Charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1. DONATIONS AND LEGACIES	2023 Total £	2022 Total £
Sister salaries and pensions donated	571,268	595,840
Contribution to costs from Generalate of the Congregation	20,000	-
Other donations	12,239	34,501
	<hr/>	<hr/>
	£603,507	£630,341
	<hr/>	<hr/>
2. INVESTMENT INCOME AND INTEREST RECEIVABLE	2023 Total £	2022 Total £
Bank interest	44,292	6,160
Income from listed investments	337,578	339,510
	<hr/>	<hr/>
	£381,870	£345,670
	<hr/>	<hr/>
3. SURPLUS ON DISPOSAL OF FIXED ASSETS	2023 Total £	2022 Total £
Property		
Proceeds net of disposal costs	-	331,357
Net book value	-	(74,452)
	<hr/>	<hr/>
	-	256,905
Other		
Proceeds net of disposal costs	-	1,700
Net book value	-	(10,787)
	<hr/>	<hr/>
	-	(9,087)
	<hr/>	<hr/>
	£-	£247,818
	<hr/>	<hr/>
4. CHARITABLE EXPENDITURE	2023 Total £	2022 Total £
Support of members of the Congregation and their ministry		
Sisters' Living Expenses	516,691	556,068
Staff costs (Note 7)	41,840	43,663
Premises	214,469	223,438
Education, Training & Spiritual Renewal	42,330	30,402
Administration	111,084	50,975
Overseas Mission	129,114	59,578
Other	3,633	56
Governance costs (Note 5)	23,070	14,280
	<hr/>	<hr/>
	£1,082,231	£978,460
	<hr/>	<hr/>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

5. GOVERNANCE COSTS

	2023 Total £	2022 Total £
Auditor's remuneration		
Current year	12,500	9,600
Prior year under-/ (over-) provision	2,400	(3,240)
	<hr/> 14,900	<hr/> 6,360
Other	8,170	7,920
	<hr/> £23,070	<hr/> £14,280
	<hr/> <hr/>	<hr/> <hr/>

6. NET (EXPENDITURE)/INCOME

	2023 £	2022 £
This is stated after charging/(crediting):		
Staff costs (see note 7)	41,840	43,663
Auditor's remuneration (including VAT)	14,900	6,360
Depreciation	76,125	67,971
Loss/(gain) on currency conversion	551	(3,463)
Surplus on disposal of tangible fixed assets	-	(247,818)
	<hr/> <hr/>	<hr/> <hr/>

7. STAFF COSTS

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	41,361	41,093
Social security costs	-	-
Other pension costs	479	474
	<hr/> 41,840	<hr/> 41,567
Statutory redundancy pay	-	2,096
	<hr/> £41,840	<hr/> £43,663
	<hr/> <hr/>	<hr/> <hr/>

The average number of employees (analysed by function) was:

	2023	2022
Support of members of the Congregation and their ministry	5	5
	<hr/> <hr/>	<hr/> <hr/>

No employees earned £60,000 per annum or more (including taxable benefits but excluding employer's pension contributions) during the year

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

8. KEY MANAGEMENT, TRUSTEES' EXPENSES & REMUNERATION AND TRANSACTIONS WITH RELATED PARTIES

The Trustees consider that they comprise the key management of the charity in charge of directing and controlling running and operating the charity on a day-to-day basis.

The Charity's Trustees are all members of the Congregation and consequently their living and personal expenses, all of which are consistent with amounts paid in respect of other members of the Congregation, are borne by the Charity. No Trustee received any remuneration or reimbursement of expenses in connection with their duties as Trustees.

As members of the Congregation, none of the Trustees have resources of their own. As well as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. During the year, the total donated by the Trustees was £101,467 (2022: £91,718).

Except for the above, there were no other related party transaction during the period of report (2022: no other transactions).

9. TAXATION

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10. TANGIBLE FIXED ASSETS

	Residential Properties Freehold	Residential Properties Leasehold	Fixtures and Equipment	Motor Vehicles	Total
	£	£	£	£	£
COST OR VALUATION					
At 1 January 2023	2,473,262	279,766	19,679	121,362	2,894,069
Additions	595,575	-	-	-	595,575
At 31 December 2023	3,068,837	279,766	19,679	121,362	3,489,644
DEPRECIATION					
At 1 January 2023	1,123,900	5,596	15,466	103,811	1,248,773
Charge for the year	61,377	5,596	2,106	7,046	76,125
At 31 December 2023	1,185,277	11,192	17,572	110,857	1,324,898
NET BOOK VALUE					
At 31 December 2023	£1,883,560	£268,574	£2,107	£10,505	£2,164,746
At 31 December 2022	£1,349,362	£274,170	£4,213	£17,551	£1,645,296

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

11. INVESTMENTS	2023 Total £	2022 Total £
Value at 1 January 2023	11,511,329	13,293,795
Less: Disposals (At opening market value. Realised gains: £17,347)	(86,854)	(932,750)
Add: Acquisitions	1,028,709	716,365
Net gains/(losses) on revaluation	866,830	(1,566,081)
	<hr/>	<hr/>
Value at 31 December 2023	£13,320,014	£11,511,329
	<hr/>	<hr/>
At Market Value:		
Listed on UK Stock Exchange	12,647,382	11,006,645
Bank deposits	650,561	483,318
	<hr/>	<hr/>
	13,297,943	11,489,963
At Cost:		
Deferred annuity contracts	22,071	21,366
	<hr/>	<hr/>
	£13,320,014	£11,511,329
	<hr/>	<hr/>
Cost of Investments		
At 31 December 2023	£9,792,747	£8,845,568
	<hr/>	<hr/>

All investments other than cash and deferred annuity contracts are quoted on a recognised UK Stock Exchange or are valued by reference to investments listed on a recognised Stock Exchange.

12. DEBTORS	2023 £	2022 £
Monies held by solicitors pending property purchase	-	8,630
Prepayments	71,751	77,495
	<hr/>	<hr/>
	£71,751	£86,125
	<hr/>	<hr/>
13. CREDITORS: Amounts falling due within one year	2023 £	2022 £
Accruals	£39,027	£34,513
	<hr/>	<hr/>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

14. DESIGNATED FUNDS

The Trustees have designated funds out of the unrestricted funds for specific purposes as follows:-

Retirement Fund	2023 £	2022 £
At 1 January 2023	10,900,000	10,900,000
Balances at 31 December 2023	<u>£10,900,000</u>	<u>£10,900,000</u>

Retirement Fund

A fund has been designated for the Charity's commitment to provide for the retirement and care in old age of its members.

The Trustees have estimated that a fund of at least £8.9m will be required to make provision for the ongoing needs of members after taking account of their occupational pension rights. The Trustees have designated an investment portfolio and the deferred annuity contracts pension scheme established for certain sisters.

15. TANGIBLE FIXED ASSETS FUND

	2023 £	2022 £
At 1 January 2023	1,645,296	1,306,131
Movements in year	519,450	339,165
Balances at 31 December 2023	<u>£2,164,746</u>	<u>£1,645,296</u>

The tangible fixed assets fund represents the net book value of the Charity's tangible fixed assets used for the support of the Sisters and their ministry. A decision was made to separate this fund from the general fund in recognition of the fact that the assets are used in the day to day work of the Charity, and the fund value would not be realisable easily if needed to meet future contingencies.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

16. ANALYSIS OF NET ASSETS

Fund balances at 31 December 2023 were represented by:

	Designated Funds			
	General Fund	Retirement Fund	Tangible Fixed Assets Fund	Total
	£	£	£	£
Tangible fixed assets	-	-	2,164,746	2,164,746
Investments	5,397,897	7,922,117	-	13,320,014
Current assets	241,437	2,977,883	-	3,219,320
Current liabilities	(39,027)	-	-	(39,027)
Total Net Assets	£5,600,307	£10,900,000	£2,164,746	£18,665,053

Fund balances at 31 December 2022 were represented by:

	Designated Funds			
	General Fund	Retirement Fund	Tangible Fixed Assets Fund	Total
	£	£	£	£
Tangible fixed assets	-	-	1,645,296	1,645,296
Investments	4,148,074	7,363,255	-	11,511,329
Current assets	1,277,999	3,536,745	-	4,814,744
Current liabilities	(34,513)	-	-	(34,513)
Total Net Assets	£5,391,560	£10,900,000	£1,645,296	£17,936,856

The total unrealised gains constitute movements on revaluation and are as follows:

	2023	2022
	£	£
Unrealised gains included above		
On investments	£3,527,267	£2,665,761
Reconciliation of movement of unrealised gains		
Unrealised gains at 1 January 2023	2,665,761	4,632,495
In respect to disposals in the year	(5,324)	(400,653)
Net gains/(losses) arising on revaluation in the year	866,830	(1,566,081)
Total unrealised gains at 31 December 2023	£3,527,267	£2,665,761

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

17. ULTIMATE CONTROL

The charity, which is constituted as a CIO, was controlled throughout the period by the Congregation of the Daughters of the Holy Ghost by virtue of the fact that the Sister Provincial of the Province appoints the Trustees. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the English Province are vested in the Trustees of the charity, who undertake all transactions entered into the course of the Province's charitable activities.

18. LIABILITY OF MEMBERS

If the CIO is wound up, the member of the CIO has no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

19. CAPITAL COMMITMENTS

	2023 £	2022 £
Authorised but not contracted for	£-	£580,000

The above commitment related to the purchase of a property in Lucan, Dublin.