

**Handmaids
of the Sacred
Heart of Jesus
(Regents Park,
London and
Christchurch, Hants)
Charitable Trust**



Annual Report and Accounts

31 August 2022

Handmaids of the Sacred Heart of Jesus
(Regents Park, London and Christchurch,
Hants) Charitable Trust

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Reference and administrative details of the Charity, its Trustees and advisers

Trustees	Sister Eileen O'Neill Sister Noella Pereira Sister Marta Silva Sister Ana Maria Horta Correia Ramirez Sister Anne Petit Sister Margaret Scott (resigned 6 April 2022)
Sister Provincial	Sister Ana Maria Horta Correia Ramirez
Provincial Bursar	Sister Marta Silva
Address	25 Saint Edmund's Terrace St John's Wood London NW8 7PY
Charity registration number	221319
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	National Westminster Bank plc 106 Finchley Road London NW3 5JN Barclays Bank plc 40 Wellington Road St John's Wood London NW8 9TJ Lloyds Bank plc 4 Castle Street Christchurch Dorset BH23 1DU

Reference and administrative details of the Charity, its Trustees and advisers

Bankers (continued)

Barclays Bank plc
Beckenham South
167 High Street
Market Square
Bromley
BR1 1NI

Epworth Investment Management Limited
70 St George's Square
London
SW1V 3RD

Santander UK plc
100 Ludgate Hill
London
EC4M 7NJ

Investment managers

Charles Stanley Asset Management
25 Luke Street
London
EC2A 4AR

BlackRock Investment Management (UK) Limited
12 Throgmorton Avenue
London
EC2N 2DL

Tyndall Investment Manager
5-8 The Sanctuary
London
SW1P 3JS

CCLA Investment Management Limited
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Solicitors

Pothecary Witham Weld
84 Eccleston Square
London
SW1V 1PX

Trustees' report 31 August 2022

The Trustees present the report and accounts of the Handmaids of the Sacred Heart of Jesus (Regents Park, London and Christchurch, Hants) Charitable Trust (the 'Charity') for the year ended 31 August 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 38 to 44 of the attached accounts and comply with the Charity's trust deed, applicable laws and the requirements of 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).

The Charity is governed by a trust deed dated 2 July 1938 and is registered under the Charities Act 2011 (Charity Registration No 221319). The Trustees are incorporated under the name of 'The Trustees of the Handmaids of the Sacred Heart of Jesus'.

CONSTITUTION

The Handmaids of the Sacred Heart of Jesus (the 'Congregation') is a Roman Catholic religious congregation founded in Spain in 1877, with the aim of promoting peace and reconciliation and of providing education at all levels. It is an international congregation with communities in four continents: Europe, Africa, North and South America and Asia.

HISTORY

The Congregation was founded in Spain, in 1877, and soon expanded throughout Spain, Rome and South America. The first house outside Spain was opened in England, in 1910, in Upper Belgrave Street, London. Here, the Sisters ran a club providing formation for working girls and offered monthly retreats. In 1937 this Community was transferred to 8 Avenue Road NW8 and in 1980 to 25 Saint Edmund's Terrace NW8.

The Congregation's first school in the UK was opened in 1921, in Englefield Green, Surrey, and has had a chequered history: being transferred to Highcliffe-on-Sea, in Hampshire, in 1955 and expanding to include a secondary school. Later, in 1971, it merged with another Convent in Boscombe in order to form a larger school. In 1983, responding to the request of the Bishops, it merged with St Peter's De la Salle Boy's Independent School and Iford Secondary Modern School to form a large Comprehensive School. The Sisters remained teaching in that school until 1986. The Community had moved to a small house in Southbourne, Hampshire, returning to Boscombe in 2005.

In 1936, the Congregation established an Independent Day and Boarding School for 5 to 18 year old girls in Beckenham, Kent. In 1968, the primary department closed and St Mary's State Primary School was built on land belonging to the Sister's Convent. In 1987, Beckenham Convent Secondary School was closed and a new Community was opened in Village Way, Beckenham, that closed in 2016. St Mary's Catholic Primary School is now an academy trust limited by guarantee, having the Handmaids (who remain the owners of the land and buildings) as a Foundation Member, along with the Diocese of Southwark. The School was incorporated on 10 October 2014 and opened as an academy on 1 November 2014.

HISTORY (continued)

Between 1973 and 1984, the Handmaids of the Sacred Heart of Jesus had a small community in Rotherham, Yorkshire, and between 1987 and 1999, a parish community in Glasgow.

Saint Christina's School was founded in 1949 as an Independent Catholic school in the Archdiocese of Westminster. Since then, the School has grown considerably and continues to flourish, always seeking to meet the needs of pupils in an ever-changing world.

In 1957, the Congregation expanded to Ireland and opened a retreat house in Finglas, in the north of Dublin. In 1966, a University Residence was opened in the South of Dublin in Avoca Avenue, Blackrock. When, in 1971, at the request of the Archbishop, the Sisters took over the management of a primary and a secondary school in Stillorgan, in the south of Dublin, the University residence was also transferred there. While the whole school campus in the South of Dublin continues to flourish, the retreat house in Finglas was sold in 1996 and most of the resulting funds were donated to the English Charity in 2012.

In 2014, the Congregation began a new chapter of its history in England, with the establishment of the Atlantic Europe Province, in order to respond to the challenge of a New Evangelization of Europe. The Canonical union took place on 1 January 2014, but it has had no impact on the scope and governance of the Charity itself. The Province includes the communities and apostolic works in the United Kingdom, Ireland, Portugal and France.



Province Assembly – Palmela – October 2022

OBJECTIVES AND ACTIVITIES

Mission and policies

The Handmaids of the Sacred Heart of Jesus (Regents Park, London and Christchurch, Hants) Charitable Trust aims to sustain the religious, social and cultural works carried on by the Congregation; to support and care for the elderly members of the Congregation who have given many years of their life to the service of education or pastoral work; and to prepare and form its younger members, so they will be able to carry on the works of the Congregation in the years to come.

When setting the objectives and planning the work of the Charity for the year, and when supporting the work of individual Sisters, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The works of the Charity can be defined under the following main areas:

♦ Education

The educational work carried out by the Charity in both School and parish ministry includes proclaiming the gospel, helping people to grow in faith, both as individuals and as members of a community, promoting human development, and entering into dialogue with those of different religious beliefs and cultural backgrounds. Further, it includes collaborating and networking in the promotion of reconciliation and peace, social justice and the care of the earth, with a strong emphasis on reconciliation.

As stated before, the Charity owns the land and buildings of St Mary's Primary School, Beckenham, Kent. One of the Sisters is a member of the Governing Body, and some others have regular contact with the School. The Trustees nominate three members of the Governing Body, one of whom was a Sister in the year ended 31 August 2022.

Several improvements have been made to the school building with the approval of the Trustees. St Mary's continues to be an excellent school with a very high standard of education, achieving a top ten position in national league tables. The Trustees are delighted that their response to the need they saw in 1968 for a state school in that area has had such a successful outcome. They also witness the Mission of the Congregation, i.e. reconciliation and understanding between nations, being fulfilled as the number of nationalities and cultures increases in the School.

The Charity owns and operates Saint Christina's Preparatory School (the School) in London which educates children between the ages of 3 and 11.

Saint Christina's continues to maintain a high standard of excellence, providing Catholic education, following the National Curriculum, together with extracurricular activities such as speech and drama, art, sport, Irish dancing and musical instruments.

The School community is international, with families from many different countries and religions. This builds up understanding and appreciation of other cultures and beliefs, and supports our work for unity between peoples as is stated in the School's Mission Statement:

OBJECTIVES AND ACTIVITIES (continued)

Mission and policies (continued)

♦ Education (continued)

"We respect diversity and individuality. We seek to excel in all that we do treating everybody like sister and brother. We learn tolerance and cooperation embracing people from every nation".

The Trustees consider this to be an important part of the Congregation's Charism of Reconciliation.

Four of the Trustees are part of the Governing Body of Saint Christina's Preparatory School. Two Trustees who live in the Convent adjacent to the School are in constant contact and know and interact with the children, staff and parents.

Conscious of the Health and Safety issues and wishing the best for the welfare of the children, the Trustees have permitted the use of the Convent's kitchen by the School's kitchen team. This has improved significantly cooking conditions on campus.

The School premises have always been available to the local community, and it is the intention that this continues. At present the premises are used on a regular basis by drama groups, the Pioneer Association and others. A voluntary contribution is requested to cover the cost of heating, lighting and cleaning when these groups can afford it.

♦ Social and pastoral work

Several members of the Congregation are involved in community and parish-based programmes in Great Britain. These include working in counselling, visiting the elderly, sick and dying.

In London and in Bournemouth, the Sisters prepare children for the sacraments, guide groups of prayer and provide spiritual education.

Another Sister regularly gives talks and workshops in Great Britain and abroad.

♦ Grants and donations

The Handmaids of the Sacred Heart of Jesus in England is part of an international Congregation with communities in 23 countries.

The Trustees are aware of their obligation to assist the Sisters' mission in developing countries and, for this purpose, a contribution is sent each year to the Congregation's general fund in Rome. The Mission Fund reflects this engagement, being ready to respond to any necessity brought to the Trustees from the Congregation in other countries.

Within the Atlantic Europe Province, a preferential commitment with Fundação Santa Rafaela Maria substantiates the support given to projects aligned with our values and charisma.

OBJECTIVES AND ACTIVITIES (continued)

Mission and policies (continued)

♦ Grants and donations (continued)

Grants and donations are decided upon by the Trustees after having consulted other members of the Congregation.

The Trustees also continue to give some financial support to organisations within Great Britain whose work is consistent with the objects of the Charity such as CAFOD (the official aid agency of the Catholic Church in England and Wales and part of Caritas International), ShareAction, CrowdJustice and Avaaz Foundation.

Care of the elderly

The Charity actively supports the aims of the legislation to provide quality care for the elderly. To achieve this objective, we carefully ensure that our elderly and sick Sisters are cared for lovingly and efficiently and, as much as possible, within their own communities, or “homes”. At the present time, we have one Sister in the London community benefitting from twenty-four-hour care.

The Trustees' policy to keep the Sisters in their care at home as long as possible is only changed to outside care if their condition deteriorates to such a degree that the proper care can no longer be provided at home.

Safeguarding

All Sisters who are involved with children or vulnerable adults have an up-to-date Disclosure and Barring Service (DBS) check. The Sister in charge of the elderly attends regular courses on the safeguarding of vulnerable adults and on all aspects of health and safety.

Formation of younger Sisters

Prior to joining the Congregation, those younger Sisters who are now in formation, had finished their school and university education and some had professional careers. However, their formation as Religious Sisters, and their experience of the mission in the Congregation takes several more years to acquire. During the year to 31 August 2022, the Atlantic Europe Province had 11 Sisters at different stages of the Handmaid's Formation Program:

- ♦ One novice in Palmela, Portugal, who made her first vows in August 2022;
- ♦ Three juniors in Madrid, Spain. The Sisters continue to study in Universidad de Comillas;
- ♦ Another Sister is finishing her studies in Paris, France, in the Jesuits' Centre Sèvres;
- ♦ Three other Sisters are working before their final vows: one in Bournemouth, one in Lisbon and another one in Fonte da Prata (a deprived area south of Lisbon); and
- ♦ The two Sisters who started their Third Probation in May 2021 came back to the Province (one of them to Bournemouth) and made their Perpetual Profession of Vows in December 2021.

OBJECTIVES AND ACTIVITIES (continued)

Formation of younger Sisters (continued)

Over the years, from this large group, a significant number have been spending many years dedicated to apostolic and social work in England, and with their youth helped giving impetus and vibrancy to the mission of the Charity.

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.

ACHIEVEMENTS AND PERFORMANCE

Education

The Governing Body of Saint Christina's School meets at the end of every term, where policies are ratified, compliance issues addressed, initiatives discussed, and decisions made. The sub committees, consisting of Finance and General Purposes, Health and Safety, and Curriculum and Welfare, also meet termly and provide additional forums for monitoring and oversight. Each term, different staff members report on their areas of responsibility. These sub committees report termly to the full Governing Body and decide, in conjunction with the Trustees and the Senior Leadership Team, upon key priorities for moving forward.

The School Council continues to meet twice every half term to discuss ideas and initiatives for the School and to ensure that the pupil voice is heard. Minutes are taken and actions follow meetings to ensure that matters discussed are fully considered and where possible, implemented. As part of our desire to empower the children and give them leadership opportunities, a training programme has been devised and implemented towards the end of Year 5 to help prepare the children for Year 6 and help create a good fit between child and role / responsibility.

The main strategic focus for the School currently remains the extension of co-education to ages 3-11 for all children and a move to two-form entry. Following the granting of planning permission in July 2021, the School completed phase one of the extension plan during the School year 2021-22. This has delivered to the School the following: a discrete EYFs area comprising two Reception classes, one Nursery classroom, one small group room, separate toilet facilities and cloakroom areas, shower and utility room; two classrooms on the first floor; two classrooms on the second floor; outdoor learning spaces for the EYFS on the ground floor, Key Stage 1 on the first floor and Key Stage 2 on the Third floor.

ACHIEVEMENTS AND PERFORMANCE (continued)

Education (continued)

The implications of the decision to extend co-education has led to the ongoing review and development of key elements in the School. This has included policy and the ongoing uplift around the curriculum to include the embedding of the decisions made within the 2018-19 curriculum review. There is a greater emphasis on stretch and challenge through the implementation of an Intellectual Curiosity framework and provision for children who have need for support to gain access to the curriculum e.g. Special Education Needs (SEN) / English as an Additional Language (EAL) support. In addition to the additions made to EAL provision as reported within this report last year, the School added to resources to support its EAL provision in the academic year 2021-22 with a view to taking these forward to 2022-23. In addition, the 'Higher Ability' programme was successfully piloted during the academic year and will be taken forward and developed into 2022-23.

An increased emphasis on Science, Technology, Engineering and Mathematics (STEM) related activities continues to be implemented both within and beyond the curriculum. Three separate STEM clubs operated after School and allowed children to explore Artificial Intelligence (AI) and robotics amongst other things. Whilst the activities and the emphasis are more technical at the top end of the School, allowing children to apply their coding skills to their creations, the younger children have been able to enjoy the Lego club as a gateway activity for the more advanced extra-curricular STEM programme. The ISEB Science Curriculum has been adopted to enhance the level of rigour within teaching and allow for a greater level of stretch. The evidence from end of year data suggests that the course is a good addition to our provision. In addition to this, STEM was further enhanced with the introduction of the Formula 1 (F1) in Schools Engineering programme and racing competition. The children achieved a number of achievements within the competition which included the fastest car within the region. Due to Covid we have not yet seen the full fruition of the F1 in Schools programme as it includes involvement in competitions at regional and potentially national levels. Nevertheless, the children have achieved significant outcomes, including best and fastest cars at a regional level in both by year end 2021 and 2022.

ACHIEVEMENTS AND PERFORMANCE (continued)

Education (continued)

Aside from the main curriculum, we have continued to add new elements to our provision of our over-arching philosophy of Intellectual Curiosity. The new 'Higher Ability' programme forms part of the provision. In addition to this, the following have remained our emphasis beyond the curriculum in the form of whole School challenges such as mastering the Rubik's Cube, memorising Pi to as many decimal points as possible (new School record of 320 decimal places 2022), code breaking and problem solving etc. The School's STEM clubs which use STEM Lego kits and material from the Sam Labs in order to facilitate the STEM clubs, coding and robotics competitions e.g. Robotics and AI design remain extremely popular and are often over-subscribed. We have, in addition to these initiatives, signed up to Gyles Brandreth's 'Poetry Together' scheme which will enable us to engage the children in the learning and recitation of poetry with elderly people within local residential accommodation. The interactive 'Curious Question Board' has also introduced a new element of engagement, with children encouraged to fathom an answer to a 'big question'. In 2021-22, Key Stage 1 have introduced their own curious questions board to supplement the wider programme. We have also seen the introduction of more problem solving through Mathematics. Children continue to be entered for high level national competitions including Bebras (computing), Linguistics and the UKMT challenges, where KS2 children attempt the Junior (for ages 11-14) and Intermediate (for ages 14-16). Children certificated at both levels in the year 2021-22.

As part of the Cop 26 in October 2021 the children created a small campaign to support the CAFOD initiative to influence world leaders around environmental issues. This included the creation of an open digital letter to world leaders that elicited responses from the Belgian and New Zealand Governments.

A new Marketing Plan was developed with Reeds Branding during the Academic Year 2021-22 to complement the changes in the School that ultimately aims to ensure that the emphasis on full co-education, STEM, Intellectual Curiosity and the development of 'growing' the whole child.

Our key strategic objectives for marketing remain:

1. To increase pupil numbers;
2. To establish Saint Christina's as an aged 3-11 fully co-educational School; and
3. To project a positive narrative about the quality of the education and experience of children within the School.

ACHIEVEMENTS AND PERFORMANCE (continued)

Education (continued)

However, we have refined our message to include the emphasis on our Catholicity, STEM / intellectual curiosity, and stretch. The ways in which we have met these objectives over this year are:

- ◆ Nurseries and School Visits: A strong emphasis is laid on building up good relationships with feeder nurseries and schools, both for the secondary transition as well as for compatibility in partnership. In 2021-22, this included a number of boarding settings alongside more traditional London School locations.
- ◆ Co-education: The School's offer is being well-received within our catchment and the number of boys within the School will exceed a third from September 2022. Boys are now in all year groups except for Years 5 and 6. Adjustments within the curriculum around STEM and Sports have been seen as very positive amongst prospective parents.
- ◆ Pupil Numbers: Continue to grow despite the pandemic. In the year 2021-22 the School reached 165 pupils (Sept 2018: 147) and is projected to exceed this figure in 2022-23.

The School was inspected by the ISI in February 2022. This was a compliance inspection and took place over the period of a week. The outcome of these inspections are, rather disappointingly, muted. They are either compliant or not compliant. The School was found to be compliant and was given no recommendations to take forward for improvement – the best possible outcome.

As part of our commitment to providing ongoing professional development, many courses were made available to and attended by staff. The School has purchased a licence to IAPS CPD hub, which staff are able to access. Safer Recruitment and DSL training has been provided to Senior Members of Staff, Food Hygiene Certification for staff handling food / snacks, the annual safeguarding training and First Aid training for all staff (paediatric training for selected staff) was, amongst other training, provided.

Much of our focus during the year has been to provide as normal an environment as possible despite the building work that has been proceeding. School life has been able to proceed, with adjustments (e.g. the Music Dept operating out of the Library) on a more or less normal basis for both class teaching and specialist subject teaching. Peripatetic teachers have also been able to function in a fairly normal way, but clubs and activities provided by outside operators such as Ballet and Judo have been curtailed due to lack of space. It was good to be able to see the return to normality for internal clubs, following the pandemic years.

ACHIEVEMENTS AND PERFORMANCE (continued)

Education (continued)

We continue to place a premium on both enrichment and the 'hidden' curriculum. Following the pandemic and the restrictions experienced, the following returned to normality during 2021-22:

- ◆ School Assemblies;
- ◆ Class, Key Stage and Instrumental Assemblies;
- ◆ Weekly Mass;
- ◆ School visits including the Y5-6 residential to Buxton and the introduction of a Y3-4 residential to PGL. EYFS have continued to enjoy their Forest School sessions as well as taking part in litter picking at Primrose Hill and looking after and observing caterpillars as they turned into butterflies before releasing them into the park.

Throughout the School we have continued our focus on conservation and preserving eco-systems. We were delighted to have been awarded the Eco-Schools Green Flag Award in Summer 2021.

The School has continued to stretch and encourage children to develop their mathematical understanding. Over the course of the year, the children have entered the Primary Maths Challenge and the UKMT Junior and Intermediate Maths challenges with several children certificating at the top end of all of these competitions.

The pupils in Year 5 and Year 6 participated in the annual linguistics competition. The girls did brilliantly, and we received two silver awards and six bronze awards.

The School Production in 2021-22 was Matilda. As a representation of the strength of Performance within the School, it was strong.

The sporting life of the School has returned to normal over the year 2021-22. This year has seen the introduction of the new sporting curriculum and the return of inter-school fixtures. In particular the School saw a switch in emphasis from two-term netball to the introduction of football and tag-rugby in the Spring Term and an increased emphasis on cricket in the summer term – this included a successful fixture programme within which the girls in Year 6 performed very well indeed. The Director of Sport has, in addition, begun to develop links with Primrose Hill Cricket Club with a view to encouraging Higher Ability within this arena.

ACHIEVEMENTS AND PERFORMANCE (continued)

Education (continued)

Year 6 pupils achieved excellent academic outcomes as measured against the offers of places in the most competitive schools and the associated number of scholarships offered.

Places were accepted at:

- ◆ American School in London
- ◆ Channing (3)
- ◆ Cranleigh School, Abu Dhabi
- ◆ Francis Holland School, Regent's Park (2)
- ◆ Godolphin and Latymer (2)
- ◆ Harris Academy
- ◆ Loreto College
- ◆ Morna, International College, Ibiza,
- ◆ Repton School, Abu Dhabi
- ◆ St Edward's School, Oxford (13+ entry Sept 2024)
- ◆ St Mary's, Ascot
- ◆ St Therea's, Effingham
- ◆ South Hampstead High School
- ◆ Wycombe Abbey

Eight scholarships were secured from the class of 16 children, including:

- ◆ Head's Award, Mayfield School
- ◆ Music, Notting Hill and Ealing High School

ACHIEVEMENTS AND PERFORMANCE (continued)

Education (continued)

The year group of 16 girls received an outstanding 60 offers of a place from which the above were selected. Offers received but not taken up included:

- ♦ Belmont
- ♦ Bradfield College
- ♦ Brentwood School
- ♦ Cheltenham Ladies College
- ♦ City of London School (2)
- ♦ Godolphin and Latymer
- ♦ Mayfield
- ♦ Queen's College
- ♦ South Hampstead High School
- ♦ St Mary's Ascot
- ♦ St Michael's Grammar School
- ♦ Woldingham School

The academic outcomes from this cohort have been extremely strong in a very challenging year as evidenced by the number of academic scholarships offered and the range of schools from which offers were made.

Fundraising and involvement in the community

Saint Christina's Preparatory School did not fundraise for the School in 2021-22 but encourages the children to choose and raise money for other worthwhile charities, which are often local or catholic charities.

ACHIEVEMENTS AND PERFORMANCE (continued)

Education (continued)

Saint Christina's School Preparatory raised money for many charities during the year including:

- ◆ The children's anti-bullying charity, 'Kidscape';
- ◆ CAFOD;
- ◆ Father Terry's Foodbank – routine half-termly collections
- ◆ Ukraine appeal
- ◆ Poppy appeal
- ◆ Sports for Schools

Religious education

We are obliged as a Catholic School in the Diocese of Westminster to have 10% of the curriculum devoted to Religious Education. The School was inspected by the Westminster Diocese on 6 October 2017 and will expect the next inspection in 2022-3. They graded classroom religious education as good and the Catholic life of the School as outstanding. The inspectors acknowledged that there is a great deal of excellent practice in the School. The following quotes are taken from the report:

- ◆ 'A major strength of the teaching provision is the cross-curricular approach, involving areas such as art, drama, music and the use of new technologies.'
- ◆ 'Pupils are very happy and secure at Saint Christina's. They flourish, both academically and in their personal development. They understand why it is important to help others, especially those worse off than themselves. They contribute very well to the Common Good, locally, nationally and internationally.'

As noted in the text above, all teachers received RE training that introduced to the School the new standards and ways in which these might be best achieved and supported. Tony Gorton, our Diocesan Advisor, led the training and visited the School as our new advisor in September 2021. The development of the RE provision over the year has been very good as articulated through the termly visitation reports from the advisor. In the Summer Term he notified the School of the various changes that will be implemented in RE in the next two years – new REC to be issued in the Autumn. Whilst he will step down from the role of RE advisor from September 2022, Tony Gorton will continue to support the School as it develops its provision.

The Headteacher completed the National School of Formation's Headteacher Programme during the year and has been accepted as a member of the NSF.

ACHIEVEMENTS AND PERFORMANCE (continued)

Care of the elderly

From the Summer of 2021, one of our elderly Sisters, previously living in Bournemouth, moved definitively to London. She is able to take advantage of the better conditions that the house has to offer with respect to mobility, and thanks to the proximity of the School, increased opportunities for sacramental and social life.

One of the Sisters who is more directly involved in her care, also volunteers seven days per week at St John's Wood Hospice, where her work and presence are very appreciated. There, she has contact with the most advanced practises of end-of-life care that is thus applied at home. This Sister gives thorough support to the families of the sick and the dying in their process of bereavement.

Both in London and in Bournemouth, the Sisters frequently spend time visiting elderly and lonely people, both at home and in hospitals, taking Communion and providing them with company.

Social and pastoral work

As well as working with Saint Christina's School, the Sisters work closely with other schools where they are part of the Chaplaincy/Pastoral team. Two of the younger Sisters in the Bournemouth community spend most of their weekdays in three schools: Corpus Christi Catholic Primary School, St Peter's Catholic School, and St Edward's (joint Roman Catholic and Church of England) School. The last two are part of the Lasallian network, benefiting from the rich history and experience of their spirituality.



Their work ranges from assisting with retreats and days of reflection, liturgical worship, daily prayer in tutor time or more prepared Adoration spaces, to welcoming children at the door and linking with vulnerable families from the Portuguese language community, and counselling/mentoring. Key events in the Church year are celebrated including Advent, Christmas, Lent and Easter, Ash Wednesday services, Reconciliation Week, Stations of The Cross, and special days' Masses. The Sisters also prepare and provide resources and practical help to deliver meaningful, impactful daily prayer and worship.

ACHIEVEMENTS AND PERFORMANCE (continued)

Social and pastoral work (continued)

An example of this work is the Lent preparation in St Edwards. A space was prepared so the students could go from one workshop to another: thinking of the good things in their lives, asking forgiveness for something, looking at the world with God's eyes, and trying to understand where God acts in their day-to-day life. On another occasion, taking advantage of the ecumenical character of the School, a session was offered to Year 8, where they could put "all the questions you always wanted to ask" to a catholic, an evangelical and an Anglican.



One of the Sisters assisted in Rainbow sessions. Rainbow is a programme run in many schools in England to help children to cope with their bereavement of many situations: death, divorce, and separation. It helps them to live and, if possible, to forgive but above all to understand that life carries on and that they are not alone in this path; their family is different but still there, and they have friends who lived through the same situation and can help them in this way.

In London, one Sister volunteers at Christ Church Bentick School in Marylebone. She goes three times a week and helps in the Reception and Year 1 classes, especially with children who come from South America and China, to help them learn enough English to keep up with the class. She also gives one-to-one attention to children who have a difficulty paying attention in a large class situation.

The close collaboration with the Parish of Corpus Christi, in Boscombe, continues. As the restrictions from Covid-19 were being lifted, more and more life was happening, and all the main activities resumed. In particular we had to catch up with all the First Holy Communion Groups and Confirmation Groups that had been postponed and were awaiting their turn.

One of the most successful initiatives of the year was the children's choir for Sunday Masses. We have received amazing feedback on the joy and liveliness the guitar and the children's voices bring to the weekly celebration.

We also kept with the highly popular daily Adoration time after Mass, and one evening per week for personal prayer and worship, with the exposition of the Blessed Sacrament for Adoration as an essential expression of our charism.



ACHIEVEMENTS AND PERFORMANCE (continued)

Social and pastoral work (continued)

In London, another Sister began helping as a catechist in the First Holy Communion Classes of the Parish on Saturday. This went till the end of April when the children made their First Holy Communions.



The work with the Portuguese speaking community flourished as Covid-19 restrictions were lifted. The celebrations in Sacred Heart Church, in Bournemouth, regained their vitality, recuperating the choir and the social gatherings after Mass. During the year, we had the opportunity to organise public processions and special feasts to celebrate Our Lady of Aparecida (of particular devotion in Brazil) and of Our

Lady of Fatima (an ex-libris of Portugal). Also at Christmas, the children prepared a beautiful theatre to prepare all the families for the season. Throughout the year, many families received preparation for Baptism in Portuguese in a personalised manner.

Many attempts were made to provide the Spanish speaking community with the same. However, difficulties in finding a priest meant that this dream did not become a reality. Nevertheless, it has been possible to gather the community twice thanks to visiting priests, and even have a thanksgiving of a *quinceañera*, which is a celebration with much tradition in Latin America.



As a response to the Ukrainian refugee crisis, the London community hosted two families of refugees: two women and three children stayed with us. They came on the 29 June 2022 as



the person who had sponsored them could no longer have them due to changed circumstances and they stayed with us till 16 July 2022, when the Council offered them permanent homes. Also, the Community encouraged the Sunday Mass Group and friends to collect medical supplies and then handed them over to Primrose Hill Library on 7 March 2022. This was another of our efforts to support the cause of the Ukrainian Refugees.

ACHIEVEMENTS AND PERFORMANCE (continued)

Social and pastoral work (continued)

In addition to helping at the Salvation Army, one Sister volunteered on a more regular basis with St Paul's Church, conducting sewing classes for the refugees. Later, they were moved to other accommodation and this activity terminated.

At a Provincial level, a commission was set to prepare the World Youth Day that will take place in 2023 in Lisbon. One of the Sisters in Bournemouth has established a few contacts with the Diocese to make bridges with the hosting facilities in Portugal.

Taking advantage of being a worldwide Congregation with a strong set of shared values and trust and recognising that the participation in the World Youth Day has proved to be a life changing experience for many people, we have also decided to sponsor 50% of the travel expenses for youngsters from developing countries who were recommended and accompanied by the Sisters of those countries. The coordination of these grants will continue until August 2023.



Building partnership with the Youth Pastoral Ministry of the Diocese, one Sister has accompanied a group of pilgrims from the Highcliffe Parish in a week-length mission in Lourdes, in France. They assisted elderly people in their movements while praying and celebrating in the Sanctuary.

We continued to use online platforms as we did in the pandemic to carry out Pastoral work. Online spiritual direction allows the Sisters to reach people in remote locations. This year, it included giving Ignatian Spiritual Exercises to a group of missionaries in São Tomé e Príncipe, and undertaking the Spiritual Direction of the b-learning group of trainees of the NGO "Leigos para o Desenvolvimento".



At a Congregational level, the major event of the year has been the General Congregation, which took place in Madrid in February-March 2022, in the first house of the Institute in Martínez Campos. The General Congregation takes place every five years and is the supreme governing organ of the Handmaids of the Sacred Heart of Jesus. It gathers Sisters from all over the world, and one of our Trustees, Sister Ana Maria Ramírez, in her role as Provincial Superior is an *ex officio* part of it.

ACHIEVEMENTS AND PERFORMANCE (continued)

Social and pastoral work (continued)

It is always an opportunity to strengthen the bonds of charity between the Sisters and to renew the call to the common mission. Also, the General Team is renewed, resulting this time in three new Assistants to the General Superior.



Grants and donations

The Handmaids continue to give some financial support to different organisations whose work is consistent to the ethos of the Charity.

During the year, the most relevant has been the €150,000 contribution given to the construction of the Pavilions that will host the Tasse Project of Fundação Santa Rafaela Maria, with whom the Charity has a privileged relationship. Tasse is a project that promotes school inclusion for children, many of whom are migrants or descendants of migrants. The new space of the Pavilions has five classrooms, one of them designed for computer workshops, and a multipurpose room, designed to improve the quality of learning, the relationship between child/monitor, and leverage the available resources.

After deciding to provide this grant in November, the Trustees had the opportunity to visit in place the Project and see how the works were developing. During this visit, some members of the ACI Family accompanied the Trustees, and came back full of ideas to spread the enthusiasm and to promote fundraising events among their communities.



ACHIEVEMENTS AND PERFORMANCE (continued)

Formation of younger Sisters

The Bournemouth community participated in a Climate Fresk workshop. Climate Fresk is a powerful tool for providing a quality climate education in an accessible yet scientific way.

One of the Sisters living in England participated in an Encounter for young professed Sisters that took place in November 2021 in Palmela, Portugal. It was an occasion to meet the companions of the early formation in religious life, after many years of apostolic work.

On 15 August 2022, the Novices made their first vows in the parish church of San Pedro in Palmela, Portugal. With the Sisters, family members and friends, we celebrated a feast that belongs to all.



The two Sisters who made the Third Probation during 2021 pronounced their Perpetual Vows in December 2021. As both of them are very cherished by many people in Bournemouth, a big group was expected to travel to Portugal to participate in the celebration. Unfortunately, with the unexpected restrictions due to Covid-19, the plans had to be cancelled at the last moment and only a smaller group could go, in representation of all the friends. The ceremony was streamed and followed enthusiastically by different groups of the Parish and the School. Later, the Parish prepared a specific thanksgiving Mass that brought people together, already with the presence of one of the newly professed Sisters living in England. The visit of the closest friends to Portugal, though, is still a project to fulfil.



FINANCIAL REVIEW

Results for the year

A summary of the year's results can be found on page 35 of the attached accounts.

Total income for the year to 31 August 2022 amounted to £3,109,515 compared to £2,831,905 in 2021. Expenditure during the year totalled £3,137,156 (2021 - £2,675,503).

The Charity's income includes £2,665,613 (2021 - £2,362,161) being the fees and charges of Saint Christina's Preparatory School, £371,081 (2021 - £392,776) being income from investments and interest receivable and £62,279 (2021 - £61,914) being donations and legacies. Expenditure includes £2,499,443 (2021 - £2,259,377) relating to the School.

Net losses on investment assets of £1,066,019 (2021 - gains of £2,017,880) resulted in a net decrease in funds for the year of £1,093,660 (2021 - increase of £2,174,282). Total funds carried forward at 31 August 2022 were £19,672,076 (2021 - £20,765,736).

Reserves policy and financial position

Reserves policy

The Trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets and programme related investments; designated for specific purposes; or otherwise committed.

The Trustees are very aware of the importance of the annual income generated by the Charity's investments to ensuring that there are sufficient incoming resources each year to support the members of the Congregation and their ministry, both now and in the long term. In order to meet the commitment to care for the Sisters, to provide for contingencies and enable the Charity to respond to unforeseen emergencies, the Trustees believe that free reserves of the Charity of up to £2.5 million may be held at any one time.

Financial position

The balance sheet shows total reserves of £19,672,076 (2021 - £20,765,736). Of this, £7,715,343 (2021 - £5,286,231) represents the tangible fixed assets used in the day-to-day work at the Charity. These assets have been separated from the Charity's general fund in recognition of the fact that they are fundamental to the Charity's work. They therefore cannot be easily realised if needed to meet future contingencies.

£516,510 (2021 - £516,510) represents the programme related investment fund. This investment comprises land and buildings owned by the Charity but used by another charitable organisation with charitable objectives consistent with those of the Charity together with interest free loans advanced to organisations with objects consistent with those of the Charity. The value of these programme related investments should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

At 31 August 2022, the Charity held restricted funds of £4,877 (2021 - £nil). Further details are given in note 16 to the accounts.

FINANCIAL REVIEW (continued)

Reserves policy and financial position (continued)

The Saint Christina's Preparatory School designated fund of £1,354,084 (2021 - £1,817,058) represents the accumulated surplus of income over expenditure of the School excluding the restricted monies referred to above. These monies have been designated, by the Trustees, for use by the School.

£1,004,908 (2021 - £1,032,223) has been set aside for the support of the charitable work of the Congregation worldwide. These funds are kept in a separate investment portfolio and are represented by listed investments and cash balances.

A further £1,856,796 (2021 - £1,923,824) has been set aside towards the future costs of the formation and the training of the Sisters of the Congregation.

Given the age profile of the Sisters and the commitment the Charity has to care for them for life, a further designated fund of £6,800,000 (2021 - £6,800,000), calculated using actuarial principles has been set aside in order to provide a modest sum towards the care of Sisters as they grow older.

Funds which are available, therefore, to support the work of the Sisters in future are those shown on the balance sheet as general funds and amount to £419,558 (2021 - £3,389,890). This significant reduction in these free reserves is a result of spending which has occurred on the extension and refurbishment project at the School and as a result of the unrealised losses on investments during the year.

The Trustees are of the opinion that this level of free reserves is prudent and acceptable under the circumstances and not inconsistent with the Charity's reserves policy.

Investment policy and performance

At 31 August 2022, the Charity held listed investments with a market value of £10,019,847 (2021 - £13,311,220) and, at that date, a further £332,381 was held as cash (2021 - £322,075). All of the Charity's investments are managed by professional investment managers who operate within specific guidelines which are set and regularly reviewed by the Trustees. The Trustees meet with the fund managers on a regular basis. The strategy is to maximise total returns, within acceptable levels of risk but with regards to certain ethical principles.

The investment objective is to maintain and enhance the real value of the Charity's assets over the long term by investing in portfolios that comprise equities, fixed income stocks and cash. The Trustees have agreed a balanced investment objective between medium and low risk.

FINANCIAL REVIEW (continued)

Investment policy and performance (continued)

The Trustees continue to have an ethically responsible investment policy. They aim to have a twofold approach: to boycott investment in companies which are predominantly involved in the production of armaments, birth control and anything contrary to the ethos of the Roman Catholic Church and hence not consistent with the Charity's Trust Deed. Secondly, to be proactive as concerned shareholders of other companies to influence policy positively in favour of human rights etc.

The Trustees are satisfied with the performance of the investments given the current macroeconomic and geopolitical climate and remain happy that their investment objectives will be met in the long term.

At the request of the Trustees, the fund manager at Charles Stanley, which manages the largest part of the Charity's investment portfolio, is actively engaging with ShareAction and the Church Investors Group.

PLANS FOR FUTURE PERIODS

For various reasons, in 2022/23 the Sisters in the Bournemouth have had to move to other communities in the Province. Considering the combination of the lack of personnel to replace them and the uncertainty regarding our mission in Boscombe, it was decided to suspend the presence of the Handmaids there for at least one year, until a more permanent decision is taken. Understandably, this measure was received with sadness by most of our friends and parishioners. A farewell coffee was offered after Sunday Mass with many signs of appreciation. The Sisters have carefully passed all the information and responsibilities they had to local leaders, for instance, helping to implement different groups in the Portuguese community which would take charge of the liturgy, of the coffee sessions, various announcements and social media responsibilities, etc.

During the next year and until the planning phase is completed, the Sisters from London will continue to come monthly and participate in the ACI Family reunions. Thus, the house will still be fully functioning.

School

The School has achieved permission for further building work. This would include a re-modelling of the front entrance, the provision of better office space, a reconfigured Hall and the relocation of the School kitchen to the current Arts Hall area. These plans will be taken forward when the financial climate within the UK economy improves and the School feels comfortable with the expense.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

The Trustees are appointed by the Provincial Superior of the Congregation. At any one time there must be a minimum of two Trustees. The names of the Trustees who were in office at the date of signing this report are set out on page 1 of this report and accounts.

Trustees



Sister Ana Maria Ramirez is the Provincial Superior of the Atlantic Europe Province of the Handmaids since 9 July 2017. She has a degree in Chemistry and worked in Investigation and Research (I&R) for two years, as well as in teaching in secondary schools, before joining the Handmaids. She has extensive experience as a Local Superior in different social environments and also as a Provincial Consultant. Sister Ana Maria was the Head Teacher of two different private schools (in Oporto and Lisbon). From 2013 to 2016 she lived in East Timor as a missionary. Her apostolic work ranged from work with immigrants and refugees on integration into Europe to more pastoral work, guiding retreats, giving spiritual direction to individuals and groups, catechism and religion classes.



Sister Eileen O'Neill spent four years in ministry with the Congregation's Sisters in Israel. For 17 years she managed the Congregation's retreat house in Dublin where work with school children was a priority. For four years she was Home School Liaison person in the Congregation's secondary school in Dublin and, for 19 years until her retirement in 2012, was a key worker for the homeless in Providence Row, London.



Sister Noella Pereira came to London in 2009 after retiring as Head of Dilkhush Special School for the intellectually handicapped for 14 years. She also headed the Teacher Training Centre and worked on the Government Body for curriculum planning and inspection of Special Schools. She also worked in the parish preparing children and young people for the sacraments and animated the Liturgy groups. In London she volunteers in Saint Christina's School supporting those students who need help in Maths and English. She also works in the parish with the group preparing for confirmation. In the Convent she does the accounts and helps animate the Sunday Liturgy.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Trustees (continued)



Sister Marta Silva, Provincial Bursar from 1 January 2014, has a degree in Economics, and several years' experience as Business Consultant in a worldwide consulting company, focused on Management Information Systems for Banking and Financial Services. Previously, she had worked as a lay missionary in Mozambique, in education programs for refugees, adult literacy and training of local leaders. She has a degree in Theology and has many years experience of pastoral work with young people, both in Spain and in Portugal, guiding groups and giving spiritual orientation. She was the Bursar in the Handmaids' private schools in Portugal, first in Oporto and then in Lisbon, at the same time as she was teaching religion to different grades. She is part of the International Commission of Economic Affairs of the Handmaids of the Sacred Heart of Jesus.



Sister Anne Petit has been in London for the past 20 years as Infirmarian, caring for the sick and elderly Sisters. She is also the Delegate for the Congregation's Sponsorship Licence. She is the Congregation's safeguarding link for our Convents in England. She volunteers in St John's Hospice. Prior to this, Sister Anne worked in Pastoral Ministry for 15 years in a deprived area in Glasgow. She has also spent time teaching. She has a teaching certificate and a diploma in Theology. Over the years she has given bereavement courses for both children and adults and continued with her bereavement work.

The Trustees have kept up to date with their responsibilities by reading relevant literature and attending seminars whenever possible.

During the year, several meetings were held with the Charity's investment managers, to ensure that the best return for the Charity's investments was being achieved. Meetings have also taken place with the Charity's auditor, Buzzacott LLP, to discuss the Charity's financial situation. During the year, representatives of the Trustees met with the insurance brokers to ensure that all areas of insurance were sufficiently covered and to consider the Charity's risk management policy.

Key management personnel

The Trustees consider that they together with the Governors and senior management team of Saint Christina's Preparatory School comprise the key management of the Charity in charge of directing and controlling, running and operating the Charity and the School on a day-to-day basis.

All Trustees are members of the Congregation and whilst most of their living and personal expenses are borne by the Charity, they received no remuneration or reimbursement of expenses in connection with their duties as Trustees.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Key management personnel (continued)

The Governors of the School are appointed by the Provincial Superior.

The remuneration of the key management personnel of the School is set by the Governing Body. Note is taken of market conditions, national and local pay scales and levels of performance. The Head Teacher and Deputy Head Teacher have an Annual Performance Review, where their targets are agreed/reviewed. The Governors of the School receive no remuneration or reimbursement of expenses in connection with their duties as Governors.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and 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;
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ 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);
- ◆ 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 are sufficient to show and explain the Charity's transactions and 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, the relevant Charity (Accounts and Reports) Regulations and the provisions of the Charity's trust deed. 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.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management

In line with the requirement for Trustees to undertake a risk assessment exercise and report on the same in their annual report, the Trustees have looked at the risks the Congregation currently faces in Britain and have reviewed the measures already in place, or needing to be put in place, to deal with them. The Trustees have identified five main areas where risks may occur:

- ◆ Governance and management;
- ◆ Operational;
- ◆ Financial;
- ◆ Reputational;
- ◆ Laws, regulations, external and environment.

Governance and management looks at the risk of the Congregation, and hence the Charity, suffering from a lack of direction, and at the skills and training of its members and staff, and the good use of its resources.

Operational looks at the risks inherent in the Charity's activities including the operation of its School – the members engaging in inappropriate activities, the unsuitability of buildings, poor maintenance, shortcomings in the services provided, difficulties with staff, poor health and safety, lack of a disaster recovery policy, etc.

Financial risks include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies, etc.

Reputational looks at possible damage to the Congregation's and/or Charity's reputation.

Laws, regulations, external and environment looks at the effects of government policies, the consequences of non-compliance with laws and regulations and poor risk assessment in the Charity's School.

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.

The key risks for the Charity, as identified by the Trustees, are described below together with the principal ways in which they are mitigated:

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

- ◆ An analysis of the age profile of the members of the Congregation shows that the average age at 31 August 2022 was 71 years. The Trustees are aware that there is both a moral and legal obligation to care for the older members. None of the Sisters have resources of their own as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. As the age profile increases, so too does the need to provide care for the Sisters. Key elements of the management of this risk are: (a) ensuring that the Charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual Sisters encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.
- ◆ Operationally, the Charity works with children. The Trustees recognise the absolute necessity of ensuring the protection and safety of all those that the Charity serves. This means that Sisters engaged in any ministry in Great Britain and all those who work or volunteer for the Charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). The Trustees are committed fully to implementing the policies of the Catholic Safeguarding Standards Agency (CSSA). One of the Sisters is responsible for ensuring this policy is adhered to in respect to all Sisters, employees and volunteers. In addition, a Safeguarding Officer is nominated at the School operated by the Charity. Safeguarding training is compulsory for all staff.
- ◆ The Charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the Trustees. The performance of the portfolio is monitored, and the investment strategy is assessed regularly to ensure it remains appropriate to the Charity's needs – both now and in the future.
- ◆ With regards to Saint Christina's Preparatory School, long term accurate forecasting of student numbers continues to be difficult, and Governors are mindful of the continuing need to raise the profile of the School and to maintain and further enhance good working relationships with local authorities. A strategic group oversees marketing strategies and ensures that they are aligned with the key strategic aims.

Approved by the Trustees and signed on their behalf by:

Sister Marta Silva

Trustee

Approved by the Trustees on: 28 June 2023

Independent auditor's report to the Trustees of Handmaids of the Sacred Heart of Jesus (Regents Park, London and Christchurch, Hants) Charitable Trust

Opinion

We have audited the accounts of Handmaids of the Sacred Heart of Jesus (Regents Park, London and Christchurch, Hants) Charitable Trust (the 'Charity') for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. 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 August 2022 and of its income and expenditure 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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. 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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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 and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, 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

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 partner 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 representatives from the 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; and
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of representatives from the Trustees and review of minutes of Trustees' meetings.

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

- Making enquiries of 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.

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

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

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested and reviewed journal entries to identify unusual transactions;
- Carried out substantive testing of 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 accounts 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 section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. 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's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL
Date: 29 June 2023

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

Statement of financial activities Year to 31 August 2022

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
Income from:							
Donations	1	57,402	4,877	62,279	52,351	9,563	61,914
Investments and interest receivable	2	371,081	—	371,081	392,776	—	392,776
Charitable activities							
· Education fees and related charges	3	2,665,613	—	2,665,613	2,362,161	—	2,362,161
Other trading activities	4	10,542	—	10,542	15,054	—	15,054
Total income		3,104,638	4,877	3,109,515	2,822,342	9,563	2,831,905
Expenditure on:							
Raising funds							
· Investment managers' fees		61,555	—	61,555	60,543	—	60,543
Charitable activities							
· Donations and support of missions	5	141,015	—	141,015	21,586	—	21,586
· Provision of education	6	2,499,443	—	2,499,443	2,249,814	9,563	2,259,377
· Support of members of the Congregation and their ministry	7	435,143	—	435,143	333,997	—	333,997
Total expenditure		3,137,156	—	3,137,156	2,665,940	9,563	2,675,503
Net (expenditure) income for the year before net (losses) gains on investments	8	(32,518)	4,877	(27,641)	156,402	—	156,402
Net investment (losses) gains	12	(1,066,019)	—	(1,066,019)	2,017,880	—	2,017,880
Net (expenditure) income and net movement in funds		(1,098,537)	4,877	(1,093,660)	2,174,282	—	2,174,282
Reconciliation of funds:							
Balances brought forward at 1 September 2021		20,765,736	—	20,765,736	18,591,454	—	18,591,454
Balances carried forward at 31 August 2022		19,667,199	4,877	19,672,076	20,765,736	—	20,765,736

All of the Charity's activities derived from continuing operations during the above two financial years.

All recognised gains and losses are included in the above statement of financial activities.

Balance sheet 31 August 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	11		7,715,343		5,286,231
Investments	12		10,352,228		13,633,294
Programme related investments	13		516,510		516,510
			18,584,081		19,436,035
Current assets					
Debtors	14	167,105		168,722	
Cash at bank and in hand		2,077,106		2,208,516	
		2,244,211		2,377,238	
Current liabilities					
Creditors: amounts falling due within one year	15	(802,723)		(753,037)	
Net current assets			1,441,488		1,624,201
Total assets less current liabilities			20,025,569		21,060,236
Creditors: amounts falling due after one year					
. Fee deposits from pupils			(353,493)		(294,500)
Total net assets			19,672,076		20,765,736
The funds of the Charity:					
Restricted funds	16		4,877		—
Unrestricted funds					
. Tangible fixed assets fund	17		7,715,343		5,286,231
. Programme related investment fund	18		516,510		516,510
. Designated funds	19		11,015,788		11,573,105
. General funds			419,558		3,389,890
			19,672,076		20,765,736

Approved by the Trustees and signed
on their behalf by:

Sister Marta Silva

Trustee

Approved by the Trustees on: 28 June 2023

Statement of cash flows Year to 31 August 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash (used in) provided by operating activities	A	(40,078)	52,049
Cash flows from investing activities:			
Investment income and interest received		391,853	362,467
Purchase of tangible fixed assets		(2,698,232)	(320,560)
Purchase of listed investments		(775,667)	(987,501)
Proceeds from the disposal of listed investments		3,001,020	828,145
Net cash used in investing activities		(81,026)	(117,449)
Change in cash and cash equivalents in the year		(121,104)	(65,400)
Cash and cash equivalents at 1 September 2021	B	2,530,591	2,595,991
Cash and cash equivalents at 31 August 2022	B	2,409,487	2,530,591

Notes to the statement of cash flows for the year to 31 August 2022.

A Reconciliation of net movement in funds to net cash (used in) provided by operating activities

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	(1,093,660)	2,174,282
Adjustments for:		
Depreciation charge	204,132	197,996
Losses (gains) on investments	1,066,019	(2,017,880)
Investment income and interest receivable	(371,081)	(392,776)
Deficit on disposal of tangible fixed assets	48,509	1
Increase in debtors	(19,155)	(5,660)
Increase in creditors	125,158	96,086
Net cash (used in) provided by operating activities	(40,078)	52,049

B Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	2,077,106	2,208,516
Cash held by investment managers	332,381	322,075
Total cash and cash equivalents	2,409,487	2,530,591

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.

Principal accounting policies 31 August 2022

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 August 2022 with comparative information provided in respect to the year ended 31 August 2021.

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 (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 items in the accounts where these judgements and estimates have been made include:

- ◆ the estimates of the useful economic life of tangible fixed assets used to determine the annual depreciation charge;
- ◆ the provision required for any bad or doubtful debts in respect to fees receivable by Saint Christina's Preparatory School. Any such provision has been determined following an assessment of the likelihood of recovery on long-standing debts;
- ◆ assumptions adopted by the Trustees in determining the value of any designations required from the Charity's unrestricted funds, in particular the Sisters' retirement fund; and
- ◆ estimation of future income and expenditure flows of the Charity for the purpose of assessing going concern (see below).

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.

Assessment of going concern (continued)

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.

Saint Christina's Preparatory School is dependent on students applying to it and on parents to pay their fees. Long term forecasting of student numbers continues to be a challenge, but work continues to raise the profile of the School and to maintain and enhance relationships with parents, and the number of applicants has been promising.

During the year to 31 August 2022, the School made significant progress in the development of an extension and refurbishment project illustrating the confidence in the School's future held by both Governors and Trustees. The Trustees of the overall Charity are committed to support St Christina's Preparatory School financially throughout the project and have provided loan finance to help finance the work.

Consequently, 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. With regard to the next accounting period, the year ending 31 August 2023, 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 (see the investment policy and the risk management sections of the Trustees' report for more information).

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, legacies, investment income, interest receivable, income from programme related investment, income from the operation of an Independent School and other trading activities (principally income from hiring out School facilities).

Donations, including salaries and pensions of individual religious persons received under Gift Aid or deed of covenant, are recognised when the Charity has confirmation of both the amount and the 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 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.

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.

Income recognition (continued)

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 been transferred to the Charity.

Income from listed investments is recognised once the dividend has been declared and notification has been received of the dividend due. Income from programme related investment comprises rental income from the property used by another registered Charity for purposes consistent with the objects of the Charity and is recognised when due under the arrangement with the entity. Income from all investments is accounted for only when the receipt of such income is probable, and the amount can be measured reliably.

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.

Fees from the provision of education comprise tuition and related fees paid in accordance with agreements between the School and individual pupils' parents. Such income is recognised when the School is entitled to receipt under the relevant contractual agreements. This is usually at the point at which the School has commenced the provision of education in respect to the relevant student at the start of each academic term.

Income from other trading activities comprises, in the main, income from the hiring out of School facilities. Such income is recognised on an accruals basis with the Charity becoming entitled to the income on the date on which the facilities are used. The amount due is measured at fair value less any discounts granted.

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 or 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 and includes any attributable VAT which cannot be recovered. All expenses are allocated or apportioned to the applicable expenditure headings. The classifications between activities are as follows:

Expenditure recognition (continued)

- a. The costs of raising funds include the fees paid to investment managers in connection with the management of the Charity's listed investments.
- b. Charitable expenditure comprises expenditure on the Charity's primary charitable purposes and relates to:
 - (i) Donations relate, in the main, to the support of the Congregation's own work overseas and the support of other charitable organisations whose objects are consistent with those of the Charity.
 - (ii) Expenditure incurred in the provision of education carried out at Saint Christina's Preparatory School.
 - (iii) Expenditure on the support of members of the Congregation and their ministry. Such expenditure enables the members to carry out the work of the Charity in the areas of the advancement of the Roman Catholic faith, the provision of education and the relief of poverty.

All expenditure can be attributed directly to the above categories and hence there has been no apportionment between headings.

Governance costs which comprise the costs directly attributable to the governance of the Charity, including audit costs and the necessary legal procedures for compliance with statutory requirements, are allocated directly to the charitable activities to which they relate.

Tangible fixed assets

All computer equipment costing £1,000 or more and all other assets costing more than £1,500 which have an expected useful life exceeding one year are capitalised.

Freehold land and buildings

The Trustees are the legal owners of land and buildings used exclusively by a School founded by the Congregation, but which is now under separate control and publicly funded. Such assets are regarded as having a nil value for the purposes of the accounts, since they cannot be disposed of in the open market or put to alternative use while such occupation continues.

Non-specialised buildings are those designed as, and used wholly or mainly for, private residential accommodation. They are shown on the balance sheet at a valuation determined by the Trustees at 31 August 1999 based on replacement value for existing use with additions since that date being included at cost. As permitted under the transitional provisions of FRS 102 (section 35), the Trustees elected to use the 31 August 1999 valuations as deemed cost of the freehold non-specialised land and buildings owned as at that date. Non-specialised buildings are not depreciated. Their value and condition are reviewed annually by the Trustees, who are satisfied that their residual value is not materially less than their book value.

Tangible fixed assets (continued)

Freehold land and buildings (continued)

Specialised buildings are defined as those comprising the Congregation's educational establishments and large residential Convents. The buildings comprising Saint Christina's Preparatory School are included in the accounts at a Trustees' valuation made in 1994 on the basis of replacement cost for existing use with additions since 1 September 1994 being included at cost. Other specialised buildings are stated at cost or, where cost is not available, at a Trustees' valuation made in 1999 based on replacement cost for existing use. As permitted under the transitional provisions of FRS 102 (section 35), the Charity Trustees have elected to use the 1994 and 1999 valuations as deemed cost of the specialised land and buildings owned as at that date. Depreciation is provided at 2% per annum on a straight-line basis to write the buildings off over their estimated useful economic life to the Charity.

Plant and building improvements

Expenditure on plant and property improvements, excluding those of a major structural nature, are capitalised and depreciated over a twenty-year period on a straight-line basis.

Furniture and equipment

Expenditure on the purchase and replacement of furniture and equipment for use within Saint Christina's Preparatory School is capitalised and depreciated over a ten-year period on a straight-line basis.

All other expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a five-year period on a straight-line basis.

Computer equipment

Expenditure on the purchase and replacement of computer equipment is capitalised and depreciated over a three-year period 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 each vehicle over its estimated useful life.

Fixed asset investments

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 statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

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

One of the main forms 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, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Fixed asset investments (continued)

All gains and losses on investments are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales 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. Realised and unrealised investment gains and losses are combined in the statement of financial activities.

Programme related investments

Programme related investments include land and buildings owned by the Charity but used by another organisation for purposes consistent with the Charity's objectives. The assets are stated at deemed cost. The original cost of the land and building classified as programme related investment is not known. Before the reclassification as programme related investment, the book value of the freehold land and building was based on valuations made in 1994 and 1999 with subsequent additions and improvements included at cost. As permitted under the transitional provisions of FRS 102 (section 35), the Charity Trustees had elected to use these valuations as deemed cost. Any loss arising from disposal or any loss arising from impairment is recognised as expenditure on charitable activities and is charged to the statement of financial activities. Any gain arising from disposal is credited to the statement of financial activities.

Programme related investments also comprise loans advanced to organisations with objects consistent with those of the Charity. Such loans are often interest free and any financial return is not the primary reason for advancing the loan. The recoverability of the loan is assessed each year and any amount irrecoverable is converted into a donation payable.

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 accounting

The restricted funds are assets or monies raised for, and their use restricted to, a specific purpose, or donations subject to donor-imposed conditions on use.

The tangible fixed assets fund represents the net book value of the Charity's tangible fixed assets held on unrestricted funds.

The programme related investment fund represents the combined value of land and buildings owned by the Charity but used by another organisation for purposes consistent with the Charity's objectives, together with the amount outstanding on loans granted to another organisation for purposes consistent with the Charity's objectives.

Designated funds comprise monies set aside by the Trustees out of general funds for a particular purpose or project.

The general fund comprises those monies which are freely available for use in furtherance of the Charity's objectives at the discretion of the Trustees.

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 at arriving at the net movement in funds.

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 Handmaids of the Sacred Heart of Jesus.

Pension costs

Contributions in respect of the defined benefit scheme are charged to the statement of financial activities so as to spread the cost of pensions over the employees' working lives at Saint Christina's Preparatory School.

Contributions to defined contribution schemes are charged to the statement of financial activities in the period in which they are payable to the scheme.

1 Income from: Donations

	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Unrestricted funds £	Restricted funds £	Total funds 2021 £
Salaries and pensions of individual religious received under Gift Aid	30,416	—	30,416	34,789	—	34,789
General donations	26,986	4,877	31,863	17,562	9,563	27,125
	57,402	4,877	62,279	52,351	9,563	61,914

2 Income from: Investments and interest receivable

	Unrestricted funds	
	Total 2022 £	Total 2021 £
Income from listed investments		
. Unitised funds	27,201	40,993
. UK fixed interest	17,944	20,825
. Common investment funds	74,301	82,756
. UK equities	169,964	175,677
. Foreign investment trusts	46,242	38,466
. Charities property fund	2,805	2,744
	338,457	361,461
Interest receivable		
. Bank interest	2,624	1,315
Income from programme related investments	30,000	30,000
Total	371,081	392,776

3 Income from: Education fees and related charges

	Unrestricted funds	
	Total 2022 £	Total 2021 £
Tuition fees	2,551,917	2,331,373
Less: Discounts and bursaries	(65,025)	(89,625)
	2,486,892	2,241,748
Other fees and charges	145,784	81,949
Funding from local authorities	32,937	38,464
	2,665,613	2,362,161

4 Income from: Other trading activities

	Unrestricted funds	
	Total 2022 £	Total 2021 £
Hire of facilities	4,186	6,242
Miscellaneous	6,356	8,812
	10,542	15,054

5 Expenditure on: Donations and support of missions

	Unrestricted funds	
	Total 2022 £	Total 2021 £
Handmaids of the Sacred Heart – Rome	—	1,000
Handmaids of the Sacred Heart – Dublin	7,328	6,669
Handmaids of the Sacred Heart – Paris	1,689	—
Handmaids of the Sacred Heart – Portugal	—	2,879
Fundação Santa Rataela Maria	127,915	1,386
Avaaz Foundation	500	1,500
Crowd Justice	1,000	—
Share Action	—	2,000
Other donations under £1,000 each to institutions	2,583	6,152
	141,015	21,586

6 Expenditure on: Provision of education

	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Unrestricted funds £	Restricted funds £	Total funds 2021 £
Teaching costs	1,414,213	—	1,414,213	1,350,225	9,563	1,359,788
Welfare	305,656	—	305,656	246,934	—	246,934
Premises	415,098	—	415,098	358,649	—	358,649
Support costs (see below)	364,476	—	364,476	294,006	—	294,006
	2,499,443	—	2,499,443	2,249,814	9,563	2,259,377

6 Expenditure on: Provision of education (continued)

Support costs comprise:

	Unrestricted funds	
	Total 2022 £	Total 2021 £
Staff costs	159,159	159,893
Printing, postage, stationery, telephone	38,631	29,758
Courses	12,363	11,214
Insurance	22,460	19,972
Subscription and inspection costs	10,726	9,766
Professional fees including property related	103,547	44,131
Miscellaneous expenses	1,222	1,113
Bad debts	—	2,859
Governance costs	16,368	15,300
	364,476	294,006

Governance costs include audit and accountancy fees and other professional fees pertaining to the governance of the School.

7 Expenditure on: Support of members of the Congregation and their ministry

	Unrestricted funds	
	Total 2022 £	Total 2021 £
Premises	164,068	73,497
Sisters' personal expenses	62,890	72,384
Education, training and spiritual renewal	68,469	91,274
Depreciation of property	50,433	50,433
Other support costs	71,293	22,539
Governance costs	17,990	23,870
	435,143	333,997

8 Net (expenditure) income for the year before net (losses) gains on investments

This is stated after charging:

	Total funds 2022 £	Total funds 2021 £
Staff costs (note 9)	1,608,054	1,567,476
Auditor's remuneration		
. Statutory audit services		
.. Current year	17,500	17,000
.. Prior year	460	6,540
. Non statutory audit services		
.. Current year	16,068	15,000
.. Prior year	300	—
. Other services	—	300
Deficit on disposal of tangible fixed assets	48,509	1
Depreciation	204,132	197,996

9 Staff costs, remuneration of key management personnel and Trustees' remuneration

	Total funds 2022 £	Total funds 2021 £
Staff costs during the year were as follows:		
Wages and salaries	1,178,819	1,173,360
Social security costs	128,389	123,121
Other pension costs	192,108	183,977
	1,499,316	1,480,458
Contractors' fees	108,738	87,018
	1,608,054	1,567,476
Staff costs per function were as follows:		
Provision of education	1,588,879	1,544,648
Support of members of the Congregation and their ministry	19,175	22,828
	1,608,054	1,567,476

The number of employees who earned £60,000 per annum or more (including benefits but excluding pension contributions) during the year was as follows:

	2022 No.	2021 No.
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1

Employer contributions were made on behalf of one of the above employees to a defined benefit scheme and on behalf of the other employee to a defined contributions scheme. Total contributions to the defined benefit scheme amounted to £136,723 (2021 - £163,621) and total contributions to the defined contribution schemes amounted to £55,385 (2021 - £20,356).

The average number of employees during the year, analysed by function, was as follows:

	2022 No.	2021 No.
Provision of education	30	31
Support of members of the Congregation and their ministry	2	2
	32	33

As members of the Congregation, the Trustees' living and personal expenses during the year were borne by the Charity, but they received no remuneration or reimbursement of expenses in connection with their duties as Trustees during the year (2021 - £nil).

From time to time the children of Governors may be educated at the School. In such cases all financial and other transactions are conducted on an arm's length basis on terms consistent with those available to all other parents.

9 Staff costs, remuneration of key management personnel and Trustees' remuneration (continued)

The key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis comprise the Trustees and the Governors and senior management team of the School, including the Head Teacher and the Bursar.

The total remuneration including employer pension and National Insurance contributions and other benefits of the key management personnel was £214,215 (2021 - £210,020).

10 Taxation

The Handmaids of the Sacred Heart of Jesus (Regents Park, London and Christchurch, Hants) Charitable Trust is a registered Charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

11 Tangible fixed assets

	Freehold land and buildings		Plant and building improvements	Assets under construction	Computer equipment	Furniture and equipment	Motor vehicles	Total
	Residential	Educational						
	£	£	£	£	£	£	£	£
Cost or valuation								
At 1 September 2021	3,169,221	2,970,658	1,115,441	470,109	150,410	332,167	33,586	8,241,592
Additions	—	—	174,086	2,428,003	60,320	19,344	—	2,681,753
Disposals	—	(34,251)	(52,954)	—	(49,036)	(86,712)	—	(222,953)
Transfers	—	2,898,112	—	(2,898,112)	—	—	—	—
At 31 August 2022	3,169,221	5,834,519	1,236,573	—	161,694	264,799	33,586	10,700,392
At cost	741,451	4,585,269	1,236,573	—	161,694	264,799	33,586	7,023,372
At deemed cost – 1994 and 1999 valuations	2,427,770	1,249,250	—	—	—	—	—	3,677,020
	3,169,221	5,834,519	1,236,573	—	161,694	264,799	33,586	10,700,392
Depreciation								
At 1 September 2021	1,098,305	960,106	486,993	—	125,156	272,502	12,299	2,955,361
Charge for the year	50,433	59,413	57,652	—	10,228	19,959	6,447	204,132
On disposals	—	(10,148)	(33,575)	—	(49,036)	(81,685)	—	(174,444)
At 31 August 2022	1,148,738	1,009,371	511,070	—	86,348	210,776	18,746	2,985,049
Net book values								
At 31 August 2022	2,020,483	4,825,148	725,503	—	75,346	54,023	14,840	7,715,343
At 31 August 2021	2,070,916	2,010,552	628,448	470,109	25,254	59,665	21,287	5,286,231

As permitted under FRS 102, the Charity has continued to adopt a policy of not revaluing its tangible fixed assets. The book value of the freehold land and buildings is based on valuations made in 1994 and 1999 with subsequent additions and improvements included at cost. As permitted under the transitional provisions of FRS 102 (section 35), the Charity Trustees have elected to use these valuations as deemed cost. Other tangible fixed assets are stated at cost.

12 Investments

	2022 £	2021 £
Listed investments		
Market value at 1 September 2021	13,311,219	11,133,983
Additions at cost	775,667	987,501
Disposals at book value (see below)	(3,172,168)	(812,959)
Net unrealised investment (losses) gains	(894,871)	2,002,694
Market value at 31 August 2022	10,019,847	13,311,219
Cash held by investment managers	332,381	322,075
	10,352,228	13,633,294
Cost of listed investments at 31 August 2022	7,659,664	9,526,387

Disposals at book value included above are made up of the following:

	2022 £	2021 £
Proceeds	3,001,020	828,145
Losses (gains)	171,148	(15,186)
Disposals at book value	3,172,168	812,959

Listed investments held at 31 August 2022 comprised the following:

	2022 £	2021 £
UK fixed interest	533,183	677,833
Common investment funds	2,549,057	4,891,223
UK equities	4,457,543	4,846,046
Foreign investment trusts	2,367,811	2,797,296
Charities property fund	112,253	98,821
	10,019,847	13,311,219

At 31 August 2022 listed investments included the following holdings, which represented material holdings relative to the market value of the total listed investments portfolio held at that date:

	Market value of holding £	Percentage of portfolio %
BlackRock Catholic Charities Growth and Income Fund	1,774,422	17.71
COIF Charities Ethical Funds	774,367	7.73

All listed investments were dealt in on a recognised stock exchange.

13 Programme related investments

At the year-end, the Charity held investments which were held directly in pursuit of the organisation's charitable activities as follows:

	2022 £	2021 £
Land and buildings	457,358	457,358
Interest free loan	59,152	59,152
	516,510	516,510

The land and buildings comprise a property owned by the Charity but used by another charitable organisation for purposes consistent with the objects of the Charity. As explained under principal accounting policies, the above property is included on the balance sheet at the value at which it was included in tangible fixed assets immediately prior to its reclassification as a programme related investment in 2017. The value was based on a Trustees' valuation determined in 1994 and 1999 adjusted for the costs of subsequent additions to the property.

The interest free loan of €65,000 was advanced in July 2018 to Quinta de Casa Velha to assist with activities consistent with the objects of the Charity. The loan is repayable within 15 years of the date of advance but with the borrower "making best efforts" to repay €5,000 per annum from 2023 onwards.

14 Debtors

	2022 £	2021 £
School fees receivable	19,126	12,733
Investment income receivable	110,924	131,696
Prepayments and accrued income	34,736	18,369
Other debtors	2,319	5,924
	167,105	168,722

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Expense creditors	18,142	1,068
Accruals	85,380	106,281
Assets under construction – amounts payable	173,331	189,810
School fees in advance and fee deposits from pupils	491,453	401,981
Donations payable	—	677
Taxation and social security	34,246	53,220
Other creditors	171	—
	802,723	753,037

16 Restricted funds

	At 1 September 2021 £	Income £	Expenditure £	At 31 August 2022 £
Sundry funds	—	4,877	—	4,877
	At 1 September 2020 £	Income £	Expenditure £	At 31 August 2021 £
Sundry funds	—	9,563	(9,563)	—

Sundry funds represented donations to be used in respect to specific purposes and will be spent in accordance with these restrictions.

17 Tangible fixed assets fund

	2022 £	2021 £
At 1 September 2021	5,286,231	4,973,858
Net movement in year	2,429,112	312,373
At 31 August 2022	7,715,343	5,286,231

The tangible fixed assets fund represents the net book value of the Charity's tangible fixed assets held on unrestricted funds. A decision was made to separate this fund from the general funds of the Charity in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the Charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

18 Programme related investment fund

	Total £
At 31 August 2021 and 31 August 2022	516,510

The programme related investment fund represents the value of the Charity's programme related investments. These investments comprise land and buildings owned by the Charity but used by another charitable organisation with objectives consistent with those of the Charity, together with interest free loans advanced to organisations with objects consistent with those of the Charity. The value of these programme related investments should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

19 Designated funds

The income funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes:

	At 1 September 2021 £	New designations £	Utilised/ released £	At 31 August 2022 £
Mission fund	1,032,223	60,000	(87,315)	1,004,908
Saint Christina's Preparatory School fund	1,817,058	2,666,139	(3,129,113)	1,354,084
Formation fund	1,923,824	—	(67,028)	1,856,796
Sisters' care fund	6,800,000	—	—	6,800,000
	11,573,105	2,726,139	(3,283,456)	11,015,788

	At 1 September 2020 £	New designations £	Utilised/ released £	At 31 August 2021 £
Mission fund	803,680	228,543	—	1,032,223
Saint Christina's Preparatory School fund	1,869,180	2,636,913	(2,689,035)	1,817,058
Formation fund	2,000,000	—	(76,176)	1,923,824
Sisters' care fund	6,800,000	—	—	6,800,000
	11,472,860	2,865,456	(2,765,211)	11,573,105

Mission fund

This fund was created following the receipt of a donation from the Irish Province of the Handmaids of the Sacred Heart of Jesus and will be used to support the charitable activities of the Congregation worldwide.

Saint Christina's Preparatory School fund

This fund represents the accumulated surpluses of income over expenditure of Saint Christina's Preparatory School, together with monies designated by the Trustees for use by the School.

Formation fund

This fund represents monies set aside to be applied in future years towards the cost of formation and training of members of the Congregation.

Sisters' care fund

This fund represents reserves, calculated using actuarial principles, which have been set aside in order to provide a modest sum towards the care of Sisters as they grow older.

20 Analysis of net assets between funds

	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Designated funds £	Restricted funds £	Total 2022 £
Fund balances at 31 August 2022 are represented by:						
Tangible fixed assets	—	7,715,343	—	—	—	7,715,343
Investments	—	—	—	10,352,228	—	10,352,228
Programme related investments	—	—	516,510	—	—	516,510
Current assets	460,631	—	—	1,778,703	4,877	2,244,211
Creditors: amounts falling due within one year	(41,073)	—	—	(761,650)	—	(802,723)
Creditors: amounts falling due after one year	—	—	—	(353,493)	—	(353,493)
Total net assets	419,558	7,715,343	516,510	11,015,788	4,877	19,672,076

	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Designated funds £	Total 2021 £
Fund balances at 31 August 2021 are represented by:					
Tangible fixed assets	—	5,286,231	—	—	5,286,231
Investments	2,369,889	—	—	11,263,405	13,633,294
Programme related investments	—	—	516,510	—	516,510
Current assets	1,081,709	—	—	1,295,529	2,377,238
Creditors: amounts falling due within one year	(61,708)	—	—	(691,329)	(753,037)
Creditors: amounts falling due after one year	—	—	—	(294,500)	(294,500)
Total net assets	3,389,890	5,286,231	516,510	11,573,105	20,765,736

	2022 £	2021 £
Total unrealised gains included above:		
On investments	2,360,183	3,784,832

Reconciliation of movement in unrealised gains

Unrealised gains at 1 September 2021	3,784,832	1,850,886
In respect to disposals in year	(529,778)	(68,748)
Net (losses) gains arising on revaluation in the year	(894,871)	2,002,694
Unrealised gains at 31 August 2022	2,360,183	3,784,832

21 Pension schemes and related commitments

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- ◆ employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy);
- ◆ total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million; and
- ◆ the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2024.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme. The School has set out above the information available on the scheme.

For the period 1 September 2021 to 31 August 2022, the employer contributions amounted to £136,723 (2021 – £163,621).

Handmaids of the Sacred Heart of Jesus (Regents Park, London and Christchurch, Hants)
Charitable Trust

21 Pension schemes and related commitments (continued)

Scottish Widows

This is a defined contribution scheme and contributions paid by the Charity amounted to £9,806 (2021 - £10,152).

The Pensions' Trust

This is a defined contribution pension scheme and contributions paid by the Charity amounted to £10,157 (2021 - £10,204).

Royal London Pension Scheme

This is a defined contribution pension scheme and contributions paid by the Charity amounted to £35,422 (2021 - £nil).

22 Ultimate control

The Charity, which is constituted as a trust, was controlled throughout the period by the Handmaids of the Sacred Heart of Jesus by virtue of the fact that the Provincial Superior appoints all of the Trustees. The Congregation in Great Britain does not hold any assets, incur liabilities or enter into any transactions in its own right. The assets and liabilities of the Congregation in Great Britain are vested in the Trustees of the Charity, who undertake transactions entered into in the course of the Congregation's charitable activities.

23 Related party transactions

As members of the Congregation, none of the Trustees have resources of their own as all earnings, pensions and other income have been donated to the Charity under a Deed of Covenant. During the year, the total amount donated by the Trustees to the Charity was £12,305 (2021 - £10,187).

In the year to 31 August 2022, an amount of £127,915 (2021 - £1,386) was paid to the Fundação Santa Rataela Maria. One of the Trustees of the Charity is on the Board of Governors of the Fundação Santa Rataela Maria and one of the Trustees of the Charity is the Chair of Trustees of the Fundação Santa Rataela Maria.

In the year to 31 August 2022, the Charity paid £7,328 (2021 - £6,669) to the Handmaids of the Sacred Heart – Dublin. Two of the Trustees of the Charity are also Trustees of the Handmaids of the Sacred Heart – Dublin.

There were no further related party transactions requiring disclosure in the year to 31 August 2022 (2021 - none).

24 Capital commitment

During the year to 31 August 2021, the School commenced an extension and refurbishment project. Phase one commenced in July 2021 and was ongoing as at 31 August 2022. Costs incurred and capitalised to 31 August 2022 are included in tangible fixed assets. In order to complete phase one of this project, the Trustees and Governors are committed to additional costs in the region of £131,000.

Further phases of the project are still in the planning stages and, as such, no value can be attributed to these phases.