

COMMUNITY OF THE HOLY CROSS

England & Wales · Charity number 223807

Details

Status Registered

Legal form Other

Registered 1969-08-25

Register [View on the Charity Commission register](#)

Contact

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Highfields
Nottingham Road
Costock
Loughborough
LE12 6XE

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Website www.holycrosschc.org.uk

Activities

Objects: THE PURPOSE OF THE COMMUNITY IS TO SERVE GOD, AND TO THIS END TO PROMOTE THE MAINTENANCE, PERFECTION, AND SPREAD OF THE CHRISTIAN RELIGION AND THE RELIGIOUS LIFE, BY PERFORMING THE DIVINE OFFICE, BY THE EXAMPLE AND INFLUENCE OF ITS CORPORATE LIFE, AS ALSO BY TEACHING AND PUBLICATIONS, AND, BY ACTS OF MERCY, TO RELIEVE POVERTY AND DISTRESS, TO PROVIDE ACCOMMODATION, FOOD AND REST, AND TO CARE FOR THOSE WHO ARE IN PHYSICAL, MENTAL OR SPIRITUAL DISTRESS; TO CARE FOR THE SICK AND AGED IN WAYS THAT ARE NOT WITHIN THE SCOPE OF PUBLIC ASSISTANCE, AND GENERALLY TO USE ANY OPPORTUNITY, BOTH ALONE AND IN CONJUNCTION WITH OTHERS, TO GIVE HELP WHERE IT IS NEEDED.

Activities: To serve God, promote the spread of the Christian religion, by teaching, publications and acts of mercy. To provide accommodation, food and rest for those in mental, physical or spiritual distress. By giving of grants to various institutions, for the Promotion of Religion, Medical, Relief of Poverty etc., both in the United Kingdom and abroad.

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services
- **What:** The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Accommodation/housing, Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies

Geography

- **Area of benefit:** UNRESTRICTED
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£384,505	£625,596	-	-
2023-12-31	£460,655	£604,094	-	-
2022-12-31	£435,670	£534,504	-	-
2021-12-31	£385,619	£533,097	-	-
2020-12-31	£342,484	£472,945	-	-

Trustees

Name	Role	Appointed
Reverend Mother JOY ROSE GOUGH	Chair	2008-03-04
Janet Patricia Collins		2025-03-18
Rev Giles Anthony Christoper Orton		2021-08-31
Rev Jeffery Stewart Hopewell		2016-06-28
Sister Cherry Mae Wise		1991-11-08
Thomas Middleton		2025-03-18

Accounts

**Audited Financial Statements
for the Year Ended
31 December 2024**

for

Community of The Holy Cross

The Rowleys Partnership Ltd
Statutory Auditors
Chartered Accountants
Charnwood House
Harcourt Way
Meridian Business Park
Leicester
Leicestershire
LE19 1WP

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Community of The Holy Cross

Reference and Administrative Details for the Year Ended 31 December 2024

TRUSTEES	Miss J R Gough (Reverend Morthor) Miss C M Wise The Rev'd Canon J S Hopewell The Rev'd G A C Orton Mr T Middleton (appointed 18/03/2025) Miss J P Collins (appointed 18/03/2025)
PRINCIPAL ADDRESS	Holy Cross Convent Highfields Nottingham Road Costock Loughborough LE12 6XE
REGISTERED CHARITY NUMBER	223807
INDEPENDENT AUDITORS	The Rowleys Partnership Ltd Statutory Auditors Chartered Accountants Charnwood House Harcourt Way Meridian Business Park Leicester Leicestershire LE19 1WP
SOLICITORS	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES
BANKERS	National Westminster Bank Plc Market Place Loughborough LE11 3EA
INVESTMENT ADVISORS	CCLA Investment Management Limited One Angel Lane London EC4R 3AB

The Trustees present their annual report together with the audited financial statements of Community of the Holy Cross ('the charity') for the year from 1 January 2024 to 31 December 2024. The Trustees confirm that the Trustees' report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

a. Policies and objectives

The principal objective of the Community is to serve God, and to this end to promote the maintenance, perfection and spread of the Christian religion and the religious life, by performing the Divine Office, by the example and influence of its corporate life, as also by teaching and publications, and, by acts of mercy, to relieve poverty and distress, to provide accommodation, food and rest and to care for those who are in physical, mental or spiritual distress, to care for the sick and aged, in ways that are not within the scope of public assistance and generally to use any opportunity, both alone and in conjunction with others, to give help where it is needed.

For the attainment of these purposes the members of the Community regulate their lives by the religious vows and by observance of the Holy Rule of St. Benedict, according to the Constitutions of the Community of the Holy Cross.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The charity uses financial instruments comprising cash and investments. The main purpose of these is to finance the working capital cycle of the charity and the long-term income and capital needs.

The charity considers movements in financial markets to be its main risk and uses a fund manager to manage this risk by holding a diversified portfolio.

b. Grant-making policies

The category of recipients to whom grants are made are Promotion of Religion, Medical, Relief of Poverty etc both in the United Kingdom and abroad. Grants are made at the discretion of the Reverend Mother after consultation with the Community.

We have given £35,670 (2023: £44,650) in alms which is approximately 9.5% (2023: 9.8%) of our income excluding grants and legacies. This is slightly lower than 2023.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

a. Review of activities and future plans

Due to increased infirmities in our older sisters, we increased our night care to seven nights a week. We occasionally have to use an agency nurse to help cover holidays and sickness.

In October the deterioration of the condition of our youngest Sister resulted in her becoming a resident in a nursing home catering specifically for those suffering from dementia. The fees for this are c £71,500 per annum. We will be exploring the possibility of local authority funding for this. Presumably this will increase due to the Budget.

Hospitality to guests: We continue to receive quiet day visitors in the convent and some parish quiet day groups in the guest house. The Guest House is open for limited accommodation. A number of clergy and brothers and sisters from other communities have stayed for retreat or their rest period also a number of oblates and associates.

The construction of a solar farm on the farmland surrounding our own land is now scheduled for summer 2026.

Articles have been written for publication this year and weekly meditative posts on our social media pages have been accessed by many people in the wider Church.

A sister is living at Beverley in North Yorkshire where she has a ministry of prayer and spiritual direction.

We continue to support our extern sister who has returned to Korea where she is living as a semi-hermit on Jeju Island. Covid 19 still poses some problems in Korea, but sister continues her ministry at the Anglican church helping the priest by visiting parishioners, holding Bible studies, preparing candidates for baptism and confirmation and teaching in the Sunday School.

b. Investment policy and performance

The investments held by the charity are in accordance with the powers of the trustees.

Steps have been taken to safeguard the capital value of our investments. The re-investment programme carried out during 2023 was completed in July 2024.

The market value of quoted investments showed an unrealised gain of £309,282 (2023: net unrealised gain of £564,998) and a realised loss of £112,051 (2023: realised loss of £83,637).

We continue to rely on our fund managers to take a prudent approach to preservation of capital and our expected needs in the forthcoming year.

c. Going concern

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

The Community has confirmed that it has adequate cash and investment resources for at least the next 12 months from the date of signing these financial statements and for this reason they continue to adopt the going, concern basis in preparing the financial statements.

FINANCIAL REVIEW

Reserves policy

a. Reserves policy

At 31 December 2024 the charity's reserves comprise general reserves to provide working capital and to secure the continuity of the charity's activities in the future. At 31 December 2024 the reserves amount to £17,446,468 (2023: £17,490,328).

b. Principal funding

The Trustees are satisfied that the charity's assets are available and adequate to fulfil their obligations.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

a. Constitution

The Community of the Holy Cross is an unincorporated registered charity and a trust which is governed by the Holy Rule of St. Benedict modified by the Constitutions.

b. Methods of appointment or election of Trustees

The Constitutions provide for the election, removal and resignation of the Trustees.

c. Policies adopted for the induction and training of Trustees

The Trustees are mindful of their duties in connection with the recruitment and training for Trustees.

d. Organisational structure and decision making

There were four Trustees, one of whom is the Reverend Mother. The other three are one member of the Chapter and two people who are not members of the religious community nominated by the Reverend Mother with the consent of the Warden and elected by the majority of the Chapter.

The Chapter comprises all of the sisters in life vows under the presidency of the Reverend Mother. Every member of the Chapter has the right to vote when matters concerning the community are discussed. The Warden is a priest having the care of the spiritual life of the community and is elected to office by the Chapter.

The Trustees who served during the year are listed below:

Miss Joy Rose Gough
Miss Cherry Mae Wise
The Rev'd Canon Jeffery Stewart Hopewell
The Rev'd Giles Anthony Christopher Orton

Please see the Reference and Administrative Details of the Charity, its Trustees and Advisers on page 1 for the charity's registered number and principal office address.

STRUCTURE, GOVERNANCE AND MANAGEMENT

e. Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The charity uses financial instruments comprising cash and investments. The main purpose of these is to finance the working capital cycle of the charity and the longer-term income and capital needs.

The charity considers its investments to be its main source of financial risk. A fund manager is used to manage (but not eliminate) these risks.

f. Auditors

During the year The Rowleys Partnership Ltd were reappointed as Auditors of the charity.

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

Approved by order of the board of trustees on and signed on its behalf by:

.....
Miss J R Gough (Reverend Mother) - Chair of Trustees

Opinion

We have audited the financial statements of Community of The Holy Cross (the 'charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements 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 financial statements 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, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the trustees Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements 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 financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

Our responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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 financial statements.

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:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the financial reporting frameworks (Statement of Recommended Practice (SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), Charities Act 2011) in the jurisdiction in which the charity operates;
- We enquired of management, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud;
- We assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur;
- Our testing considered unusual or unexpected journal entries on a sample basis;
- We evaluated the assumptions and judgements used by management within significant accounting estimates and assessing if these indicate evidence of management bias;
- We tested significant transactions, in particular the evaluation of the rationale for any which appear unusual or outside the charity's normal operations;
- We assessed the appropriateness of the collective competence and capabilities of the engagement team by understanding the practical experience with audit engagements of a similar nature and complexity, plus ensuring the team had appropriate and relevant training of the financial reporting framework specific to the entity, we reviewed the financial statements and tested the disclosures against supporting documentation; and
- We communicated relevant matters to all members of the audit team to ensure they understood the risks specific to the entity and the audit procedures planned to mitigate these.

Report of the Independent Auditors to the Trustees of Community of The Holy Cross

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditors-responsibilities. This description forms part of our Auditor's Report.

Use of our report

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

The Rowleys Partnership Ltd
Statutory Auditors
Chartered Accountants
Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006
Charnwood House
Harcourt Way
Meridian Business Park
Leicester
Leicestershire
LE19 1WP

Date:

Community of The Holy Cross

Statement of Financial Activities
for the Year Ended 31 December 2024

		2024 Unrestricted fund £	2023 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	9,008	5,614
Charitable activities	5		
Charitable Activities		548	806
Other income	3	68,042	63,827
Investment income	4	<u>306,907</u>	<u>390,408</u>
Total		<u>384,505</u>	<u>460,655</u>
 EXPENDITURE ON			
Raising funds	6	10,186	30,189
Charitable activities	7		
Promotion of religion		601,130	543,285
Support costs	10	<u>14,280</u>	<u>30,620</u>
Total		<u>625,596</u>	<u>604,094</u>
 Net gains on investments		<u>197,231</u>	<u>481,361</u>
 NET INCOME/(EXPENDITURE)		(43,860)	337,922
 RECONCILIATION OF FUNDS			
Total funds brought forward		<u>17,490,328</u>	<u>17,152,406</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>17,446,468</u></u>	<u><u>17,490,328</u></u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 11 to 25 form part of these financial statements.

All activities relate to continuing operations.

The notes form part of these financial statements

Community of The Holy Cross

Balance Sheet
31 December 2024

		2024 Unrestricted fund £	2023 Total funds £
FIXED ASSETS	Notes		
Tangible assets	15	5,678,884	5,827,379
Investments	16	<u>11,600,201</u>	<u>11,255,521</u>
		17,279,085	17,082,900
CURRENT ASSETS			
Debtors: amounts falling due within one year	17	17,370	16,688
Cash at bank		<u>171,789</u>	<u>417,333</u>
		189,159	434,021
CREDITORS			
Amounts falling due within one year	18	(21,776)	(26,593)
NET CURRENT ASSETS		<u>167,383</u>	<u>407,428</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>17,446,468</u>	<u>17,490,328</u>
NET ASSETS		<u>17,446,468</u>	<u>17,490,328</u>
FUNDS	19		
Unrestricted funds:			
General fund		<u>17,446,468</u>	<u>17,490,328</u>
TOTAL FUNDS		<u>17,446,468</u>	<u>17,490,328</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
J R Gough (Reverend Mother) - Chair of the Trustees

.....
C M Wise - (Secretary of Chapter) Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The preparation of financial statements in compliance with the Charities SORP (FRS 102) requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note below).

Community of the Holy Cross meets the definition of a public benefit entity under FRS 102. The charity is a unincorporated charity, please refer to page 1 for the registered office address.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in Sterling (£).

Going Concern

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

The Community has confirmed that it has adequate cash and investment resources for at least the next 12 months from the date of signing these financial statements and for this reason they continue to adopt the going concern basis in preparing the financial statements.

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1. ACCOUNTING POLICIES - continued

Income (continued)

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

All expenditure is inclusive of irrecoverable VAT.

Interest receivable

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 institution with whom the funds are deposited.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

1. ACCOUNTING POLICIES - continued

Tangible fixed assets, other than cemetery land, are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Cemetery land is recognised at valuation.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold land and buildings	- 2%	Straight line
Motor vehicles	- 25%	Reducing balance
Fixtures and fittings	- 10%	Reducing balance
Computer equipment	- 33.33%	Reducing balance

No depreciation is provided on freehold land and cemetery land.

Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities and provisions

Liabilities 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.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1. ACCOUNTING POLICIES - continued

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instrument. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Pensions

The charity operates a defined contribution pension scheme, and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Critical accounting estimates and areas of judgement

Certain amounts included in the financial statements involve the use of judgement and/or estimation. The judgements and estimates are based on the Trustees' best knowledge of the relevant facts and circumstances and have regard to prior experience, but actual results may differ from the amounts is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

- Fixed asset investments are measured at fair value at the balance sheet date.

2. DONATIONS AND LEGACIES

Income from donations and legacies

	Unrestricted funds 2024	Total funds 2024	Total funds 2023
	£	£	£
Donations and gifts	9,008	9,008	5,614

3. OTHER INCOME

	2024	2023
	£	£
Other incoming resources	<u>68,042</u>	<u>63,827</u>

Other incoming resources

	Unrestricted funds 2024	Total funds 2024	Total funds 2023
	£	£	£
Sisters' pensions	60,242	60,242	55,705
Sundry income	7,800	7,800	7,200
Farming income	-	-	922
	<u>68,042</u>	<u>68,042</u>	<u>63,827</u>

4. INVESTMENT INCOME

	Unrestricted fund 2024	Total funds 2024	Total funds 2023
	£	£	£
Dividends from listed investments	298,650	298,650	377,409
Interest received from listed investments	5,175	5,175	6,408
Bank deposit interest	<u>3,082</u>	<u>3,082</u>	<u>6,591</u>
	<u>306,907</u>	<u>306,907</u>	<u>390,408</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2024

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Scriptorium	<u>548</u>	<u>548</u>	<u>806</u>

6. RAISING FUNDS

Raising donations and legacies

	2024 £	2023 £
Investment management fees	10,186	28,720
Foreign exchange gain	<u>-</u>	<u>1,469</u>
	<u>10,186</u>	<u>30,189</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Grant funding of activities (see note 9) £	Totals £
Charitable Activities	<u>565,460</u>	<u>35,670</u>	<u>601,130</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

Promotion of religion

	Unrestricted funds 2024	Unrestricted funds 2023
	£	£
Special alms (note 9)	35,670	44,650
Promotion of religion	-	230
Books and periodicals	932	468
Church expenses	3,214	3,894
Branch house expenses	28,990	27,519
Motor and travelling expenses	6,675	5,713
Telephone, postage and stationery	12,437	13,332
Household supplies	11,673	11,601
Gas	24,321	13,515
Electricity	16,954	12,317
Council tax and water	2,361	2,412
Repairs and renewals	16,221	8,446
Estate, woodlands and gardens	8,109	6,141
Sundry expenses	8,160	8,568
Insurance	16,692	15,339
Wages	220,841	196,473
National insurance	13,156	10,869
Employer's pension contributions	2,950	2,795
Funeral costs	-	4,169
Depreciation	145,049	146,369
Loss on disposal of fixed assets	4,158	-
Nursing services	22,567	8,465
	<u>601,130</u>	<u>543,285</u>

9. GRANTS PAYABLE

	2024	2023
	£	£
Charitable Activities	<u>35,670</u>	<u>44,650</u>

9. GRANTS PAYABLE - continued

Alms

	Unrestricted funds 2024	Unrestricted funds 2023
	£	£
St Mary's PCC, East Leake	2,000	3,000
St Giles PCC, Costock	2,000	3,000
Franciscan Sisters	1,000	2,500
Roman Catholic of Aberdeen	-	2,500
Additional Curates Society	-	2,000
St Mary PCC Somer Town	1,000	2,000
Oxford Mission	-	2,000
McCabe Educational Trust	1,000	1,000
Mary's Meals	1,000	1,000
Lincolnshire and Nottinghamshire Air Ambulance	1,000	1,000
Sightsavers	1,000	1,000
Forward in Faith	1,500	1,000
Framework Housing Association	1,000	1,000
Children in Distress	1,000	1,000
St Peter's London Docks	1,000	1,000
Christian Aid	1,000	1,000
Christians Against Poverty	1,000	1,000
Trussell Trust	1,000	1,000
Southwell Minster	1,000	1,000
Walsingham College Trust Association	-	1,000
Tree Aid	-	1,000
Jesuit Refugee Service	1,000	1,000
Practical Action	1,000	1,000
Embrace the Middle East	1,000	1,000
Society of Mary and St Martha	-	1,000
Bewerley Grange Chapel	1,500	-
Let the Children Live	1,000	-
Tariro	1,000	-
St George PCC	1,000	-
Items < £1,000 each	9,670	9,650
	<u>35,670</u>	<u>44,650</u>

Grants were made to 44 (2023 - 46) institutions in the year. There were no grants to institutions which exceeded 10% of the income of the Community.

10. SUPPORT COSTS

	Governance costs
	£
Other resources expended	<u>14,280</u>

Support costs, included in the above, are as follows:

	2024 Other resources expended £	2023 Total activities £
Auditors' remuneration	7,500	7,065
Non-audit services	6,780	6,070
Professional fees	<u>-</u>	<u>17,485</u>
	<u>14,280</u>	<u>30,620</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2024

11. AUDITORS' REMUNERATION

	2024	2023
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	7,500	7,065
Auditors' remuneration for non-audit work	<u>6,780</u>	<u>-</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

Trustees' expenses

Details of the trustees' expenses are detailed within note 21.

13. STAFF COSTS

Staff costs were as follows:

	Unrestricted funds 2024	Unrestricted funds 2023
	£	£
Wages and salaries	220,841	196,473
Social security	13,156	10,869
Pension costs	<u>2,950</u>	<u>2,795</u>
	<u>236,947</u>	<u>210,137</u>

No employees received remuneration amounting to more than £60,000 in either year.

No trustees received any remuneration (2023: £Nil).

The average monthly number of employees during the year was as follows:

	2024	2023
Full time	5	4
Part time	<u>6</u>	<u>5</u>
	<u>11</u>	<u>9</u>

No employees received emoluments in excess of £60,000.

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	5,614
Charitable activities	
Charitable Activities	806
Other trading activities	63,827
Investment income	<u>390,408</u>
Total	<u>460,655</u>
 EXPENDITURE ON	
Raising funds	30,189
Charitable activities	
Promotion of religion	543,285
Support costs	<u>30,620</u>
Total	<u>604,094</u>
 Net gains on investments	<u>481,361</u>
 NET INCOME	 337,922
 RECONCILIATION OF FUNDS	
Total funds brought forward	<u>17,152,406</u>
 TOTAL FUNDS CARRIED FORWARD	 <u><u>17,490,328</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2024**15. TANGIBLE FIXED ASSETS**

	Freehold Land and building at Costock £	Cemetery at Haywards Heath £	Fixtures, fittings and computers £	Motor vehicles £	Total £
COST					
At 1 January 2024	7,601,152	1	81,558	31,701	7,714,412
Additions	-	-	712	-	712
Disposals	-	-	(14,072)	-	(14,072)
At 31 December 2024	<u>7,601,152</u>	<u>1</u>	<u>68,198</u>	<u>31,701</u>	<u>7,701,052</u>
DEPRECIATION					
At 1 January 2024	1,811,605	-	50,944	24,484	1,887,033
Charge for year	140,023	-	3,222	1,804	145,049
Eliminated on disposal	-	-	(9,914)	-	(9,914)
At 31 December 2024	<u>1,951,628</u>	<u>-</u>	<u>44,252</u>	<u>26,288</u>	<u>2,022,168</u>
NET BOOK VALUE					
At 31 December 2024	<u>5,649,524</u>	<u>1</u>	<u>23,946</u>	<u>5,413</u>	<u>5,678,884</u>
At 31 December 2023	<u>5,789,547</u>	<u>1</u>	<u>30,614</u>	<u>7,217</u>	<u>5,827,379</u>

All tangible fixed assets are used for charitable purposes.

The trustees are unable to obtain a valuation of the freehold land and buildings at Costock. There is no reason to suggest that the freehold land and buildings should be impaired.

The gross amount of freehold land and buildings at Costock on which depreciation is being provided is £7,001,152.

The cemetery at Haywards Heath at £1, a nominal value in view of the purpose for which it has been used and there being no possibility of any alternative use being considered in the future.

16. FIXED ASSET INVESTMENTS

	Listed investments £	Othe fixed asset investments £	Totals £
MARKET VALUE			
At 1 January 2024	11,155,521	100,000	11,255,521
Additions	5,441,099	-	5,441,099
Disposals	(5,293,649)	-	(5,293,649)
Revaluations	<u>197,230</u>	<u>-</u>	<u>197,230</u>
At 31 December 2024	<u>11,500,201</u>	<u>100,000</u>	<u>11,600,201</u>
NET BOOK VALUE			
At 31 December 2024	<u>11,500,201</u>	<u>100,000</u>	<u>11,600,201</u>
At 31 December 2023	<u>11,155,521</u>	<u>100,000</u>	<u>11,255,521</u>

There were no investment assets outside the UK.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2024

16. FIXED ASSET INVESTMENTS - continued

Cost or valuation at 31 December 2024 is represented by:

	Listed investments £	Other fixed asset investments £	Totals £
Valuation in 2024	657,940	-	657,940
Cost	<u>10,842,261</u>	<u>100,000</u>	<u>10,942,261</u>
	<u>11,500,201</u>	<u>100,000</u>	<u>11,600,201</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Other debtors	2,823	2,737
Tax	536	416
Prepayments and accrued income	<u>14,011</u>	<u>13,535</u>
	<u>17,370</u>	<u>16,688</u>

Included in other debtors is £2,106 (2023 - £2,129) owed from trustees as per note 21.

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade creditors	-	1,000
Taxation and social security	4,252	4,228
Other creditors	<u>17,524</u>	<u>21,365</u>
	<u>21,776</u>	<u>26,593</u>

19. MOVEMENT IN FUNDS

	At 1.1.24 £	Net movement in funds £	At 31.12.24 £
Unrestricted funds			
General fund	<u>17,490,328</u>	<u>(43,860)</u>	<u>17,446,468</u>
TOTAL FUNDS	<u>17,490,328</u>	<u>(43,860)</u>	<u>17,446,468</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2024**19. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	384,505	(625,596)	197,231	(43,860)
TOTAL FUNDS	<u>384,505</u>	<u>(625,596)</u>	<u>197,231</u>	<u>(43,860)</u>

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	At 31.12.23 £
Unrestricted funds			
General fund	17,152,406	337,922	17,490,328
TOTAL FUNDS	<u>17,152,406</u>	<u>337,922</u>	<u>17,490,328</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	460,655	(604,094)	481,361	337,922
TOTAL FUNDS	<u>460,655</u>	<u>(604,094)</u>	<u>481,361</u>	<u>337,922</u>

20. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £2,950 (2023 - £2,795). Contributions totalling £nil (2023 - £nil) were payable to the fund at the balance sheet date.

21. RELATED PARTY DISCLOSURES

During the year two Trustees were reimbursed expenses incurred for attending the Convent for Trustee Meetings. The Rev'd Canon Jeffery Stewart Hopewell was paid £25 (2023 - £152) and The Rev'd Giles Anthony Christopher Orton was paid £23 (2023 - £185). These amounts were not paid as remuneration for their roles as trustees.

During the year two Trustees, The Rev'd Cannon Jeffery Stewart Hopewell and The Rev'd Giles Anthony Christopher Orton, were paid expenses of £175 (2023: £150) and £207 (2023: £161) respectively, in respect of their travel to celebrate Mass for the charity. These amounts were not paid as remuneration for their role as Trustees.

During the year a grant of £500 (2023: £500) was paid to St Anne's, Derby, which is considered to be a related party by virtue of the parish priest being a Trustee of the charity.

At 31 December 2024 there are bank balances amounting to £2,134 (2023: £2,129) held in the names of two Trustees. These accounts are held for the purpose of supporting the future activity of the Community. The balances are included in other debtors (see note 17).

As shown in Note 3 the sisters donate their pensions to the charity and included in the amount shown is £22,285 (2023 - £20,779) donated by two Trustees.

During the year a grant of £Nil (2023: £2,000) was made to Additional Curates Society. The Rev'd Giles Anthony Christopher Orton is a trustee of both charities.

Accounts

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

COMMUNITY OF THE HOLY CROSS

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COMMUNITY OF THE HOLY CROSS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees

Miss Joy Rose Gough (Reverend Mother)
Miss Cherry Mae Wise
The Rev'd Canon Jeffery Stewart Hopewell
The Rev'd Giles Anthony Christopher Orton

Charity registered number

223807

Principal office

Holy Cross Convent
Highfields
Nottingham Road
Costock
Loughborough
LE12 6XE

Independent auditor

The Rowleys Partnership Ltd
Chartered Accountants
Statutory Auditor
Charnwood House
Harcourt Way
Meridian Business Park
Leicester
LE19 1WP

Bankers

National Westminster Bank Plc
Market Place
Loughborough
LE11 3EA

Solicitors

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

Investment advisors

CCLA Investment Management Limited
One Angel Lane
London
EC4R 3AB

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their annual report together with the audited financial statements of Community of the Holy Cross ('the charity') for the year from 1 January 2023 to 31 December 2023. The Trustees confirm that the Trustees' report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

a. Policies and objectives

The principal objective of the Community is to serve God, and to this end to promote the maintenance, perfection and spread of the Christian religion and the religious life, by performing the Divine Office, by the example and influence of its corporate life, as also by teaching and publications, and, by acts of mercy, to relieve poverty and distress, to provide accommodation, food and rest and to care for those who are in physical, mental or spiritual distress, to care for the sick and aged, in ways that are not within the scope of public assistance and generally to use any opportunity, both alone and in conjunction with others, to give help where it is needed.

For the attainment of these purposes the members of the Community regulate their lives by the religious vows and by observance of the Holy Rule of St. Benedict, according to the Constitutions of the Community of the Holy Cross.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Grant-making policies

The category of recipients to whom grants are made are Promotion of Religion, Medical, Relief of Poverty etc both in the United Kingdom and abroad. Grants are made at the discretion of the Reverend Mother after consultation with the Community.

We have given £44,650 (2022: £46,650) in alms which is approximately 9.8% (2022: 10.9%) of our income excluding grants and legacies. This is slightly lower than 2022.

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

a. Review of activities and financial review

Due to increased infirmities in our older Sisters we engaged a night carer for three nights a week. For 2-3 months, we also employed an agency nurse for a further 3 nights a week. With the death of a sister this latter ceased, though we used the agency nurse again on an occasional basis.

In October 2023 following storm Babet, during which the guest house was seriously threatened by flood, we had some emergency alterations carried out on the main farm drainage ditch crossing our land. In subsequent storms this has proved satisfactory.

Hospitality to guests: We continue to receive quiet day visitors in the convent and some parish quiet day groups in the guest house. The Guest House is open for limited accommodation. A number of clergy and brothers and sisters from other communities have stayed for retreat or their rest period also a number of oblates and associates.

The construction of a solar farm on the farmland surrounding our own land has been granted planning permission but is still awaiting permission to link up to the power lines.

Articles have been written for publication this year and weekly meditative posts on our social media pages have been accessed by many people in the wider Church.

A sister is living at Beverley in North Yorkshire where she has a ministry of prayer and spiritual direction.

We continue to support our extern sister who has returned to Korea where she is living as a semi-hermit on Jeju Island. Covid 19 still poses some problems in Korea but Sister continues her ministry at the Anglican church helping the priest by visiting parishioners, holding Bible studies, preparing candidates for baptism and confirmation and teaching in the Sunday School.

b. Investment policy and performance

Steps have been taken to safeguard the capital value of our investments. In March 2023, following the basic Charity Commission recommendations, we employed an independent financial advisor, to review our investment holdings. After consultation and meetings with a number of investment companies, we agreed to realise our holdings and re-invest the proceeds as advised. The majority of this was achieved by the end of the year, though transactions will not be complete until early 2024.

The investments held by the charity are in accordance with the powers of the trustees.

The market value of quoted investments showed an unrealised gain of £564,998 (2022: net unrealised loss of £1,152,745) and a realised loss of £83,637 (2022: realised loss of £128,968).

We continue to rely on our fund managers to take a prudent approach to preservation of capital and our expected needs in the forthcoming year.

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance (continued)

c. Going concern

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

The Community has confirmed that it has adequate cash and investment resources for at least the next 12 months from the date of signing these financial statements and for this reason they continue to adopt the going concern basis in preparing the financial statements.

Other policies

a. Reserves policy

At 31 December 2023 the charity's reserves comprise general reserves to provide working capital and to secure the continuity of the charity's activities in the future. At 31 December 2023 the reserves amount to £17,490,328 (2022: £17,152,406).

b. Principal funding

The Trustees are satisfied that the charity's assets are available and adequate to fulfil their obligations.

Structure, governance and management

a. Constitution

The Community of the Holy Cross is an unincorporated registered charity and a trust which is governed by the Holy Rule of St. Benedict modified by the Constitutions.

b. Methods of appointment or election of Trustees

The Constitutions provide for the election, removal and resignation of the Trustees.

c. Policies adopted for the induction and training of Trustees

The Trustees are mindful of their duties in connection with the recruitment and training for Trustees.

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and management (continued)

d. Organisational structure and decision making

There were five Trustees, one of whom is the Reverend Mother. The other four are two members of the Chapter and two people who are not a member of the religious community nominated by the Reverend Mother with the consent of the Warden and elected by the majority of the Chapter. Mrs Carol Anne Smith resigned as a trustee during the year.

The Chapter comprises all of the sisters in life vows under the presidency of the Reverend Mother. Every member of the Chapter has the right to vote when matters concerning the community are discussed. The Warden is a priest having the care of the spiritual life of the community and is elected to office by the Chapter.

The Trustees who served during the year are listed below:

Miss Joy Rose Gough
Miss Cherry Mae Wise
The Rev'd Canon Jeffery Stewart Hopewell
The Rev'd Giles Anthony Christopher Orton
Mrs Carol Ann Smith (resigned 16 October 2023)

Please see the Reference and Administrative Details of the Charity, its Trustees and Advisers on page 1 for the charity's registered number and principal office address.

e. Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The charity uses financial instruments comprising cash and investments. The main purpose of these is to finance the working capital cycle of the charity and the longer term income and capital needs.

The charity considers its investments to be its main source of financial risk. A fund manager is used to manage (but not eliminate) these risks.

f. Auditors

During the year The Rowleys Partnership Ltd were reappointed as Auditors of the charity.

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Policies).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Miss Joy Rose Gough (Reverend Mother)
(Chair of Trustees)
Date: 07/05/2024

COMMUNITY OF THE HOLY CROSS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY OF THE HOLY CROSS

Opinion

We have audited the financial statements of Community of the Holy Cross (the 'charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, and notes to the financial statements, including significant accounting policies. 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 financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, including 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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council'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 financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements 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 financial statements 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.

COMMUNITY OF THE HOLY CROSS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY OF THE HOLY CROSS (CONTINUED)

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 set out on page 6, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

COMMUNITY OF THE HOLY CROSS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY OF THE HOLY CROSS (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the financial reporting frameworks (Statement of Recommended Practice (SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), Charities Act 2011) in the jurisdiction in which the charity operates.
- We enquired of management, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud;
- We assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur;
- Our testing considered unusual or unexpected journal entries on a sample basis;
- We evaluated the assumptions and judgements used by management within significant accounting estimates and assessing if these indicate evidence of management bias;
- We tested significant transactions, in particular the evaluation of the rationale for any which appear unusual or outside the charity's normal operations;
- We assessed the appropriateness of the collective competence and capabilities of the engagement team by understanding the practical experience with audit engagements of a similar nature and complexity, plus ensuring the team had appropriate and relevant training of the financial reporting framework specific to the entity.
- We reviewed the financial statements and tested the disclosures against supporting documentation.
- We communicated relevant matters to all members of the audit team to ensure they understood the risks specific to the entity and the audit procedures planned to mitigate these.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

COMMUNITY OF THE HOLY CROSS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY OF THE HOLY CROSS (CONTINUED)

Use of our report

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

The Rowleys Partnership Ltd

The Rowleys Partnership Ltd

Statutory Auditor

Chartered Accountants

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Charnwood House

Harcourt Way

Meridian Business Park

Leicester

LE19 1WP

Date: *7th May 2024*

COMMUNITY OF THE HOLY CROSS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Donations and legacies	3	5,614	5,614	10,581
Charitable activities	4	806	806	622
Investments	5	390,408	390,408	353,221
Other income	6	63,827	63,827	71,246
Total income		460,655	460,655	435,670
Expenditure on:				
Raising funds	7	30,189	30,189	28,105
Charitable activities:				
Promotion of religion	8	543,285	543,285	494,339
Support costs	10	30,620	30,620	12,060
Total expenditure		604,094	604,094	534,504
Net gains/(losses) on investments		481,361	481,361	(1,281,713)
Net movement in funds		337,922	337,922	(1,380,547)
Reconciliation of funds:				
Total funds brought forward		17,152,406	17,152,406	18,532,953
Net movement in funds		337,922	337,922	(1,380,547)
Total funds carried forward		17,490,328	17,490,328	17,152,406

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 13 to 27 form part of these financial statements.

All activities relate to continuing operations.

COMMUNITY OF THE HOLY CROSS

BALANCE SHEET AS AT 31 DECEMBER 2023

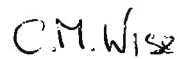
	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	5,827,379	5,973,223
Investments	13	11,255,521	10,723,410
		<u>17,082,900</u>	<u>16,696,633</u>
Current assets			
Debtors	14	16,688	15,801
Cash at bank and in hand		417,333	463,476
		<u>434,021</u>	<u>479,277</u>
Creditors: amounts falling due within one year	15	(26,593)	(23,504)
Net current assets		<u>407,428</u>	<u>455,773</u>
Total net assets		<u>17,490,328</u>	<u>17,152,406</u>
Charity funds			
Unrestricted funds	16	17,490,328	17,152,406
Total funds		<u>17,490,328</u>	<u>17,152,406</u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Miss Joy Rose Gough (Reverend Mother)

Date: 07/05/2024



Miss Cherry Mae Wise (Secretary of Chapter)

Date: 07/05/2024

The notes on pages 13 to 27 form part of these financial statements.

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The preparation of financial statements in compliance with the Charities SORP (FRS 102) requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

Community of the Holy Cross meets the definition of a public benefit entity under FRS 102. The charity is a unincorporated charity, please refer to page 1 for the registered office address.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in Sterling (£).

1.2 Going concern

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

The Community has confirmed that it has adequate cash and investment resources for at least the next 12 months from the date of signing these financial statements and for this reason they continue to adopt the going concern basis in preparing the financial statements.

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies (continued)

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

All expenditure is inclusive of irrecoverable VAT.

1.5 Interest receivable

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 institution with whom the funds are deposited.

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets, other than cemetery land, are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Cemetery land is recognised at valuation.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold land and buildings	- 2% Straight line
Motor vehicles	- 25% Reducing balance
Fixtures and fittings	- 10% Reducing balance
Computer equipment	- 33.33% Reducing balance

No depreciation is provided on freehold land and cemetery land.

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies (continued)

1.10 Liabilities and provisions

Liabilities 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.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

2. Critical accounting estimates and areas of judgement

Certain amounts included in the financial statements involve the use of judgement and/or estimation. The judgements and estimates are based on the Trustees' best knowledge of the relevant facts and circumstances and have regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation uncertainty is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

- Fixed asset investments are measured at fair value at the balance sheet date (see 1.7 above).

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

3. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations and gifts	5,614	5,614	10,581

4. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Scriptorium	806	806	622

5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Dividends from listed investments	377,409	377,409	350,934
Interest received from listed investments	6,408	6,408	1,604
Bank deposit interest	6,591	6,591	683
	390,408	390,408	353,221

COMMUNITY OF THE HOLY CROSS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

6. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Sisters' pensions	55,705	55,705	56,023
Sundry income	7,200	7,200	14,301
Farming income	922	922	922
	<u>63,827</u>	<u>63,827</u>	<u>71,246</u>

7. Investment management costs

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Investment management fees	28,720	28,720	29,213
Foreign exchange gain	1,469	1,469	(1,108)
	<u>30,189</u>	<u>30,189</u>	<u>28,105</u>

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

8. Promotion of religion

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Special alms (note 9)	44,650	46,650
Promotion of religion	230	220
Books and periodicals	468	682
Church expenses	3,894	4,330
Branch house expenses	27,519	25,262
Motor and travelling expenses	5,713	5,066
Telephone, postage and stationery	13,332	10,467
Household supplies	11,601	10,377
Gas	13,515	15,737
Electricity	12,317	10,686
Council tax and water	2,412	5,134
Repairs and renewals	8,446	11,338
Estate, woodlands and gardens	6,141	9,844
Sundry expenses	8,568	8,882
Insurance	15,339	13,761
Wages	196,473	158,576
National insurance	10,869	7,674
Employer's pension contributions	2,795	2,539
Funeral costs	4,169	-
Depreciation	146,369	147,114
Nursing services	8,465	-
	543,285	494,339

9. Alms

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Made to institutions	44,650	46,650

Grants were made to 46 (2022 - 49) institutions in the year.

There were no grants to institutions which exceeded 10% of the income of the Community.

An analysis of the payments made in the year is as follows:

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

9. Alms (continued)

	Unrestricted funds 2023 £	<i>Unrestricted funds 2022 £</i>
St Mary's PCC, East Leake	3,000	3,000
St Giles PCC, Costock	3,000	3,000
Franciscan Sisters	2,500	3,000
Roman Catholic of Aberdeen	2,500	-
Additional Curates Society	2,000	1,000
St Mary PCC Somer Town	2,000	1,000
Oxford Mission	2,000	1,000
McCabe Educational Trust	1,000	2,000
Mary's Meals	1,000	1,000
Lincolnshire and Nottinghamshire Air Ambulance	1,000	1,000
Sightsavers	1,000	1,000
Forward in Faith	1,000	1,000
Framework Housing Association	1,000	1,000
Children in Distress	1,000	1,000
St Peter's London Docks	1,000	1,000
Christian Aid	1,000	1,000
Christians Against Poverty	1,000	1,000
Trussell Trust	1,000	1,000
Southwell Minster	1,000	1,000
Walsingham College Trust Association	1,000	-
Tree Aid	1,000	-
Jesuit Refugee Service	1,000	-
Practical Action	1,000	-
Embrace the Middle East	1,000	-
Society of Mary and Martha	1,000	-
RCD Charities	-	2,500
College of St Barnabas	-	1,000
St George in the Meadows	-	1,000
Christian Partners in Africa	-	1,000
CORD	-	1,000
Bishop of Beverley Project Fund	-	1,000
Anglican Religious Communities Development Fund	-	1,000

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Shrine of our Lady of Walsingham	-	1,000
Confraternity of the Blessed Sacrament	-	1,000
Tariro	-	1,000
Items < £1,000 each	9,650	10,150
	<u>44,650</u>	<u>46,650</u>

10. Support costs - Governance costs

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Audit services	7,065	5,940
Non audit services	6,070	6,120
Professional fees	17,485	-
	<u>30,620</u>	<u>12,060</u>

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

11. Staff costs

Staff costs were as follows:

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Wages and salaries	196,473	158,569
Social security costs	10,869	7,674
Pension costs	2,795	2,539
	<u>210,137</u>	<u>168,782</u>

The average monthly number of employees during the year was as follows:

	2023 £	2022 £
Full time	4	4
Part time	5	4
	<u>9</u>	<u>8</u>

No employee received remuneration amounting to more than £60,000 in either year.

No trustees received any remuneration (2022: £Nil).

Details of trustees expenses are detailed within note 18.

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

12. Tangible fixed assets

	Freehold land and buildings at Costock £	Motor vehicles £	Fixtures, fittings and computers £	Cemetery at Haywards Heath £	Total £
Cost or valuation					
At 1 January 2023	7,601,152	31,701	81,033	1	7,713,887
Additions	-	-	525	-	525
At 31 December 2023	7,601,152	31,701	81,558	1	7,714,412
Depreciation					
At 1 January 2023	1,671,582	22,078	47,004	-	1,740,664
Charge for the year	140,023	2,406	3,940	-	146,369
At 31 December 2023	1,811,605	24,484	50,944	-	1,887,033
Net book value					
At 31 December 2023	5,789,547	7,217	30,614	1	5,827,379
At 31 December 2022	5,929,570	9,623	34,029	1	5,973,223

All tangible fixed assets are used for charitable purposes.

The trustees are unable to obtain a valuation of the freehold land and buildings at Costock. There is no reason to suggest that the freehold land and buildings should be impaired.

The gross amount of freehold land and buildings at Costock on which depreciation is being provided is £7,001,152.

The cemetery at Haywards Heath is revalued at £1, a nominal value in view of the purpose for which it has been used and there being no possibility of any alternative use being considered in the future.

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

13. Fixed asset investments

	Listed investments £	Other fixed asset investments £	Total £
Market value			
At 1 January 2023	10,623,410	100,000	10,723,410
Additions	4,061,772	-	4,061,772
Disposals	(4,094,659)	-	(4,094,659)
Revaluations	564,998	-	564,998
At 31 December 2023	<u>11,155,521</u>	<u>100,000</u>	<u>11,255,521</u>
Net book value			
At 31 December 2023	<u>11,155,521</u>	<u>100,000</u>	<u>11,255,521</u>
At 31 December 2022	<u>10,623,410</u>	<u>100,000</u>	<u>10,723,410</u>

Other investments comprise cash held.

At 31 December 2023 the historical cost of listed investments was £9,596,946 (2022 - £7,513,666) and the historical cost of other fixed asset investments was £100,000 (2022 - £100,000).

The difference between the historical cost and market value of listed investments amounting to £1,558,576 (2022 - £3,109,745) is included within the unrestricted funds.

Material investments

Listed investments which comprise over 5% of the value of the portfolio are:

	2023 £	%
CBF Church of England Investment Fund Income Shares	5,749,820	51.5

After the balance sheet date, the charity sold all of its investment portfolio held by Quilter Cheviot and transferred the funds to its investment in the CBF Church of England Fund held by CCLA Investment Management.

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

14. Debtors

	2023 £	2022 £
Due within one year		
Other debtors	2,737	2,412
Prepayments	13,535	12,657
Tax recoverable	416	732
	<u>16,688</u>	<u>15,801</u>

Included in other debtors is £2,129 (2022 - £2,412) owed from trustees as per note 18.

15. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	1,000	-
Other taxation and social security	4,228	2,951
Accruals	21,365	20,553
	<u>26,593</u>	<u>23,504</u>

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

16. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds	17,152,406	460,655	(604,094)	481,361	17,490,328

Statement of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds					
Unrestricted Funds	18,532,953	435,670	(534,504)	(1,281,713)	17,152,406

17. Pension commitments

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £2,795 (2022 - £2,539). Contributions totalling £nil (2022 - £nil) were payable to the fund at the balance sheet date.

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

18. Related party transactions

During the year two Trustees were reimbursed expenses incurred for attending the Convent to celebrate mass and for attending the Convent for Trustee Meetings. The Rev'd Canon Jeffery Stewart Hopewell was paid £152 (2022 - £25) and The Rev'd Giles Anthony Christopher Orton was paid £185 (2022 - £23). These amounts were not paid as remuneration for their roles as trustees.

At 31 December 2023 there are bank balances amounting to £2,129 (2022: £2,412) held in the names of two Trustees. These accounts are held for the purpose of supporting the future activity of the Community. The balances are included in other debtors (see note 14).

As shown in Note 6 the Sisters donate their pensions to the charity and included in the amount shown is £20,779 (2022 - £20,191) donated by two Trustees.

During the year a grant of £2,000 (2022: £1,000) was made to Additional Curates Society. The Rev'd Giles Anthony Christopher Orton is a trustee of both charities.

19. Post balance sheet events

After the balance sheet date, the charity sold all of its investment portfolio held by Quilter Cheviot and transferred the funds to its investment in the CBF Church of England Fund held by CCLA Investment Management.

Accounts

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

COMMUNITY OF THE HOLY CROSS

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COMMUNITY OF THE HOLY CROSS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees

Miss Joy Rose Gough (Reverend Mother)
Miss Cherry Mae Wise
The Rev'd Canon Jeffery Stewart Hopewell
Mrs Carol Ann Smith
The Rev'd Giles Anthony Christopher Orton

Charity registered number

223807

Principal office

Holy Cross Convent
Highfields
Nottingham Road
Costock
Loughborough
LE12 6XE

Independent auditor

The Rowleys Partnership Ltd
Chartered Accountants
Statutory Auditor
Charnwood House
Harcourt Way
Meridian Business Park
Leicester
LE19 1WP

Bankers

National Westminster Bank Plc
Market Place
Loughborough
LE11 3EA

Solicitors

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

Investment advisors

Quilter Cheviot
Two Snowhill
Birmingham
B4 6GA

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their report together with the audited financial statements of Community of the Holy Cross ('the charity') for the year from year 1 January 2022 to 31 December 2022. The Trustees confirm that the trustees' report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

a. Policies and objectives

The principal objective of the Community is to serve God, and to this end to promote the maintenance, perfection and spread of the Christian religion and the religious life, by performing the Divine Office, by the example and influence of its corporate life, as also by teaching and publications, and, by acts of mercy, to relieve poverty and distress, to provide accommodation, food and rest and to care for those who are in physical, mental or spiritual distress, to care for the sick and aged, in ways that are not within the scope of public assistance and generally to use any opportunity, both alone and in conjunction with others, to give help where it is needed.

For the attainment of these purposes the members of the Community regulate their lives by the religious vows and by observance of the Holy Rule of St. Benedict, according to the Constitutions of the Community of the Holy Cross.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Grant-making policies

The category of recipients to whom grants are made are Promotion of Religion, Medical, Relief of Poverty etc both in the United Kingdom and abroad. Grants are made at the discretion of the Reverend Mother after consultation with the Community.

Investment dividends have increased this year, though the ultimate effects of the pandemic and the war in Ukraine on investment will probably not be known for some time.

We have given £46,650 (2021: £33,291) in alms which is approximately 10.9% (2021: 8.6%) of our income excluding grants and legacies. This is higher than 2021.

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

a. Review of activities and financial review

We employed a new gardener in mid of April 2022 who has proved himself very able in both the vegetable garden, which produces our fruit and vegetables, and in the flower and other gardens available for our visitors.

In August 2022 work was undertaken in the Guest House to replace the corridor and stair carpets, some of which had become dangerously frayed.

Due to increased infirmities in our older Sisters efforts were made towards the end of 2022 to engage a night carer for two or three nights a week. This was unsuccessful at that time due to the shortage of care workers available but will need to be pursued in 2023.

Hospitality to guests: We are taking quiet day visitors and the upgrade in the small guest kitchen in the Convent has proved popular with visitors who can now more easily cater for themselves at lunch time. The Guest House is open for limited accommodation. Several of our own sisters are classed as 'vulnerable' so we need to act with caution.

The visiting sister from another Community returned to her Community in May and the financial arrangements made by her Community came to an end.

The construction of a solar farm on the farmland surrounding our own land remained at the consultation stage during the year.

Articles have been written for publication this year and weekly meditative posts on our social media pages have been accessed by many people in the wider Church.

A sister is living at Beverley in North Yorkshire where she has a ministry of prayer and spiritual direction.

We continue to support our extern sister who has returned to Korea where she is living as a semi-hermit on Jeju Island. Covid 19 still poses some problems in Korea but Sister continues her ministry at the Anglican church helping the priest by visiting parishioners, holding Bible studies, preparing candidates for baptism and confirmation and teaching in the Sunday School.

b. Investment policy and performance

The market value of quoted investments showed a net unrealised loss of £1,152,745 (2021: net unrealised gain of £1,222,423) and a realised loss of £128,968 (2021: realised loss of £48,263).

The investments held by the charity are in accordance with the powers of the trustees.

We continue to rely on our fund managers to take a prudent approach to preservation of capital and our expected needs in the forthcoming year.

c. Going concern

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

The Community has confirmed that it has adequate cash and investment resources for at least the next 12 months from the date of signing these financial statements and for this reason they continue to adopt the going concern basis in preparing the financial statements.

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Other policies

a. Reserves policy

At 31 December 2022 the charity's reserves comprise general reserves to provide working capital and to secure the continuity of the charity's activities in the future. At 31 December 2022 the reserves amount to £17,152,406 (2021: £18,532,953).

b. Principal funding

The Trustees are satisfied that the charity's assets are available and adequate to fulfil their obligations.

Structure, governance and management

a. Constitution

The Community of the Holy Cross is an unincorporated registered charity and a trust which is governed by the Holy Rule of St. Benedict modified by the Constitutions.

b. Methods of appointment or election of Trustees

The Constitutions provide for the election, removal and resignation of the Trustees.

c. Policies adopted for the induction and training of Trustees

The Trustees are mindful of their duties in connection with the recruitment and training for Trustees.

d. Organisational structure and decision making

There are five Trustees, one of whom is the Reverend Mother. The other four are two members of the Chapter and two people who are not a member of the religious community nominated by the Reverend Mother with the consent of the Warden and elected by the majority of the Chapter.

The Chapter comprises all of the sisters in life vows under the presidency of the Reverend Mother. Every member of the Chapter has the right to vote when matters concerning the community are discussed. The Warden is a priest having the care of the spiritual life of the community and is elected to office by the Chapter.

The Trustees who served during the year are listed below:

Miss Joy Rose Gough
Miss Cherry Mae Wise
The Rev'd Canon Jeffery Stewart Hopewell
Mrs Carol Ann Smith
The Rev'd Giles Anthony Christopher Orton

Please see the Reference and Administrative Details of the Charity, its Trustees and Advisers on page 1 for the charity's registered number and principal office address.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

e. Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The charity uses financial instruments comprising cash and investments. The main purpose of these is to finance the working capital cycle of the charity and the longer term income and capital needs.

The charity considers its investments to be its main source of financial risk. A fund manager is used to manage (but not eliminate) these risks.

f. Auditors

During the year The Rowleys Partnership Ltd were reappointed as Auditors of the charity.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 requires the Trustees to prepare financial statements for each financial year. The trustees have to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate 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 financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Miss Joy Rose Gough (Reverend Mother)

(Chair of Trustees)

Date:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY OF THE HOLY CROSS

Opinion

We have audited the financial statements of Community of the Holy Cross (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, and notes to the financial statements, including significant accounting policies. 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 financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, including 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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council'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 financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements 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 financial statements 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.

COMMUNITY OF THE HOLY CROSS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY OF THE HOLY CROSS (CONTINUED)

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; or
- the financial statements 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 set out on page 6, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY OF THE HOLY CROSS
(CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the financial reporting frameworks (Statement of Recommended Practice (SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), Charities Act 2011) in the jurisdiction in which the charity operates.
- We enquired of management, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud;
- We assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur;
- Our testing considered unusual or unexpected journal entries on a sample basis;
- We evaluated the assumptions and judgements used by management within significant accounting estimates and assessing if these indicate evidence of management bias;
- We tested significant transactions, in particular the evaluation of the rationale for any which appear unusual or outside the charity's normal operations;
- We assessed the appropriateness of the collective competence and capabilities of the engagement team by understanding the practical experience with audit engagements of a similar nature and complexity, plus ensuring the team had appropriate and relevant training of the financial reporting framework specific to the entity.
- We reviewed the financial statements and tested the disclosures against supporting documentation.
- We communicated relevant matters to all members of the audit team to ensure they understood the risks specific to the entity and the audit procedures planned to mitigate these.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

COMMUNITY OF THE HOLY CROSS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY OF THE HOLY CROSS (CONTINUED)

Use of our report

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

The Rowleys Partnership Ltd

Statutory Auditor

Chartered Accountants

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Charnwood House

Harcourt Way

Meridian Business Park

Leicester

LE19 1WP

Date:

COMMUNITY OF THE HOLY CROSS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Income from:				
Donations and legacies	3	10,581	10,581	6,784
Charitable activities	4	622	622	629
Investments	5	353,221	353,221	312,875
Other income	6	71,246	71,246	65,331
Total income		435,670	435,670	385,619
Expenditure on:				
Raising funds	7	28,105	28,105	31,338
Charitable activities:	8 / 10			
Promotion of religion		494,339	494,339	487,759
Support costs		12,060	12,060	14,000
Total expenditure		534,504	534,504	533,097
Net gains/(losses) on investments		(1,281,713)	(1,281,713)	1,174,160
Net movement in funds		(1,380,547)	(1,380,547)	1,026,682
Reconciliation of funds:				
Total funds brought forward		18,532,953	18,532,953	17,506,271
Net movement in funds		(1,380,547)	(1,380,547)	1,026,682
Total funds carried forward		17,152,406	17,152,406	18,532,953

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 13 to 26 form part of these financial statements.

All activities relate to continuing operations.

COMMUNITY OF THE HOLY CROSS

BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	5,973,223	6,110,500
Investments	13	10,723,410	12,158,700
		<u>16,696,633</u>	<u>18,269,200</u>
Current assets			
Debtors	14	15,801	17,215
Cash at bank and in hand		463,476	271,488
		<u>479,277</u>	<u>288,703</u>
Creditors: amounts falling due within one year	15	(23,504)	(24,950)
Net current assets		<u>455,773</u>	<u>263,753</u>
Total net assets		<u><u>17,152,406</u></u>	<u><u>18,532,953</u></u>
Charity funds			
Unrestricted funds	16	17,152,406	18,532,953
Total funds		<u><u>17,152,406</u></u>	<u><u>18,532,953</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Miss Joy Rose Gough (Reverend Mother)

Miss Cherry Mae Wise (Secretary of Chapter)

Date:

Date:

The notes on pages 13 to 26 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The preparation of financial statements in compliance with the Charities SORP (FRS 102) requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

Community of the Holy Cross meets the definition of a public benefit entity under FRS 102. The charity is a unincorporated charity, please refer to page 1 for the registered office address.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in Sterling (£).

1.2 Going concern

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

The Community has confirmed that it has adequate cash and investment resources for at least the next 12 months from the date of signing these financial statements and for this reason they continue to adopt the going concern basis in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

All expenditure is inclusive of irrecoverable VAT.

1.5 Interest receivable

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 institution with whom the funds are deposited.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets, other than cemetery land, are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Cemetery land is recognised at valuation.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold buildings	- 2% Straight line
Motor vehicles	- 25% Reducing balance
Fixtures and fittings	- 10% Reducing balance
Computer equipment	- 33.33% Reducing balance

No depreciation is provided on freehold land and cemetery land.

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.10 Liabilities and provisions

Liabilities 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.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

2. Critical accounting estimates and areas of judgement

Certain amounts included in the financial statements involve the use of judgement and/or estimation. The judgements and estimates are based on the Trustees' best knowledge of the relevant facts and circumstances and have regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation uncertainty is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

- Fixed asset investments are measured at fair value at the balance sheet date (see 1.7 above).

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

3. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations and gifts	10,581	10,581	6,784

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Scriptorium	622	622	629

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Dividends from listed investments	350,934	350,934	312,808
Interest received from listed investments	1,604	1,604	-
Bank deposit interest	683	683	67
	353,221	353,221	312,875

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

6. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Sisters' pensions	56,023	56,023	49,169
Sundry income	14,301	14,301	15,240
Farming income	922	922	922
	<u>71,246</u>	<u>71,246</u>	<u>65,331</u>

7. Investment management costs

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment management fees	29,213	29,213	31,338
Foreign exchange gain	(1,108)	(1,108)	-
	<u>28,105</u>	<u>28,105</u>	<u>31,338</u>

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

8. Promotion of religion

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Special alms (note 9)	46,650	33,291
Promotion of religion	220	140
Books and periodicals	682	1,019
Church expenses	4,330	3,014
Branch house expenses	25,262	22,892
Motor and travelling expenses	5,066	4,524
Telephone, postage and stationery	10,467	8,760
Household supplies	10,377	9,912
Gas	15,737	11,567
Electricity	10,686	9,671
Council tax and water	5,134	4,561
Repairs and renewals	11,338	37,521
Estate, woodlands and gardens	9,844	9,067
Sundry expenses	8,882	9,869
Insurance	13,761	12,726
Wages	158,576	151,135
National insurance	7,674	7,316
Employer's pension contributions	2,539	2,150
Profit on sale of fixed assets	-	(210)
Professional fees	-	1,006
Depreciation	147,114	147,828
	494,339	487,759

9. Alms

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Made to institutions	46,650	33,291

Grants were made to 49 (2021 - 40) institutions in the year.

There were no grants to institutions which exceeded 10% of the income of the Community.

An analysis of the payments made in the year is as follows:

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

9. Alms (continued)

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
St Mary's PCC, East Leake	3,000	2,000
St Giles PCC, Costock	3,000	2,000
Franciscan Sisters	3,000	1,500
RCD Charities	2,500	-
McCabe Educational Trust	2,000	1,000
Bishop of Beverley Project Fund	1,000	1,000
Mary's Meals	1,000	1,000
St George in the Meadows	1,000	1,000
St Mary Somerton	1,000	-
Lincolnshire and Nottinghamshire Air Ambulance	1,000	1,000
Sightsavers	1,000	1,000
Forward in Faith	1,000	1,000
Framework Housing Association	1,000	1,000
Children in Distress	1,000	1,000
Southwell Minster	1,000	1,000
Additional Curates Society	1,000	1,000
St Peter's London Docks	1,000	1,000
Oxford Mission	1,000	-
College of St Barnabas	1,000	-
Christian Partners in Africa	1,000	-
CORD	1,000	-
Shrine of our Lady of Walsingham	1,000	-
Anglican Religious Communities Development Fund	1,000	-
Confraternity of the Blessed Sacrament	1,000	-
Tariro	1,000	-
Christians Against Poverty	1,000	-
Christian Aid	1,000	1,000
Trussell Trust	1,000	-
House of Light & Hope	-	2,000
Tree Aid	-	1,000
Leicester DRB	-	1,000
St John's, Brighton	-	1,000
Embrace	-	1,000
Items < £1,000 each	10,150	8,791
	46,650	33,291

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

10. Support costs - Governance costs

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Audit services	5,940	5,600
Non audit services	6,120	6,120
Professional fees	-	2,280
	12,060	14,000

11. Staff costs

Staff costs were as follows:

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Wages and salaries	158,569	151,135
Social security costs	7,674	7,316
Pension costs	2,539	2,150
	168,782	160,601

The average monthly number of employees during the year was as follows:

	2022 £	2021 £
Full time	4	5
Part time	4	3
	8	8

No employee received remuneration amounting to more than £60,000 in either year.

No trustees received any remuneration (2021: £8,802).

Details of trustees expenses are detailed within note 18.

COMMUNITY OF THE HOLY CROSS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. Tangible fixed assets

	Freehold land and buildings at Costock £	Motor vehicles £	Fixtures, fittings and computers £	Cemetery at Haywards Heath £	Total £
Cost or valuation					
At 1 January 2022	7,601,152	31,701	71,196	1	7,704,050
Additions	-	-	9,837	-	9,837
At 31 December 2022	7,601,152	31,701	81,033	1	7,713,887
Depreciation					
At 1 January 2022	1,531,558	18,870	43,122	-	1,593,550
Charge for the year	140,024	3,208	3,882	-	147,114
At 31 December 2022	1,671,582	22,078	47,004	-	1,740,664
Net book value					
At 31 December 2022	5,929,570	9,623	34,029	1	5,973,223
At 31 December 2021	6,069,594	12,831	28,074	1	6,110,500

All tangible fixed assets are used for charitable purposes.

The trustees are unable to obtain a valuation of the freehold land and buildings at Costock. There is no reason to suggest that the freehold land and buildings should be impaired.

The gross amount of freehold land and buildings at Costock on which depreciation is being provided is £7,001,152.

The cemetery at Haywards Heath is revalued at £1, a nominal value in view of the purpose for which it has been used and there being no possibility of any alternative use being considered in the future.

COMMUNITY OF THE HOLY CROSS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. Fixed asset investments

	Listed investments £	Other fixed asset investments £	Total £
Market value			
At 1 January 2022	12,058,700	100,000	12,158,700
Additions	660,567	-	660,567
Disposals	(943,112)	-	(943,112)
Revaluations	(1,152,745)	-	(1,152,745)
At 31 December 2022	<u>10,623,410</u>	<u>100,000</u>	<u>10,723,410</u>
Net book value			
At 31 December 2022	<u>10,623,410</u>	<u>100,000</u>	<u>10,723,410</u>
At 31 December 2021	<u>12,058,700</u>	<u>100,000</u>	<u>12,158,700</u>

Other investments comprise cash held.

At 31 December 2022 the historical cost of listed investments was £7,513,666 (2021 - £7,570,116) and the historical cost of other fixed asset investments was £100,000 (2021 - £100,000).

The difference between the historical cost and market value of listed investments amounting to £3,109,745 (2021 - £4,488,584) is included within the unrestricted funds.

Material investments

Listed investments which comprise over 5% of the value of the portfolio are:

	2022 £	%
M&G Investment Manager Charifund Income	2,251,142	21.1
CBF Church of England Investment Fund Income Shares	1,743,296	16.3
Blackrock AM UK Charishare Income	1,689,837	15.8

COMMUNITY OF THE HOLY CROSS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. Debtors

	2022 £	2021 £
Due within one year		
Other debtors	2,412	4,472
Prepayments	12,657	11,141
Tax recoverable	732	1,602
	15,801	17,215

Included in other debtors is £2,412 (2021 - £4,472) owed from trustees as per note 18.

15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	2,951	3,061
Accruals	20,553	21,889
	23,504	24,950

COMMUNITY OF THE HOLY CROSS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

16. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds	<u>18,532,953</u>	<u>435,670</u>	<u>(534,504)</u>	<u>(1,281,713)</u>	<u>17,152,406</u>

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds					
Unrestricted funds	<u>17,506,271</u>	<u>385,619</u>	<u>(533,097)</u>	<u>1,174,160</u>	<u>18,532,953</u>

17. Pension commitments

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £2,539 (2021 - £2,150). Contributions totalling £nil (2021 - £nil) were payable to the fund at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

18. Related party transactions

Andrew Leslie Waude is employed by the charity as an administrator. During the prior year, Mr Waude was also a trustee of the charity. Whilst serving as a trustee in the prior year, he received remuneration totalling £8,802, none of which was paid in respect of his role as a trustee. Mr Waude resigned as a Trustee in April 2021, he therefore received no remuneration in the prior or current year in relation to his role as trustee.

During the year two Trustees were reimbursed expenses incurred for attending the Convent to celebrate mass and for attending the Convent for Trustee Meetings. The Rev'd Canon Jeffery Stewart Hopewell was paid £25 (2021 - £75) and The Rev'd Giles Anthony Christopher Orton was paid £23 (2021 - £69). These amounts were not paid as remuneration for their roles as trustees. No further Trustees were reimbursed expenses in the year (2021 - £nil).

At 31 December 2022 there are bank balances amounting to £2,412 (2021: £4,472) held in the names of two Trustees. These accounts are held for the purpose of supporting the future activity of the Community. The balances are included in other debtors (see note 14).

As shown in Note 6 the Sisters donate their pensions to the charity and included in the amount shown is £20,191 (2021 - £18,443) donated by two Trustees.

Accounts

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

COMMUNITY OF THE HOLY CROSS

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COMMUNITY OF THE HOLY CROSS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees

Miss Joy Rose Gough (Reverend Mother)
Miss Cherry Mae Wise
The Rev'd Canon Jeffery Stewart Hopewell
Mrs Carol Ann Smith
Andrew Leslie Waude (resigned 20 April 2021)
The Rev'd Giles Anthony Christopher Orton (appointed 31 August 2021)

Charity registered number

223807

Principal office

Holy Cross Convent
Highfields
Nottingham Road
Costock
Loughborough
LE12 6XE

Independent auditor

The Rowleys Partnership Ltd
Chartered Accountants
Statutory Auditor
Charnwood House
Harcourt Way
Meridian Business Park
Leicester
LE19 1WP

Bankers

National Westminster Bank Plc
Market Place
Loughborough
LE11 3EA

Solicitors

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

Investment advisors

Quilter Cheviot
Two Snowhill
Birmingham
B4 6GA

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their report together with the audited financial statements of Community of the Holy Cross ('the charity') for the year from 1 January 2021 to 31 December 2021. The Trustees confirm that the trustees' report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

a. Policies and objectives

The principal objective of the Community is to serve God, and to this end to promote the maintenance, perfection and spread of the Christian religion and the religious life, by performing the Divine Office, by the example and influence of its corporate life, as also by teaching and publications, and, by acts of mercy, to relieve poverty and distress, to provide accommodation, food and rest and to care for those who are in physical, mental or spiritual distress, to care for the sick and aged, in ways that are not within the scope of public assistance and generally to use any opportunity, both alone and in conjunction with others, to give help where it is needed.

For the attainment of these purposes the members of the Community regulate their lives by the religious vows and by observance of the Holy Rule of St. Benedict, according to the Constitutions of the Community of the Holy Cross.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Grant-making policies

The category of recipients to whom grants are made are Promotion of Religion, Medical, Relief of Poverty etc both in the United Kingdom and abroad. Grants are made at the discretion of the Reverend Mother after consultation with the Community.

We have given £33,291 in alms which is approximately 8.6% of our income excluding grants and legacies. This is lower than 2020 due to the increase in expenditure on renewals and repairs.

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance

a. Review of activities and financial review

We employed a new maintenance engineer at the beginning of April 2021 who has himself carried out most of the renewals and repairs or overseen contractors.

We were able to proceed with some major works on Holy Cross Cottage and the Convent buildings. The Cottage needed some substantial works as very little maintenance had been done for several years due both to the extended ill health and death of the then maintenance engineer and the pandemic. The exterior painting and renovation of Holy Cross Cottage and of the original listed buildings within the convent complex was carried out by contractors. The interior refurbishment and redecorating of the Cottage was completed by our own maintenance staff. The area of the Cottage garden was greatly reduced and re-fenced. The spare land being returned to New Wood, which is part of the amenity area for visitors. Holy Cross Cottage is now let on an Assured Shorthold Tenancy to a member of staff.

Complete new windows and doors were installed in St Columba's Hermitage as the frames had rotted badly and some refurbishing in the Guest House was carried out by the maintenance staff. Further work will need to be undertaken in the Guest House in 2022 including the replacement of all the corridor and stair carpets.

Two further expenditures were the mandatory, certified, electrical testing of the entire electrical system and also the renewal of the hot water boiler for the Convent. The latter had broken down early in the new year and needed to be replaced as soon as possible.

Hospitality to guests: We have begun to take a few quiet day visitors and have upgraded the small guest kitchen in the Convent so visitors can more easily cater for themselves at lunch time. The Guest House is open for limited accommodation. Several of our own sisters are classed as 'vulnerable' so we need to act with caution. The visiting sister from another Community is still staying at the convent and the financial arrangements made by her Community are still in place.

Due to the resignation of Andrew Leslie Waude as a Trustee the Community elected The Rev'd Giles Anthony Christopher Orton as a Trustee on 31 August.

Articles have been written for publication this year and weekly meditative posts on our social media pages have been accessed by many people in the wider Church.

A sister is living at Bewerley in North Yorkshire where she has a ministry of prayer and spiritual direction.

We continue to support our extern sister who has returned to Korea where she is living as a semi-hermit on Jeju Island. Lockdown curtailed her ministry during 2021 but when possible she still helped the priest by visiting parishioners, holding Bible studies, preparing candidates for baptism and confirmation and teaching in the Sunday School.

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance (continued)

b. Investment policy and performance

In February 2021 the charity's reserve fund had grown to £200,000 so the Trustees bought £100,000 of M&G Charifund Investment Fund Income Units.

The market value of quoted investments showed a net unrealised profit of £1,222,423 at 31 December 2021 compared to a net unrealised loss of £35,210 in the previous year.

In view of the decreasing income from both M&G Charibond Fixed Interest Fund Income Units, and COIF Fixed Interest Income Units, the Trustees decided to sell the total holdings in both of these stocks and re-invest the proceeds in M&G Charifund Investment Fund and CBF Income Shares respectively. As a result we are already seeing a slight increase in investment income.

The investments held by the charity are in accordance with the powers of the trustees.

Steps have been taken to safeguard the capital value of our investments and we continue to take advice from our financial advisors regarding the management of our portfolio in the light of our expected needs in the forthcoming year.

c. Going concern

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

The Community has confirmed that it has adequate cash and investment resources for at least the next 12 months from the date of signing these financial statements and for this reason they continue to adopt the going concern basis in preparing the financial statements.

Other policies

a. Reserves policy

At 31 December 2021 the charity's reserves comprise general reserves to provide working capital and to secure the continuity of the charity's activities in the future. At 31 December 2021 the reserves amount to £18,532,953.

b. Principal funding

The Trustees are satisfied that the charity's assets are available and adequate to fulfil their obligations.

Structure, governance and management

a. Constitution

The Community of the Holy Cross is an unincorporated registered charity and a trust which is governed by the Holy Rule of St. Benedict modified by the Constitutions.

b. Methods of appointment or election of Trustees

The Constitutions provide for the election, removal and resignation of the Trustees.

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, governance and management (continued)

c. Policies adopted for the induction and training of Trustees

The Trustees are mindful of their duties in connection with the recruitment and training for Trustees.

d. Organisational structure and decision making

There are five Trustees, one of whom is the Reverend Mother. The other four are two members of the Chapter and two people who are not a member of the religious community nominated by the Reverend Mother with the consent of the Warden and elected by the majority of the Chapter.

The Chapter comprises all of the sisters in life vows under the presidency of the Reverend Mother. Every member of the Chapter has the right to vote when matters concerning the community are discussed. The Warden is a priest having the care of the spiritual life of the community and is elected to office by the Chapter.

The Trustees who served during the year are listed below:

Miss Cherry Mae Wise
Miss Joy Rose Gough
The Rev'd Canon Jeffery Stewart Hopewell
Mrs Carol Ann Smith
Andrew Leslie Waude (resigned 20 April 2021)
The Rev'd Giles Anthony Christopher Orton (appointed 31 August 2021)

e. Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The charity uses financial instruments comprising cash and investments. The main purpose of these is to finance the working capital cycle of the charity and the longer term income and capital needs.

The charity considers its investments to be its main source of financial risk. A fund manager is used to manage (but not eliminate) these risks.

f. Auditors

During the year The Rowleys Partnership Ltd were reappointed as Auditors of the charity.

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 requires the Trustees to prepare financial statements for each financial year. The Trustees have to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate 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 financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Miss Joy Rose Gough (Reverend Mother)
(Chair of Trustees)

Date:

5th May 2022

COMMUNITY OF THE HOLY CROSS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY OF THE HOLY CROSS

Opinion

We have audited the financial statements of Community of the Holy Cross (the 'charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes, including a summary of significant accounting policies. 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 financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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 financial statements' section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements 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 financial statements 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.

COMMUNITY OF THE HOLY CROSS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY OF THE HOLY CROSS (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report set out on pages 2 to 6, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 financial statements 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 where 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 financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements 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 set out on page 6, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

COMMUNITY OF THE HOLY CROSS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY OF THE HOLY CROSS (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the financial reporting frameworks (Statement of Recommended Practice (SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), Charities Act 2011) in the jurisdiction in which the charity operates.
- We enquired of management, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud;
- We assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur;
- Our testing considered unusual or unexpected journal entries on a sample basis;
- We evaluated the assumptions and judgements used by management within significant accounting estimates and assessing if these indicate evidence of management bias;
- We tested significant transactions, in particular the evaluation of the rationale for any which appear unusual or outside the charity's normal operations;
- We assessed the appropriateness of the collective competence and capabilities of the engagement team by understanding the practical experience with audit engagements of a similar nature and complexity, plus ensuring the team had appropriate and relevant training of the financial reporting framework specific to the entity.
- We reviewed the financial statements and tested the disclosures against supporting documentation.
- We communicated relevant matters to all members of the audit team to ensure they understood the risks specific to the entity and the audit procedures planned to mitigate these.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

COMMUNITY OF THE HOLY CROSS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY OF THE HOLY CROSS
(CONTINUED)

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

The Rowleys Partnership Ltd

The Rowleys Partnership Ltd

Statutory Auditor

Chartered Accountants

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Charnwood House

Harcourt Way

Meridian Business Park

Leicester

LE19 1WP

Date: *5 May 2022*

COMMUNITY OF THE HOLY CROSS

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:				
Donations and legacies	3	6,784	6,784	11,021
Charitable activities	4	629	629	743
Investments	5	312,875	312,875	277,421
Other income	6	65,331	65,331	53,299
Total income		385,619	385,619	342,484
Expenditure on:				
Raising funds	7	31,338	31,338	26,878
Charitable activities:				
Promotion of religion	8	487,759	487,759	434,727
Support costs	10	14,000	14,000	11,340
Total expenditure		533,097	533,097	472,945
Net gains/(losses) on investments		1,174,160	1,174,160	(166,430)
Net movement in funds		1,026,682	1,026,682	(296,891)
Reconciliation of funds:				
Total funds brought forward		17,506,271	17,506,271	17,803,162
Net movement in funds		1,026,682	1,026,682	(296,891)
Total funds carried forward		18,532,953	18,532,953	17,506,271

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 13 to 25 form part of these financial statements.

All activities relate to continuing operations.

COMMUNITY OF THE HOLY CROSS

**BALANCE SHEET
AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	6,110,500	6,247,588
Investments	13	12,158,700	10,834,761
		<u>18,269,200</u>	<u>17,082,349</u>
Current assets			
Debtors	14	17,215	15,245
Cash at bank and in hand		271,488	429,614
		<u>288,703</u>	<u>444,859</u>
Creditors: amounts falling due within one year	15	(24,950)	(20,937)
Net current assets		<u>263,753</u>	<u>423,922</u>
Total net assets		<u><u>18,532,953</u></u>	<u><u>17,506,271</u></u>
Charity funds			
Unrestricted funds	16	18,532,953	17,506,271
Total funds		<u><u>18,532,953</u></u>	<u><u>17,506,271</u></u>

The financial statements were approved and authorised for issue by the Trustees on and signed on their behalf by:



Joy R Gough

Miss Joy Rose Gough (Reverend Mother)

Date: *5th May 2022*

The notes on pages 13 to 25 form part of these financial statements.

C.M. Wise

Miss Cherry Mae Wise (Secretary of Chapter)

Date: *C.M. Wise 05.05.2022*

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The preparation of financial statements in compliance with the Charities SORP (FRS 102) requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

Community of the Holy Cross meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in Sterling (£).

1.2 Going concern

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

The Community has confirmed that it has adequate cash and investment resources for at least the next 12 months from the date of signing these financial statements and for this reason they continue to adopt the going concern basis in preparing the financial statements.

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

All expenditure is inclusive of irrecoverable VAT.

1.5 Interest receivable

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 institution with whom the funds are deposited.

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets, other than cemetery land, are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Cemetery land is recognised at valuation.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold buildings	- 2% Straight line
Motor vehicles	- 25% Reducing balance
Fixtures and fittings	- 10% Reducing balance
Computer equipment	- 33 1/3% Reducing balance

No depreciation is provided on freehold land and cemetery land.

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

1.10 Liabilities and provisions

Liabilities 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.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

2. Critical accounting estimates and areas of judgement

Certain amounts included in the financial statements involve the use of judgement and/or estimation. The judgements and estimates are based on the Trustees' best knowledge of the relevant facts and circumstances and have regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation uncertainty is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

Judgements in applying accounting policies:

- The principal judgement made by the Trustees in the preparation of these financial statements is in relation to the recognition of legacies (see 1.3 above).

Sources of estimation uncertainty:

- Depreciation rates are based on estimates of the useful lives and residual values of the assets involved (see 1.6 above).

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations and gifts	6,784	6,784	10,521
Legacies	-	-	500
	<u>6,784</u>	<u>6,784</u>	<u>11,021</u>

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Scriptorium	629	629	743
	<u>629</u>	<u>629</u>	<u>743</u>

5. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from listed investments	312,808	312,808	276,838
Bank deposit interest	67	67	583
	<u>312,875</u>	<u>312,875</u>	<u>277,421</u>

COMMUNITY OF THE HOLY CROSS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

6. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Sisters' pensions	49,169	49,169	45,477
Sundry income	15,240	15,240	6,900
Farming income	922	922	922
	<u>65,331</u>	<u>65,331</u>	<u>53,299</u>

7. Investment management costs

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Investment management fees	<u>31,338</u>	<u>31,338</u>	<u>26,878</u>

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

8. Promotion of religion

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Special alms (note 9)	33,291	36,698
Promotion of religion	140	255
Books and periodicals	1,019	1,036
Church expenses	3,014	3,346
Branch house expenses	22,892	23,338
Motor and travelling expenses	4,524	3,387
Telephone, postage and stationery	8,760	9,849
Household supplies	9,912	8,524
Gas	11,567	10,907
Electricity	9,671	9,165
Council tax and water	4,561	4,627
Repairs and renewals	37,521	6,516
Estate, woodlands and gardens	9,067	3,475
Sundry expenses	9,869	6,680
Insurance	12,726	12,219
Wages	151,135	140,815
National insurance	7,316	5,778
Employer's pension contributions	2,150	1,238
Profit on sale of fixed assets	(210)	(1,440)
Professional fees	1,006	-
Depreciation	147,828	148,314
	<u>487,759</u>	<u>434,727</u>

9. Alms

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Made to institutions	<u>33,291</u>	<u>36,698</u>

Grants were made to 40 (2020 - 46) institutions in the year.

There were no grants to institutions which exceeded 10% of the income of the Community.

An analysis of the payments made in the year is as follows:

COMMUNITY OF THE HOLY CROSS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Alms (continued)

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
St Mary's PCC, East Leake	2,000	2,000
St Giles PCC, Costock	2,000	2,000
House of Light & Hope	2,000	-
Franciscan Sisters	1,500	1,500
Bishop of Beverley Project Fund	1,000	1,000
Mary's Meals	1,000	1,000
St George in the Meadows	1,000	1,000
Lincolnshire and Nottinghamshire Air Ambulance	1,000	1,000
Sightsavers	1,000	1,000
Forward in Faith	1,000	1,000
Framework	1,000	1,000
Children in Distress	1,000	1,000
Southwell Minster	1,000	1,000
Additional Curates Society	1,000	1,000
McCabe Educational Trust	1,000	1,000
Christian Aid	1,000	1,000
St Peter's London Docks	1,000	1,000
Tree Aid	1,000	1,000
Leicester DRB	1,000	-
St John's, Brighton	1,000	-
Embrace	1,000	-
RCD Charities	-	2,500
Oxford Mission	-	1,000
College of St Barnabas	-	1,000
Edenham Regional House (2 grants)	-	1,000
Community of the Holy Name	-	1,000
Items < £1,000 each	8,791	10,698
	<u>33,291</u>	<u>36,698</u>

COMMUNITY OF THE HOLY CROSS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. Support costs - Governance costs

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Audit services	5,600	5,400
Non audit services	6,120	5,940
Professional fees	2,280	-
	14,000	11,340

11. Staff costs

Staff costs were as follows:

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Wages and salaries	151,135	140,815
Social security costs	7,316	5,778
Pension costs	2,150	1,238
	160,601	147,831

The average monthly number of employees during the year was as follows:

	2021 £	2020 £
Full time	5	5
Part time	3	3
	8	8

No employee received remuneration amounting to more than £60,000 in either year.

COMMUNITY OF THE HOLY CROSS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. Tangible fixed assets

	Freehold land and buildings at Costock £	Motor vehicles £	Plant, fixtures, fittings and computers £	Cemetery at Haywards Heath £	Total £
Cost or valuation					
At 1 January 2021	7,601,152	31,701	60,456	1	7,693,310
Additions	-	-	10,740	-	10,740
At 31 December 2021	7,601,152	31,701	71,196	1	7,704,050
Depreciation					
At 1 January 2021	1,391,534	14,593	39,595	-	1,445,722
Charge for the year	140,024	4,277	3,527	-	147,828
At 31 December 2021	1,531,558	18,870	43,122	-	1,593,550
Net book value					
At 31 December 2021	6,069,594	12,831	28,074	1	6,110,500
At 31 December 2020	6,209,618	17,108	20,861	1	6,247,588

All tangible fixed assets are used for charitable purposes.

The trustees are unable to obtain a valuation of the freehold land and buildings at Costock. There is no reason to suggest that the freehold land and buildings should be impaired.

The gross amount of freehold land and buildings at Costock on which depreciation is being provided is £7,001,152.

The cemetery at Haywards Heath is revalued at £1, a nominal value in view of the purpose for which it has been used and there being no possibility of any alternative use being considered in the future.

COMMUNITY OF THE HOLY CROSS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Fixed asset investments

	Listed investments £	Other fixed asset investments £	Total £
Market value			
At 1 January 2021	10,734,761	100,000	10,834,761
Additions	2,588,274	-	2,588,274
Disposals	(2,486,758)	-	(2,486,758)
Revaluations	1,222,423	-	1,222,423
At 31 December 2021	12,058,700	100,000	12,158,700
Market value			
At 31 December 2021	12,058,700	100,000	12,158,700
<i>At 31 December 2020</i>	<i>10,734,761</i>	<i>100,000</i>	<i>10,834,761</i>

Other investments comprise cash held.

At 31 December 2021 the historical cost of listed investments was £7,570,116 (2020 - £7,390,019) and the historical cost of other fixed asset investments was £100,000 (2020 - £100,000).

The difference between the historical cost and market value of listed investments amounting to £4,488,584 (2020 - £3,344,742) is included within the unrestricted funds.

Material investments

Listed investments which comprise over 5% of the value of the portfolio are:

	2021 £	%
M&G Investment Manager Charifund Income	2,383,927	19.8
CBF Church of England Investment Fund Income Shares	1,917,991	15.9
Blackrock AM UK Charishare Income	1,750,979	14.5

COMMUNITY OF THE HOLY CROSS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. Debtors

	2021 £	2020 £
Due within one year		
Other debtors	4,472	3,557
Prepayments	11,141	10,952
Tax recoverable	1,602	736
	<u>17,215</u>	<u>15,245</u>

Included in other debtors is £4,472 (2020 - £3,057) owed from trustees as per note 18.

15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	3,061	1,436
Accruals	21,889	19,501
	<u>24,950</u>	<u>20,937</u>

16. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds	<u>17,506,271</u>	<u>385,619</u>	<u>(533,097)</u>	<u>1,174,160</u>	<u>18,532,953</u>

17. Pension commitments

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £2,150 (2020 - £1,238). Contributions totalling £nil (2020 - £nil) were payable to the fund at the balance sheet date.

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

18. Related party transactions

Andrew Leslie Waude, a Trustee of the charity from 25 August 2020 to 20 April 2021, is employed by the charity as an administrator and received remuneration of £8,802 during the period 1 January 2021 to 20 April 2021 (£8,112 during the period 25 August 2020 to 31 December 2020) in respect of this role and not as a Trustee.

During the year two Trustees were reimbursed expenses incurred for attending the Convent to celebrate mass. The Rev'd Canon Jeffery Stewart Hopewell was paid £75 (2020 - £113) and The Rev'd Giles Anthony Christopher Orton was paid £69 (2020 - £nil). These amounts were not paid as remuneration for their roles as trustees. No further Trustees were reimbursed expenses in the year (2020 - £nil).

At 31 December 2021 there are bank balances amounting to £4,472 (2020 - £3,057) held in the names of two Trustees. These accounts are held for the purpose of supporting the future activity of the Community. The balances are included in debtors (see note 14).

As shown in Note 6 the Sisters donate their pensions to the charity and included in the amount shown is £18,443 (2020 - £17,977) donated by two Trustees.

Accounts

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

COMMUNITY OF THE HOLY CROSS

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COMMUNITY OF THE HOLY CROSS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees

Miss Joy Rose Gough (Reverend Mother)
Miss Kathleen Annie Priddin (resigned 9 May 2020)
Miss Cherry Mae Wise
The Rev'd Canon Jeffery Stewart Hopewell
Mrs Carol Ann Smith (appointed 25 August 2020)
Andrew Leslie Waude (appointed 25 August 2020, resigned 20 April 2021)

Charity registered number

223807

Principal office

Holy Cross Convent
Highfields
Nottingham Road
Costock
Loughborough
LE12 6XE

Independent auditor

The Rowleys Partnership Ltd
Chartered Accountants
Statutory Auditor
Charnwood House
Harcourt Way
Meridian Business Park
Leicester
LE19 1WP

Bankers

National Westminster Bank Plc
Market Place
Loughborough
LE11 3EA

Solicitors

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

Investment advisors

Quilter Cheviot
Two Snowhill
Birmingham
B4 6GA

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report together with the audited financial statements of Community of the Holy Cross ('the charity') for the year from 1 January 2020 to 31 December 2020. The Trustees confirm that the trustees' report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

a. Policies and objectives

The principal objective of the Community is to serve God, and to this end to promote the maintenance, perfection and spread of the Christian religion and the religious life, by performing the Divine Office, by the example and influence of its corporate life, as also by teaching and publications, and, by acts of mercy, to relieve poverty and distress, to provide accommodation, food and rest and to care for those who are in physical, mental or spiritual distress, to care for the sick and aged, in ways that are not within the scope of public assistance and generally to use any opportunity, both alone and in conjunction with others, to give help where it is needed.

For the attainment of these purposes the members of the Community regulate their lives by the religious vows and by observance of the Holy Rule of St. Benedict, according to the Constitutions of the Community of the Holy Cross.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Grant-making policies

The category of recipients to whom grants are made are Promotion of Religion, Medical, Relief of Poverty etc both in the United Kingdom and abroad. Grants are made at the discretion of the Reverend Mother after consultation with the Community.

The greatest effect on our income has been the pandemic. Investment dividends have dropped and the ultimate effects of the pandemic on investments will probably not be known for some time. The closure of the guest house in March has resulted in a considerable loss of income. The break with the European Union will also be felt financially therefore affecting our grant making for 2021.

In spite of the reductions in income we have given £36,698 in grants which is 11% of our income excluding grants and legacies (2019 - £47,935). It is unlikely that we shall be in a position to give any substantial charitable grants until we have built up our capital account.

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance

a. Review of activities and financial review

The only major capital works scheduled for 2021 will be to Holy Cross Cottage. This property has become vacant due to the death of our maintenance engineer Mr Terence Bailey at the end of 2020 and needs some substantial works carried out to make it suitable for a new rent-paying tenant. There will also be a greater than usual number of renewals and repairs to the buildings and estate in general following the long sick leave and subsequent death of Mr Bailey.

Hospitality to guests: We were closed to guests and visitors from 15 March due to the pandemic. A visiting sister from another Community was able to arrive in early September in a gap between lockdowns. Financial arrangements have been put in place by her Community to enable her to continue her stay as long as necessary. There are currently no plans to open the guest house or to take in quiet day visitors until the government guidelines suggest it would be safe to do so.

Due to the retirement of Sister Mary Luke, (Cherry Mae Wise) as Reverend Mother, an election was held on 9 May and Sister Mary Julian (Joy Rose Gough) was elected by the Community. On 26 August the Chapter elected two new Trustees. Due to the retirement of Sister Mary Bernadette (Kathleen Annie Priddin) as a Trustee, Sister Mary Catherine (Carol Ann Smith) was elected to take her place. There still being another Trustee position available, the Community elected Andrew Leslie Waude as the fifth Trustee. Andrew Leslie Waude has subsequently resigned as a Trustee on 20 April 2021.

One of our sisters is a member of the Advisory Council for bishops and religious in the Church of England. No articles have been written for publication this year but weekly meditative posts on our social media pages have been accessed by many people in the wider Church.

A sister is living at Beverley in North Yorkshire where she has a ministry of prayer and spiritual direction.

We continue to support our extern sister who has returned to Korea where she is living as a semi-hermit on Jeju Island. Lockdown curtailed her ministry during 2020 but when possible she still helped the priest by visiting parishioners, holding Bible studies, preparing candidates for baptism and confirmation and teaching in the Sunday School.

The attached financial statements give details of the financial transactions in the year and the financial position of the charity at the year end.

There was net expenditure, before realised and unrealised gains on investments, for the year amounting to £130,461 (2019 - £81,296). Net losses on investments amounted to £166,430 (2019 - net gains £1,349,640) to give a net decrease in funds of £296,891 (2019 - increase £1,268,344).

There were no fundraising activities in the year, and it is the Trustees' general policy not to engage in fund raising activities.

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance (continued)

b. Investment policy and performance

The principal financial risk facing the charity is the investment performance of the quoted investment portfolio.

The market value of quoted investments showed a net unrealised loss of £35,210 in the year compared to a net unrealised gain of £1,300,390 in the previous year.

The investments held by the charity are in accordance with the powers of the trustees.

Steps have been taken to safeguard the capital value of our investments and we continue to take advice from our financial advisors regarding the management of our portfolio in the light of our expected needs in the forthcoming year.

c. Going concern

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

The impact of Covid-19 on the Community is as detailed on page 2 of the accounts under Grant-making policies.

The Community has confirmed that it has adequate cash and investment resources for at least the next 12 months and for this reason they continue to adopt the going concern basis in preparing the financial statements.

Other policies

a. Reserves policy

At 31 December 2020 the charity's reserves comprise general reserves to provide working capital and to secure the continuity of the charity's activities in the future. At 31 December 2020 the reserves amount to £17,506,271.

b. Principal funding

The Trustees are satisfied that the charity's assets are available and adequate to fulfil their obligations.

Structure, governance and management

a. Constitution

The Community of the Holy Cross is an unincorporated registered charity and a trust which is governed by the Holy Rule of St. Benedict modified by the Constitutions.

b. Methods of appointment or election of Trustees

The Constitutions provide for the election, removal and resignation of the Trustees.

c. Policies adopted for the induction and training of Trustees

The Trustees are mindful of their duties in connection with the recruitment and training for Trustees.

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management (continued)

d. Organisational structure and decision making

There are five Trustees, one of whom is the Reverend Mother. The other four are two members of the Chapter and two people who are not a member of the religious community nominated by the Reverend Mother with the consent of the Warden and elected by the majority of the Chapter.

The Chapter comprises all of the sisters in life vows under the presidency of the Reverend Mother. Every member of the Chapter has the right to vote when matters concerning the community are discussed. The Warden is a priest having the care of the spiritual life of the community and is elected to office by the Chapter.

Miss Joy Rose Gough became Reverend Mother on 9 May 2020 taking over from Miss Cherry Mae Wise.

The Trustees who served during the year are listed below:

Miss Cherry Mae Wise

Miss Kathleen Annie Priddin (resigned 9 May 2020)

Miss Joy Rose Gough

The Rev'd Canon Jeffery Stewart Hopewell

Mrs Carol Ann Smith (appointed 25 August 2020)

Andrew Leslie Waude (appointed 25 August 2020, resigned 20 April 2021)

e. Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The charity uses financial instruments comprising cash and investments. The main purpose of these is to finance the working capital cycle of the charity and the longer term income and capital needs.

The charity considers movements in interest rates to be its main risk and uses a fund manager to manage this risk. Investment risk is considered to be minimal as shown under the investment policy.

f. Auditors

During the year The Rowleys Partnership Ltd were appointed as Auditors of the charity.

COMMUNITY OF THE HOLY CROSS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 requires the Trustees to prepare financial statements for each financial year. The Trustees have to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate 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 financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

Approved by order of the members of the board of Trustees on 28 May 2021 and signed on their behalf by:

Miss Joy Rose Gough (Reverend Mother)
(Chair of Trustees)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY OF THE HOLY CROSS

Opinion

We have audited the financial statements of Community of the Holy Cross (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes, including a summary of significant accounting policies. 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 financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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 financial statements' section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements 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 financial statements 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY OF THE HOLY CROSS
(CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report set out on pages 2 to 6, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 financial statements 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 where 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 financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements 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 set out on page 6, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY OF THE HOLY CROSS
(CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the financial reporting frameworks (Statement of Recommended Practice (SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), Charities Act 2011) in the jurisdiction in which the charity operates.
- We enquired of management, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud;
- We assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur;
- Our testing considered unusual or unexpected journal entries on a sample basis;
- We evaluated the assumptions and judgements used by management within significant accounting estimates and assessing if these indicate evidence of management bias;
- We tested significant transactions, in particular the evaluation of the rationale for any which appear unusual or outside the charity's normal operations;
- We assessed the appropriateness of the collective competence and capabilities of the engagement team by understanding the practical experience with audit engagements of a similar nature and complexity, plus ensuring the team had appropriate and relevant training of the financial reporting framework specific to the entity.
- We reviewed the financial statements and tested the disclosures against supporting documentation.
- We communicated relevant matters to all members of the audit team to ensure they understood the risks specific to the entity and the audit procedures planned to mitigate these.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

COMMUNITY OF THE HOLY CROSS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY OF THE HOLY CROSS (CONTINUED)

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

The Rowleys Partnership Ltd

Statutory Auditor

Chartered Accountants

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Charnwood House

Harcourt Way

Meridian Business Park

Leicester

LE19 1WP

1 June 2021

COMMUNITY OF THE HOLY CROSS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:				
Donations and legacies	3	11,021	11,021	48,622
Charitable activities	4	743	743	1,254
Investments	5	277,421	277,421	332,289
Other income	6	53,299	53,299	49,060
Total income		342,484	342,484	431,225
Expenditure on:				
Raising funds	7	26,878	26,878	34,612
Charitable activities:				
Promotion of religion	8	434,727	434,727	466,029
Support costs	10	11,340	11,340	11,880
Total expenditure		472,945	472,945	512,521
Net (losses)/gains on investments		(166,430)	(166,430)	1,349,640
Net movement in funds		(296,891)	(296,891)	1,268,344
Reconciliation of funds:				
Total funds brought forward		17,803,162	17,803,162	16,534,818
Net movement in funds		(296,891)	(296,891)	1,268,344
Total funds carried forward		17,506,271	17,506,271	17,803,162

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 13 to 25 form part of these financial statements.

All activities relate to continuing operations.

COMMUNITY OF THE HOLY CROSS

BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	6,247,588	6,383,364
Investments	13	10,834,761	11,103,081
		<u>17,082,349</u>	<u>17,486,445</u>
Current assets			
Debtors	14	15,245	15,052
Cash at bank and in hand		429,614	324,737
		<u>444,859</u>	<u>339,789</u>
Creditors: amounts falling due within one year	15	(20,937)	(23,072)
Net current assets		<u>423,922</u>	<u>316,717</u>
Total net assets		<u><u>17,506,271</u></u>	<u><u>17,803,162</u></u>
Charity funds			
Unrestricted funds	16	17,506,271	17,803,162
Total funds		<u><u>17,506,271</u></u>	<u><u>17,803,162</u></u>

The financial statements were approved and authorised for issue by the Trustees on 28 May 2021 and signed on their behalf by:

Miss Joy Rose Gough (Reverend Mother)

Miss Cherry Mae Wise (Secretary of Chapter)

The notes on pages 13 to 25 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The preparation of financial statements in compliance with the Charities SORP (FRS 102) requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

Community of the Holy Cross meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in Sterling (£).

1.2 Going concern

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

Income and investment valuations have been affected by Covid-19. Investment dividends have dropped and the ultimate effects of the pandemic on investments will probably not be known for some time. The closure of the guest house in March has resulted in a considerable loss of income.

The Community has confirmed that it has adequate cash and investment resources for at least the next 12 months from the date of signing these financial statements and for this reason they continue to adopt the going concern basis in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

All expenditure is inclusive of irrecoverable VAT.

1.5 Interest receivable

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 institution with whom the funds are deposited.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets, other than cemetery land, are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Cemetery land is recognised at valuation.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold buildings	- 2% Straight line
Motor vehicles	- 25% Reducing balance
Fixtures and fittings	- 10% Reducing balance
Computer equipment	- 33 1/3% Reducing balance

No depreciation is provided on freehold land and cemetery land.

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.10 Liabilities and provisions

Liabilities 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.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

2. Critical accounting estimates and areas of judgment

Certain amounts included in the financial statements involve the use of judgement and/or estimation. The judgements and estimates are based on the Trustees' best knowledge of the relevant facts and circumstances and have regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation uncertainty is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

Judgements in applying accounting policies:

- The principal judgement made by the Trustees in the preparation of these financial statements is in relation to the recognition of legacies (see 1.3 above).

Sources of estimation uncertainty:

- Depreciation rates are based on estimates of the useful lives and residual values of the assets involved (see 1.6 above).

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

3. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations and gifts	10,521	10,521	27,316
Legacies	500	500	21,306
	<u>11,021</u>	<u>11,021</u>	<u>48,622</u>

4. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Scriptorium	743	743	1,254

5. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from listed investments	276,838	276,838	331,650
Bank deposit interest	583	583	636
Sundry interest	-	-	3
	<u>277,421</u>	<u>277,421</u>	<u>332,289</u>

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

6. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Sisters' pensions	45,477	45,477	44,538
Sundry income	6,900	6,900	3,600
Farming income	922	922	922
	<u>53,299</u>	<u>53,299</u>	<u>49,060</u>

7. Investment management costs

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment management fees	<u>26,878</u>	<u>26,878</u>	<u>34,612</u>

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

8. Promotion of religion

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Special alms (note 9)	36,698	47,935
Promotion of religion	255	844
Books and periodicals	1,036	939
Church expenses	3,346	7,938
Branch house expenses	23,338	22,065
Motor and travelling expenses	3,387	4,774
Telephone, postage and stationery	9,849	7,719
Household supplies	8,524	8,487
Gas	10,907	9,139
Electricity	9,165	10,221
Council tax and water	4,627	7,505
Repairs and renewals	6,516	15,026
Estate, woodlands and gardens	3,475	7,930
Sundry expenses	6,680	9,686
Insurance	12,219	13,721
Wages	140,815	137,673
National insurance	5,778	6,529
Employer's pension contributions	1,238	1,100
Profit on sale of fixed assets	(1,440)	-
Depreciation	148,314	146,798
	434,727	466,029

9. Alms

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Made to institutions	36,698	47,935

Grants were made to 46 (2019 - 55) institutions in the year.

There were no grants to institutions which exceeded 10% of the income of the Community.

An analysis of the payments made in the year is as follows:

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

9. Alms (continued)

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
RCD Charities	2,500	-
St Mary's PCC, East Leake	2,000	2,000
St Giles PCC, Costock	2,000	2,000
Franciscan Sisters	1,500	1,500
Bishop of Beverley Project Fund	1,000	2,000
Mary's Meals	1,000	2,000
Oxford Mission	1,000	2,000
St George in the Meadows	1,000	-
Lincolnshire and Nottinghamshire Air Ambulance	1,000	1,000
Sightsavers	1,000	1,000
Forward in Faith	1,000	1,000
Framework	1,000	1,000
Edenham Regional House (2 grants)	1,000	-
Children in Distress	1,000	1,000
Southwell Minster	1,000	1,000
Additional Curates Society	1,000	1,000
McCabe Educational Trust	1,000	1,000
College of St Barnabas	1,000	-
Community of the Holy Name	1,000	-
Tree Aid	1,000	-
Christian Aid	1,000	1,000
St Peter's London Docks	1,000	1,000
Embrace the Middle East	-	3,000
Grace and Compassion Benedictines	-	2,500
Project Return	-	2,000
St Andrew's, Fort William	-	1,500
Sisters of Jesus Way	-	1,000
St Georges Hanworth	-	1,000
Diocese of Cyprus and the Gulf	-	1,000
Monos	-	1,000
All Saint's PCC, Lincoln	-	1,000
Impact Foundation	-	1,000
Pusey House	-	1,000
Items < £1,000 each	10,698	10,435
	36,698	47,935

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

10. Support costs - Governance costs

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Audit services	5,400	5,940
Non audit services	5,940	5,940
	<u>11,340</u>	<u>11,880</u>

Included within investment management fees (note 7) are further non-audit fees relating to investment management services amounting to £nil (2019 - £7,200).

11. Staff costs

Staff costs were as follows:

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Wages and salaries	140,815	137,673
Social security costs	5,778	6,529
Pension costs	1,238	1,100
	<u>147,831</u>	<u>145,302</u>

The average monthly number of employees during the year was as follows:

	2020 £	2019 £
Full time	5	5
Part time	3	3
	<u>8</u>	<u>8</u>

No employee received remuneration amounting to more than £60,000 in either year.

Andrew Leslie Waude, a Trustee of the charity from 25 August 2020, is employed by the charity as an administrator and received remuneration of £8,112 during the period from 25 August 2020 in respect of this role and not as a Trustee. None of the other Trustees, who are the key management personnel, received any remuneration or expenses in the year (2019 - £nil).

COMMUNITY OF THE HOLY CROSS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. Tangible fixed assets

	Freehold land and buildings at Costock £	Motor vehicles £	Plant, fixtures, fittings and computers £	Cemetery at Haywards Heath £	Total £
Cost or valuation					
At 1 January 2020	7,601,152	29,324	58,920	1	7,689,397
Additions	-	11,212	1,536	-	12,748
Disposals	-	(8,835)	-	-	(8,835)
At 31 December 2020	7,601,152	31,701	60,456	1	7,693,310
Depreciation					
At 1 January 2020	1,251,510	17,515	37,008	-	1,306,033
Charge for the year	140,024	5,703	2,587	-	148,314
On disposals	-	(8,625)	-	-	(8,625)
At 31 December 2020	1,391,534	14,593	39,595	-	1,445,722
Net book value					
At 31 December 2020	6,209,618	17,108	20,861	1	6,247,588
At 31 December 2019	6,349,642	11,809	21,912	1	6,383,364

All tangible fixed assets are used for charitable purposes.

The trustees are unable to obtain a valuation of the freehold land and buildings at Costock. There is no reason to suggest that the freehold land and buildings should be impaired.

The gross amount of freehold land and buildings at Costock on which depreciation is being provided is £7,001,152.

The cemetery at Haywards Heath is revalued at £1, a nominal value in view of the purpose for which it has been used and there being no possibility of any alternative use being considered in the future.

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13. Fixed asset investments

	Listed investments £	Other fixed asset investments £	Total £
Market value			
At 1 January 2020	11,003,081	100,000	11,103,081
Additions	885,183	-	885,183
Disposals	(1,118,293)	-	(1,118,293)
Revaluations	(35,210)	-	(35,210)
At 31 December 2020	10,734,761	100,000	10,834,761
Market value			
At 31 December 2020	10,734,761	100,000	10,834,761
<i>At 31 December 2019</i>	<i>11,003,081</i>	<i>100,000</i>	<i>11,103,081</i>

Other investments comprise cash held.

At 31 December 2020 the historical cost of listed investments was £7,390,019 (2019 - £7,468,014) and the historical cost of other fixed asset investments was £100,000 (2019 - £100,000).

The difference between the historical cost and market value of listed investments amounting to £3,344,742 (2019 - £3,535,067) is included within the unrestricted funds.

Material investments

Listed investments which comprise over 5% of the value of the portfolio are:

	2020 £	%
Blackrock AM UK Charishare Income	1,579,895	14.7
M&G Investment Manager Charifund Income	1,178,716	11.0
COIF Charity Funds Fixed Interest Income	1,036,675	9.7
M&G Investment Management Charibond Income	955,675	8.9
CBF Church of England Investment Fund Income Shares	772,249	7.2

COMMUNITY OF THE HOLY CROSS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

14. Debtors

	2020 £	2019 £
Due within one year		
Other debtors	3,557	2,000
Prepayments	10,952	10,947
Tax recoverable	736	2,105
	<u>15,245</u>	<u>15,052</u>

Included in other debtors is £3,057 (2019 - £2,000) owed from trustees as per note 18.

15. Creditors: Amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	1,436	2,188
Other creditors	-	236
Accruals	19,501	20,648
	<u>20,937</u>	<u>23,072</u>

16. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds	<u>17,803,162</u>	<u>342,484</u>	<u>(472,945)</u>	<u>(166,430)</u>	<u>17,506,271</u>

17. Pension commitments

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £1,238 (2019 - £1,100). Contributions totalling £nil (2019 - £236) were payable to the fund at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

18. Related party transactions

At 31 December 2020 there are bank balances amounting to £3,057 (2019 - £2,000) held in the names of two Trustees. These accounts are held for the purpose of supporting the future activity of the Community. The balances are included in debtors (see note 14).