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**COMMUNITY OF THE HOLY CROSS**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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## COMMUNITY OF THE HOLY CROSS

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## COMMUNITY OF THE HOLY CROSS

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

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#### 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

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## COMMUNITY OF THE HOLY CROSS

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

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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.

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## COMMUNITY OF THE HOLY CROSS

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

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#### 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 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. 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.

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## COMMUNITY OF THE HOLY CROSS

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

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#### 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.

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## COMMUNITY OF THE HOLY CROSS

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

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#### 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.

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## COMMUNITY OF THE HOLY CROSS

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

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#### 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



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## COMMUNITY OF THE HOLY CROSS

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

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#### 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.

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## COMMUNITY OF THE HOLY CROSS

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

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#### 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.

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## COMMUNITY OF THE HOLY CROSS

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

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#### 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

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## COMMUNITY OF THE HOLY CROSS

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

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#### 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: *7<sup>th</sup> 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 £
<b>Income from:</b>				
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
<b>Total income</b>		<b>460,655</b>	<b>460,655</b>	<b>435,670</b>
<b>Expenditure on:</b>				
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
<b>Total expenditure</b>		<b>604,094</b>	<b>604,094</b>	<b>534,504</b>
Net gains/(losses) on investments		481,361	481,361	(1,281,713)
<b>Net movement in funds</b>		<b>337,922</b>	<b>337,922</b>	<b>(1,380,547)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		17,152,406	17,152,406	18,532,953
Net movement in funds		337,922	337,922	(1,380,547)
<b>Total funds carried forward</b>		<b>17,490,328</b>	<b>17,490,328</b>	<b>17,152,406</b>

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

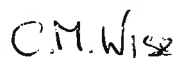
	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	12	5,827,379	5,973,223
Investments	13	11,255,521	10,723,410
		<u>17,082,900</u>	<u>16,696,633</u>
<b>Current assets</b>			
Debtors	14	16,688	15,801
Cash at bank and in hand		417,333	463,476
		<u>434,021</u>	<u>479,277</u>
Creditors: amounts falling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

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## COMMUNITY OF THE HOLY CROSS

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

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#### 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.

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## COMMUNITY OF THE HOLY CROSS

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

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#### 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.



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## COMMUNITY OF THE HOLY CROSS

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

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#### 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.

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## COMMUNITY OF THE HOLY CROSS

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

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#### 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**

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

**7. Investment management costs**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Investment management fees	28,720	<b>28,720</b>	29,213
Foreign exchange gain	1,469	<b>1,469</b>	(1,108)
	<u>30,189</u>	<u><b>30,189</b></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	-
	<b>543,285</b>	<b>494,339</b>

#### 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)

	<b>Unrestricted funds 2023 £</b>	<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
	<b>44,650</b>	<b>46,650</b>

#### 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	-
	<b>30,620</b>	<b>12,060</b>

# 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 £
<b>Cost or valuation</b>					
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
<b>Depreciation</b>					
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
<b>Net book value</b>					
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 £
<b>Market value</b>			
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>
<b>Net book value</b>			
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.

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**COMMUNITY OF THE HOLY CROSS**

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

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**14. Debtors**

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

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**

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

# 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 £
<b>Unrestricted funds</b>					
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.

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## COMMUNITY OF THE HOLY CROSS

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

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#### **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.

