



POOR SERVANTS OF THE MOTHER OF GOD

(Registered Charity No: 227931)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2021

POOR SERVANTS OF THE MOTHER OF GOD

YEAR ENDED 31 MARCH 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Sr Rosarii O'Connor Sr Kathleen Coleman Sr Margaret Cashman Sr Anne Curran Sr Anastasia Meki Ngemu Sr Margaret Herlihy
Bursar General	Sr Margaret Herlihy
Principal Office	Maryfield Convent Mount Angelus Road London SW15 4JA
Website	www.poor servants.com
Charity No	Registration 227931
Auditors	Haysmacintyre LLP 10 Queen Street Place London, EC4R 1AG
Solicitors	Stone King 13 Queen Square Bath BA1 2HG
Principal Bankers	Royal Bank of Scotland plc 62/63 Threadneedle Street London EC2R 8LA
Investment Managers	Quilter Cheviot Investment Management One Kingsway London WC2B 6AN Sarasin & Partners 100 St Paul's Churchyard London EC4M 8BU UBS Wealth Management 5 Broadgate, London EC2M 2AN
Estates Manager	Burnet Ware & Graves Chartered Surveyors 13 Half Moon Lane London SE24 9JU

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

The Trustees present this report of the Charity of the Poor Servants of the Mother of God for the year ended 31st March 2021.

INTRODUCTION

The Congregation of the Poor Servants of the Mother of God is an international religious order. It supports 200 Sisters worldwide. It was founded in London in 1869 by Frances Margaret Taylor. The Congregation is divided into areas, USA, Ireland, Rome, Kenya, Tanzania and the United Kingdom.

The Congregation's Charity, Poor Servants of the Mother of God, is registered with the Charity Commission for England and Wales under the number 227931. It is the vehicle through which the charitable activities of the Congregation in the UK are conducted and in which its UK assets are held. The governing instrument of the Charity is a Trust Deed dated 5th April 1957. Incorporated trustee status was granted on 2 July 1971.

In 1994 permission was granted by the Charity Commission to use "Frances Taylor Foundation" (FTF) as a business name for the social, health and pastoral care services of the Charity. FTF is not a legal entity in its own right.

MISSION

The Charity's four main aims as set out in its governing document are:

The furtherance of the religious and other charitable works of the order.

The relief of poverty and distress.

The advancement of the Roman Catholic religion.

The advancement of religious and secular education.

The Charity aims to support as many people as possible through the works and ministries carried out by the members of the Congregation and their collaborators across the world. By caring for members of the Congregation, the Charity aims to enable the Sisters to live out their faith and to put it into practice through a wide variety of charitable works. The Trustees have carefully considered the Charity Commission's guidance on public benefit, especially the supplementary guidance on the advancement of Religion and have accordingly planned the areas of involvement especially by the Sisters. The works of the Charity, all of which benefit numerous members of the general public, fall into the following main areas:

Operation of Care Services

During the year the Charity continued to own and operate one care home for the elderly in the London area. The home provides excellent care for the general public as well as for members of the Congregation. This unit is registered for nursing and residential care and has 39 beds. The reports on the nursing home are a clear testament to the commitment of the Charity to respecting the dignity of all people especially those who are vulnerable. The home gives access to care to those who are supported by various Boroughs through income support schemes.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

MISSION

Operation of Care Services (continued)

The Charity also owns and operates care homes for people with learning disabilities and other care and support needs as follows:

Greater London

- St Raphael's Services, Brentford
- Two houses in Streatham: Woodbourne Avenue and Tooting Bec Gardens, also known as St Michael's Adult Services
- Laverstoke Gardens, Roehampton
- St Mary's High Street, Roehampton

Brighton

- Marina, Lansdowne Road

Merseyside

- St Joseph's Adult Service, in Freshfield, Formby, including four places reserved for the L37 Short Breaks service.

Other care and support services provided for people with learning disabilities and other care and support needs are:

Greater London

- Brentford Supported Living
- Day activities based in St. Mary's Home, Roehampton

Brighton and Hove

- Home & Community Support
- Extra Care Facility at St Anne's Apartments in Hove

Merseyside

- Fernley Resource Centre, Freshfield, Formby
- Liverpool Adult Services – supported living
- Sefton Supported Living Service, Lincoln Road

All services aim to provide an excellent level of care and are open to all, irrespective of faith, ethnic background or ability to pay. All care homes and their staff have experienced difficult times during the pandemic. Vacancies were difficult to fill; costly infection control measures had to be put in place. Staff absences because of Covid or NHS regulation on isolation all put added strain on the services. The grants did help to mitigate some of the expenses incurred.

Social and Pastoral work

Many members of the Congregation are involved in various forms of social and pastoral work, including care of the elderly and people with special needs, family support, chaplaincy work in hospitals and prison visiting, work with the homeless and the marginalised, catechetical work and pastoral visiting in parishes. Most of the service undertaken by the members is unremunerated. The social and pastoral work was carried out virtually through zoom / Microsoft team / WhatsApp calls and traditional telephone and text contact.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

Social and Pastoral work (continued)

Worship and prayer

Members of the Congregation are given the opportunity to take part in private worship and prayer and to avail of study and development in the knowledge of their faith. Members of the Congregation pray with members of the wider local community and are available to listen especially in difficult times. Members are also involved in giving retreats and the celebration of the liturgy through prayer groups and church services for various religious dominations. All worship up to recently was conducted virtually during 2020-2021.

Operation of Prayer and Retreat Centres and Chapels

The Charity provides places for quiet reflection, prayer and spiritual development, which are open to all denominations. Where there is a financial contribution structure in place for retreats, inability to contribute financially does not prohibit participation.

The Kairos Centre had five active volunteers during the year 2020-2021, who supported our reception and hospitality teams. Under normal operating conditions they would cover the following working periods;

- | | |
|--|----------------------|
| • All day Tuesday | 315 hours |
| • Wednesday morning | 126 hours |
| • day afternoon | 90 hours |
| • Saturday morning &
Saturday afternoon | 226 hours [2 people] |

New developments since last year in Kairos

Normal Kairos Centre activities were severely impacted by the Covid-19 pandemic during the whole of 2021. To safeguard public health and ensure that the NHS was not overwhelmed, all indoor hospitality venues were subject to mandatory closures throughout the whole year. During the physical closure of the centre, the team developed their outreach virtually, providing one to one spiritual direction and a virtual group triduum in place of the usual residential Holy Week Retreat in 2021.

The Kairos Centre was unable to welcome the public from 24th March 2020 and only reopened with a physical presence on 1st September 2020. A skeleton staff was on-site during this period, to ensure continued premises safety standards and those whose roles allowed, worked from home, the remaining staff were retained under the Government Job Retention Scheme.

During this period the team followed Government and Public Health England guidance and worked to ensure that the centre could reopen as a Covid-19 secure environment for all visiting retreatants, staff and contractors. All areas of the premises, staff and operational procedures were risk assessed and all required physical or procedural changes put in place prior to reopening. The Kairos Centre continues to commit to mitigating risk and is aware that public confidence will be an important factor for potential visitors.

From 1st September 2020, the Centre operated for ten weeks under Covid-19 regulation and guidance, mindful of all visitor and staff health and safety. From 5th November 2020 until 2nd December 2020, National Restrictions were imposed and all indoor hospitality was subject to closure for two weeks. The Kairos Centre reopened for 2 weeks, until 16th December, when London moved to Tier 3 restrictions, this necessitated closure once again. On 20th December, London was moved to Tier 4 restrictions and a National Lockdown was imposed again on 5th January 2021. The Kairos Centre reopened in line with the Government's Stepped Approach on 17th May 2021

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

Operation of Prayer and Retreat Centres and Chapels (continued)

The crisis and subsequent closures have challenged the centre both financially and practically. The shut-down period, April to August 2020 coincided with the part of the year when the majority of annual income is usually generated through the retreat programme. The many fixed costs and additional expenses that were incurred making the Kairos Centre a Covid-19 secure organisation ensured a financially extremely difficult year.

The pandemic resulted in very limited opening of the Kairos Centre physical spaces to the public and because of this our virtual presence became increasingly important. Two Spiritual Directors conducted spiritual counselling sessions on a one-to-one basis, via the Zoom app. The Kairos Centre's first virtual retreat, 'Sacred Time and Sacred Memories' was held over three days from 29th March 2021. There were 38 virtual retreatants and the retreat was facilitated from the Kairos Centre. Two speakers provided the input; one from North London and the other from Eire.

Interesting Activities

The Kairos Centre has continued to develop the Woodland Walk area of the grounds, taking advantage of repairs to the boundary walls, to clear and replant a scrub area with fruit trees. Additionally, successfully applying to the Woodland Trust for a grant for more small trees to assist the development of the walk and improve the clean environmental footprint of the Centre.

Plans were also developed to increase our virtual outreach by installing cameras in both the Chapel and the Kairos Hall. The final installation will take place during 2021-2022. We aim to offer hybrid Kairos organised retreats, where retreatants who are no longer able to access the centre in person, have the opportunity to benefit from virtual activities.

The Charity owns and manages prayer and retreat centres: Kairos in Roehampton and The Liverpool Prayer Centre near Formby. Despite the challenges of National Lockdowns, the Kairos Centre has been involved with some local and national groups, as well as individuals who also come and spend time in the quiet areas of the house and gardens. These facilities are open to:

- People of all faiths and none who wish to have time apart for retreat, reflection, study and quiet time.
- Local Groups for meetings, training or conferences are supported by providing meeting spaces on a donation or gratis basis – including our own PSMG/FTF services for training; as the Charity has many units in the UK. Other organisations including Roehampton Forum, the neighbourhood police team, Al-Anon, Alcoholics Anonymous, the Catenian Association, Justice & Peace groups, Catholic school & parish groups and local community groups,
- The number of people who passed through the Kairos Centre in the period 1/4/2020 to 31/3/2021 was 1,306 day visitors and 875 overnight guests. The figures reflect the 40 weeks closure period because of the Covid-19 pandemic.
- During physical opening times, the Kairos Centre ran a programme which included 4 Preached Retreats and 1 individually guided retreat attended by 92 people, with a 91% occupancy.
- The annual decrease in both overnight occupancy and day visitors is consistent with the mandatory closure periods during the year. To ensure that the centre reopened as a Covid-19 secure environment, permitted guest and visitor numbers were reduced to ensure compliance with social distancing rules at all times.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

Operation of Prayer and Retreat Centres and Chapels (continued)

Month	Day Visitors	Overnight Guests
April 2020	NATIONAL LOCKDOWN	NATIONAL LOCKDOWN
May	NATIONAL LOCKDOWN	NATIONAL LOCKDOWN
June	NATIONAL LOCKDOWN	NATIONAL LOCKDOWN
July	NATIONAL LOCKDOWN	NATIONAL LOCKDOWN
August	NATIONAL LOCKDOWN	NATIONAL LOCKDOWN
September	320	283
October	518	384
November	286	81
December	182	127
January 2021	NATIONAL LOCKDOWN	NATIONAL LOCKDOWN
February	NATIONAL LOCKDOWN	NATIONAL LOCKDOWN
March	NATIONAL LOCKDOWN	NATIONAL LOCKDOWN
Total	1306	875

Year	2020-2021	2019 - 2020	2018 - 2019	2017 - 2018	2016 - 2017	2015 - 2016
Virtual Visits	82					
Day Guests	1,306	12,476	14,125	12,833	13,456	12,934
Overnight Guests	875	5,148	5,206	5,580	5,350	5,017
Overnight Occupancy	N/A	51%	54%			

Appendix A (List of groups, charities, churches, schools and public institutions who have physically used the Kairos centre in 2020/2021)

No	Organisation Name
1	Christian Meditation Group
2	Marian Society of the Holy Redeemer
3	St Patrick's Church, Soho
4	Notre Dame de France – Marriage Preparation Group
5	Mortlake Deanery
6	Regenerate - Roehampton
7	Servite Secular Regional Group
8	Rev Catherine Jinadu Prayer Group
9	SMG Sisters – service of remembrance for our departed sisters
10	Reiki Academy

Swindon, Wiltshire is a small facility which is used by local parish groups for meetings and prayer. All of these activities have been closed during the past year

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT – continued

YEAR ENDED 31 MARCH 2021

Operation of Schools

The Charity works in collaboration with the Roman Catholic Dioceses of Arundel & Brighton and Northampton to whom it has leased the primary schools at peppercorn rents. St. Mary's RC School in Chippenham is leased to the Governors. PSMG has requested that the Diocese of Clifton act as Trustees and take responsibility for this school.

All three schools are Voluntary Aided. They provide an excellent education for the children of the local community. Members of the Congregation / Charity are active members of the Board of Governors of these schools. Schools have experienced very challenging times over the past year. Teaching online has been undertaken.

Overseas outreach

The Charity is involved in working in health care, education, retreat and social work in Rome, USA, Kenya, Tanzania and in Venezuela only through the Associate Group.

PUBLIC BENEFIT

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the Charity's aims and objectives and in their planning for future activities. The Trustees have undertaken training on Public Benefit and in particular on the requirements placed on Religious Charities. Particular consideration has been given by the Trustees to the impact of planned activities on the aims and objectives which have been agreed.

The underpinning values of the Charity and the Religious Congregation as set out in the Trust Deed are based on Catholic Christian principles and Gospel values of respect for the dignity of every human being, hospitality and welcome to all. The main areas in which the Charity generates public benefit are set out below.

Care Services

The importance of respect, dignity, hospitality and welcome is recognised in all the service provision which is carried out on behalf of the Charity in nursing care, residential and other care and support needs. Admission of residents is based on assessment of their care needs and the ability of the service to provide the level of care needed by the resident. The services welcome residents regardless of backgrounds, faiths, cultures and gender. We aim to keep our fees at levels which enable us to support the long term future of the services. In cases of financial hardship we assist with fees. (See Activities, Objectives, Policies and Strategies on page 12 onwards)

Thirteen social care services operated by the Charity are registered with the Care Quality Commission (CQC). CQC inspects services in detail, and rates them as Inadequate, Requires Improvements, Good or Outstanding – the latter rating being relatively rarely used. 12 of our care services have Good CQC rating. 1 services is rated Requires improvement by CQC. We are working with CQC and sponsoring local authority for improvements in this service.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

PUBLIC BENEFIT (continued)

Sisters and their work in the local areas

The Sisters in the Charity have been working on a voluntary basis for and with the poor for 150 years. Pastoral and outreach work brings the Sisters into daily contact with many people in need. The number of those in need has increased due to the economic situation and the rising costs of basic necessities. The Sisters are acutely conscious of the large number of people who have come to the UK from EU and other countries and are living on the margins of society. Some have secured employment in the past but quite frequently they have been made redundant or have had their hours of work reduced. The advent of new technologies has impacted on employment in many companies. Through the Sisters' presence and response, they bring both spiritual and practical pastoral support to those who may be poor, homeless, in prison, sick, alone, elderly or in need of education.

In most of the houses of the Congregation/Charity the chapel space is made available for daily callers for prayer and quiet reflection.

On average 60 people visit St Mary's Roehampton Convent chapel each week for prayer/services and/ or reflection. The Chapel at Taylorville is open each day to the local community from 7.30am to 8.00 pm for prayer and reflection and the friendly chat. Brentford Chapel is available to all on the site as well as to the Parishioners. During the pandemic, these facilities have been suspended but will resume as soon as it is safe to do so.

Education

We have leased three Voluntary Aided primary schools to third party Roman Catholic organisations. This involves provision of land and buildings at low rents. In addition members of the Congregation serve on these schools' boards of governors on a voluntary basis and a number of Sisters work in collaboration with other agencies providing adult education to the most vulnerable members of society. The project, set up in collaboration with the St. John of God Hospitaller Charity, for the support and education of migrant workers is progressing. The 5th Floor of the building is being used by the project to care for and to help rehabilitate those suffering from tuberculosis. This project has been very successful and is continuing. All available space within the house has been successfully converted into accommodation. A recent flood caused serious damage to the building and the residents had to be accommodated in hotels. The refurbishment has now been completed. The facilities in the upgraded building provide a much better and more dignified service for the residents. Modern technology as well as better accommodation has been very helpful during the recent pandemic. All residents are safe and well.

Overseas Outreach

The Charity supports the Sisters' work in overseas missions in Kenya. Our work involves liaison with local community leaders to ensure that they are meeting the most urgent needs in the areas of poverty, especially the relief of famine, health care needs, training and empowerment. Three Sisters have been missioned to Tanzania, Diocese of Kondoa, and are setting up to explore the possibilities of setting up a mission there to help the poor and the marginalized. In both service provision and individual pastoral work, the members of the Charity affect the lives of many hundreds of people in practical and in less tangible ways, but often highly supportive and spiritual ways. A piece of land has been bought and a convent / small house is under construction.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

The Congregation is governed by the Superior General and four General Council members. These are elected every five years at the General Chapter, i.e. a meeting of the representatives of all the areas of the Congregation. Council members are chosen after a twelve month process of preparation and discussion.

These five members of the Council and the Bursar General are the Trustees of the Charity. The Trust Deed provides that new Trustees can be appointed by the Superior General. All Trustees are members of the Congregation and as such have a comprehensive knowledge of the various works and structure of the Charity and all work full-time on a voluntary basis in the furtherance of its objectives. They receive no remuneration for their services as Trustees.

The last General Chapter for members of the Congregation took place in Maryfield in September and October 2017. At that Chapter a new General Council was appointed and Sr. Margaret Herlihy was reappointed as a Bursar General and Trustee of the Charity. The next Chapter meeting will be held in 2022.

The documents issued from the 2017 Chapter focused on the energies of the Congregation and a fresh call to all members to be significant witnesses to the values and aims of the Congregation.

The Chapter set out the broad vision for the Charity for the next five years:

- to focus on current global and local needs
- to collaborate with others.
- to maintain responsible stewardship of resources
- to provide support for our Kenyan mission and the formation of Kenyan Sisters
- to develop a plan which would focus our resources on service with and for the poor.

The Trustees share responsibility for the running of the Charity. Sr Margaret Herlihy is correspondent for the group.

Training and Trustee Induction

Over the past year training and update days have taken place for the Trustees, staff, associates and those connected with the Charity and a number have already been booked.

Trustees were inducted by those leaving office. Regular Trustee meetings are held.

Resources and literature on charity law and procedures, as well as the minutes of all Trustee meetings are available at the offices for perusal and study by the new Trustees. Briefing meetings with all the advisers – legal, financial, human resources, property and investments advisers are organized as well as visits to all the locations of the Charity. The Trustees have attended the annual Catholic Charity Conference as well as trustee training seminars on investments, charity law, property matters, safeguarding and the current economic situation, which are organized by the various professional groups. Webinars are frequently used to update Trustees on Charity matters. During the pandemic Trustees have attended many webinars on training for the future in the new normal, a few examples from a long list: IAPS-COVID 19 Employment and HR considerations; COVID 19 Strategic Considerations for Trustees; Coping with COVID 19 for Charities etc.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Structure and management (continued)

The Trustees are ultimately responsible for the policies and assets of the Charity. In the past year a number of finance and personnel policies were reviewed and issued for the Charity. Safeguarding policies have been revised and issued. Regular meetings of the Safeguarding Committee take place. The Trustees meet monthly or more frequently, if needed. They review developments in the Charity and its activities and make decisions, based on reflection, and appropriate advice. The Trustees are conscious of the need to seek advice and support from their professional advisers, including financial advisers, property consultants, investment managers and solicitors, when taking important decisions which impact on the work, good name or future viability of the Charity.

The day to day management of the various activities of the Charity are delegated to the three area leaders, the Director of Social Services and Team and the unit managers at each location.

The key management personnel of the Charity in charge of directing, controlling and operating the Charity on a day to day basis comprise the Trustees, Local Leaders, Director of Finance, Directorate Team for the Care Services, Human Resources Department and Director of The Kairos Centre. As religious Sisters, under vow of poverty, the Trustees and Local Leaders, do not receive any remuneration.

The Charity is committed to ensuring equal treatment in respect of pay and conditions for those doing equivalent work throughout the Charity. The key management personnel are very important roles in leadership, management, governance and continued development of the Charity and their remuneration will take into account the need to attract and retain the best person possible with the right skills for the role. Remuneration of the key personnel will reflect the level of responsibility of the role, skill and contribution of the post holder, any internal comparisons and external markets. Trustees will approve the pay for all the key personnel. The operational structure in place facilitates reports from each community of the Congregation in the UK of which there are thirteen locations throughout the UK. Three area local leaders are responsible for the general care and daily activities of communities.

Meetings with the Trustees take place at least three times each year. Reflection and discussion days are organised for all members of the Congregation two to three times each year for support and to discuss developments, new trends, matters of concern and to plan for the future. The Trustees make a number of visits to each location each year to meet with Sisters and staff as well as to be au fait with the current position of each service.

Our IT consultants continue to monitor and upgrade the IT facilities across the services in the Charity. Due to Covid-19, the IT infrastructure has been improved, enhanced and upgraded. Using Wi-Fi in most of the services has become a necessity.

The Director of Social Services reports to the Trustees on a monthly basis for the 13 Care Services as does the director of the Kairos Retreat Centre. Departmental heads of Finance, Social Care Directorate team and HR hold regular meetings which are also attended by Trustees. Since lockdown the meetings have been weekly or biweekly to keep abreast of developments and Government regulations. The Charity formed a Covid-19 group which has met virtually almost every Friday since the pandemic began. The group keeps abreast of the changing Government and Health regulations. Policies are updated and information is communicated to the Service Managers.

Financial reports from the communities and the service locations are received each month at the Area office and quarterly financial reports are sent to the Trustees. The Director of Finance with Trustees approval issues guidelines annually for the formation of the revenue and capital budgets. Budgets are reviewed at various levels before final review and approval by the Trustees.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

Structure and management (continued)

Lines of communication, reporting protocols and levels of competence have been agreed by the Trustees to enable the Charity to function more effectively. The reporting structures for the finance personnel at each location have been improved and a robust system has been introduced which is working well. An advisory Board has been formed to help the Trustees in their work. The Trustees have overall responsibility for all the activities of the Charity.

WORKING WITH OTHER ORGANISATIONS

Collaboration with other organisations and public bodies operating in the same field of providing care to the vulnerable, children and the elderly is considered by the Trustees to be in the forefront of the way ahead for the Charity. The collaboration with other charities, groups and public bodies enhances the Charity's understanding and ability to respond to the needs of those it is seeking to help.

The areas of involvement by the Sisters are many as many people struggle to cope with unemployment, homelessness, hostel living, new family structures in this 21st Century

Due to the pandemic the connection had to be via modern media; webinars; Microsoft teams, zoom, email correspondence or telephone. Examples of some of the main groups and organisations the Charity has worked with during the past year are listed below:

- Social Services in Liverpool, Brighton and Hove, Wandsworth, Hounslow, Lambeth and Sefton
- Dioceses of Liverpool, Westminster, Northampton, Arundel and Brighton, Armagh, Southwark and Shrewsbury
- Field Lane Foundation
- Sussex Emmaus, Portslade
- St. Joseph's Family Centre, Warrington
- Nugent Care
- Refugee Council
- Friends of St. Joseph's Charity
- London Universities Services
- Daisy Hill Hospital, Newry
- The Spires Day Centre, Streatham
- Various parish communities in the dioceses of Southwark, Westminster, Clifton, Arundel & Brighton, Liverpool and Armagh
- The Hospitaller Order of St John of God
- Regenerate, Tear Fund, L'Arche
- Churches Together; Alpha Groups, Cursillo Group, Tumble Trust
- Methodist Church
- Missionary Sisters of Africa, Sisters of Charity, Sisters of the Sacred Heart, Holy Cross Sisters, FCJ Sisters; Mill Hill Fathers, Vincentian Fathers., The Missionary Congregation of the Evangelising Sisters of Mary (MCESM)
- Irish Centre London
- St George's Hospital, Tooting, London
- Conference of Religious of England and Wales

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

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 Trust and are satisfied that systems are in place to mitigate our exposure to the major risks. The Trustees have identified the following as the key risks facing the Charity:

- Provision of care services is the Charity's main activity and as with any such operation, there are continual regulatory changes which must be complied with and financial pressures. Such pressures include cuts in government funding, which impacts income, whilst at the same time costs tend to rise with a general shortage of appropriately qualified nursing staff and the cost of regulation. The Trustees employ specialist personnel and, where appropriate external consultants to manage and keep under review, the Homes' operations. The compliance of the Care Home will also continue to be kept under close scrutiny by the Trustees.
- One area is to ensure that our properties continue to be safe places for the Sisters, Service users and visitors to use. Attention is given to keeping our properties in good repair. General maintenance is regularly carried out. The Charity has a consultant property manager. During the year non-essential repair works had to be postpone to later time.
- The Charity has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted a significant part of their lives to the work of the Charity. The Sisters are all under a vow of poverty and therefore providing them with support is considered to be an important element of the Charity's work. Wherever possible, care is provided for frail and unwell members within communities but sometimes it is necessary to place Sisters in homes, the cost of which can be significant. The likelihood of such care needs is impossible to predict with any degree of accuracy and the Trustees therefore believe that it is incumbent upon them to maintain reserves at an appropriate level to ensure that the Charity is able to meet this obligation.
- Safeguarding - Along with all other organisations who serve in the community, the Trustees recognise the absolute necessity of ensuring the protection and safety of all those the Charity serves. This means that all staff and all Sisters who are in any kind of role or ministry in Great Britain involving the young or vulnerable adults have had to obtain clearance from the Disclosure and Baring Service (DBS). The Trustees are committed to implementing all policies and procedures of the Catholic Safeguarding Advisory Service (CSAS). The safeguarding policy is under constant review.
- The Trustees are aware of the need to continually assess whether all compliance, monitoring and reporting procedures are adequate, for example Laws relating to beneficiaries (e.g. care of the elderly) and Employment Law. Regular compliance reviews are conducted for all of the key areas of the Charity's operations.
- COVID-19 has impacted on our services and many more risk assessments have taken place and measures have been put in place to comply with the Government regulations on matters such as PPE, infection control, testing of residents and staff, freedom of movement and access for visitors etc.

Our work with the Consultant from DE Ford began in 2010 where they were initially invited to work with the PSMG Charity and particularly with the Frances Taylor Foundation to assist us with our risk management requirements.

- Health and safety policy last updated in November 2020.
- Compliance reviews required to ascertain current risk management status
- Formation of the H & S representative committee.
- Investigate benchmarking opportunities (for health and safety management)

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

RISK MANAGEMENT (continued)

In conjunction with the above 'top down' audit and with the assistance of the Service Managers and any Health and Safety Officers a full risk review was carried out at each location. Each risk review has resulted in an action plan being created and presented to service managers for them to progress. It is important to check with each location this coming year to see how they are moving their actions forward.

Effective controls to mitigate the risks as far as possible have been put in place. The Trustees recognise that in order to fulfil the mission, the acceptance and management of risk in certain areas of work is necessary. The Trustees are satisfied reasonable steps are being undertaken to limit the probability and impact of risks. All risk areas are under regular review.

The Risk Register for the Charity is reviewed and updated annually.

- A Risk Management Committee is in place and meets three times each year.
- A continuous review of all the policies in operation throughout the Charity is in place.
- A Health & Safety consultant has been engaged by the Charity and a review of each site has taken place. As part of operational risk assessment, the Health and Safety policy is regularly reviewed and updated. The Health and Safety policy was issued in November 2020.
- To minimize the risks associated with spread of Covid-19 infection regular Covid testing is carried out by employees and residents and Covid return to work risk assessment were done with employees.
- The Risk Management meetings had to be cancelled and the review of the risk register and H&S policy had to be deferred until later in 2020 /2021. A Covid committee was formed and met weekly to assess the risks and implement regulatory changes.
- Organisational Risk Assessment has been completed and a document was issued in March 2021.

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND STRATEGIES

As stated above, the aims and mission activities of the Charity can be broadly divided into six areas:

Operation of Residential and Nursing Homes

As already stated the Charity owns and operates one care home for the elderly and a number of residential homes for people with disabilities as well as supported living projects. (See Mission above).

The ethos and values of the Charity are based upon care and respect for the dignity of each person. In each service the aim is to ensure that the quality of the service is excellent in every way and is accessible to all. Fees are set at levels which are realistic for the proper functioning of the service while at the same time making the facility accessible to ordinary people.

St. Mary's Adult Service has 40 residents and 2 respite places in 7 units. Residents are funded from 12 different local authorities. At St. Raphael's Adult Services all residents are also funded by the Local Authorities.

Of the 39 residents being cared for in Maryville, 5% are funded from local authorities, private funding and various charities or their families fund the remainder of the residents. The residential and nursing home services are accessible to all persons whose care needs are able to be met by the service.

St Joseph' Home, Freshfield is a care home with 36 places across three interconnecting houses. It was opened in 1990 as a nursing home for people with learning disabilities and high and complex needs. Following many discussions with local statutory agencies and the families and friends of the people living there, it was agreed to proceed with changing its status from care home with nursing to a residential care home without on-going nursing. It began operating in this way in January 2014. This service offers short breaks for people with learning disabilities and a range of additional needs, while also offering families some respite from their usual caring responsibilities. The pandemic greatly reduced the number of people seeking respite care. It is hoped to fill the vacancies in the very near future as restrictions ease.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND STRATEGIES (continued)

Operation of Residential and Nursing Homes (continued)

Fernley Resource Centre, also in Freshfield, is a day support service for adults, offering activities for disabled, older or working age adults, to support them with important aspects of social, health, nutrition and daily living. This specialised care service is for adults with many different support needs in particular adults with learning disability and/or autism, brain injury and long-term health conditions. The Centre was closed following government instructions at the start of the first lockdown.

The following statements from various services highlight the excellence of the care in our services:

Fernley Resource Centre, Freshfield

"Thank you for taking good care for our daughter. You have made what has been a stressful year for everyone that much easier."

"We think all the staff involved in our daughters care are fantastic."

"It was a massive help to myself and our son that the Resource Centre stayed open while the winter pandemic hit hard. His mum was rushed to hospital with a heart attack in January; she needed surgery in March and remained in hospital until April. We thank you for your vital daily support during what was a highly stressful period."

"Really keen to have our son back 5 days a week so we can get back to a normal sleeping pattern and back to normal. He is so happy spending time with you. So thank you."

"The kind and caring way you communicate is excellent. Also you include the families in lots of ways which is so important to me. I just want my daughter to continue coming to you and achieving goals. I have loved St Joseph' from the first day I visited and have never changed my opinion. I love the values and the respect for all the families. It is a very special place and we feel blessed to be part of it."

St Joseph's & Sefton Supported Living

"Just want to reassure you both that I have done nothing but sing your praises as managers in social care and shared all our positive views about how much you have supported Jake and myself since the pandemic started. I am appalled to learn how some settings have not shared your common sense approach and made some very disturbing sanctions on families that have suffered greatly. It's been an eye opener and has shocked me. I am so lucky and grateful." – S A, mother of one of the residents at St Joseph's.

"Kath's dad just rang. He said he was ringing to thank everybody for the excellent work we are doing. He said he has received the letter with the rainbow, and thanked us again." Father of K B resident at SSL passing on his compliments to the team.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND STRATEGIES (continued)

Operation of Residential and Nursing Homes (continued)

Tooting Bec Gardens

I've never had a problem, over the years. Brilliant cooperative relationship, staff are always willing to help."

"No problems at all. Always listening and sympathetic responses. "

"Number 11 has always been clean, comfortable and feels very welcoming to me and my family. All areas have been clean, warm and welcoming. A very good standard."

"The care is very good and gives me peace of mind that J is safe. The service user knows the kind of care she wants, and is happy within herself and with her care. Today's visit was very welcoming."

"L is incredibly well looked after, with all her interests addressed, as far as can be done."

"J is happy and has a good life. This has been especially so during the lock downs. I know the staff had to pull out the stops in terms of creativity and attention to needs. My sister seems very happy and comfortable."

St Anne's Apartments

"L seems to be a good match for L as a key worker. For instance we are impressed with all the arrangements to make her birthday a special day! We think the walker was a really good initiative meaning L can be a little more independently mobile. During the last months we are very aware of the logistics of keeping staff and dependents safe. This is a big thank you to all of you!"

"During lockdown we were able to enjoy peace of mind knowing that Reba would be safe and well looked after. (Staff are) encouraging and helping her to develop her talents e.g. the time and effort spent on her guitar playing (as well as) identifying ways to help Reba achieve her potential e.g. securing a space on the Princes Trust Course, and ensuring that she knows how to get to the venue etc."

"It's clear that staff know people really well and have an attitude of respect for the whole person and interest in their lives that goes well beyond physical care and emotional wellbeing. Prompt responses to any phone calls or emails regarding people we support (and) up to date RA and medical / info when needed."

Home & Community – Brighton

Art & Friends Club: provides an opportunity for service users to get involved, learn new skills and meet new people, in light, airy surroundings. It provides a calm and gentle start to the week, offering a choice of different arts. During the past year these activities have not been available due to Covid-19

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND STRATEGIES (continued)

Social and Pastoral work

The Trustees are conscious of the stress and demands of modern living on the older age groups in their localities. Being available and offering a listening presence has been found through the local parishes to be of great benefit to the people.

The following is a short summary of the work usually undertaken by members of the Congregation, most of whom are retired and are now in their second or third career. Most of the activities mentioned below took place virtually during the past year:

- Working in parishes, visiting the sick and elderly, housebound, helping in catechetical programmes, RCIA (Rite of the Christian Initiation of Adults), ministers of the word and Eucharist in parishes, various parish and Deanery groups e.g. Vincent de Paul, CAFOD, Sacramental preparation groups etc.
- Working with asylum and refugee groups, advocacy and support for homeless
- Voluntary teaching assistants, helping slow readers
- Hospital visiting, prison visiting; breakfast club
- School governors; group facilitation
- Pastoral care in care homes and nursing homes and hospitals; working with hospices;
- Chaplaincy work
- Assisting residents with shopping and hospital appointments
- Spiritual direction and retreat work, guiding prayer and associate groups; scripture groups;
- Bereavement accompaniment,
- Teaching English language and literacy to immigrants.
- Writing articles for Catholic Newspapers, reflective blogs for internet
- Making the chapels in various houses available for worship & prayer e.g. The Chapel at St Mary's High Street Roehampton, Brentford, Warrington, Swindon, Brentford Taylorville, Liverpool were normally open each day for quiet prayer or worship for local communities. These have been virtual this year with phone and WhatsApp calls and sharing the photos of the chapels.
- Forming groups where people can meet to be supported e.g. bereavement groups, Scripture reflection groups, ecumenical prayer meditation, Taizé. All virtual in the past year.
- Providing a meeting place for a number of Alcoholics Anonymous and support groups from the local areas. This year due to various lockdowns only telephone calls and virtual meetings were held.
- Liturgy groups, Justice & peace groups
- Advocacy work
- Volunteering with Marie Curie group
- Lectio Divina, prayer groups
- Funeral services arranged and led. All virtual this year.

The activities greatly benefit the local areas and set up links and opportunities for the development of the vulnerable. Most of this work carries little or no remuneration but any stipends or salaries that are received by the Sisters are covenanted to the Charity. During the year the members of the Congregation contributed in many hours of voluntary work across the UK. At present much of the volunteering is on hold due to the Covid-19 pandemic. The use of modern IT has been deployed to keep in touch with the elderly, the sick and housebound. The small contribution of a daily call helps to prevent or lessen mental health issues of the vulnerable. These activities are slowly being undertaken as we emerge from the lockdown.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND STRATEGIES (continued)

Operation of Schools

Two Voluntary Aided schools at Banstead and Amersham continue to be managed by the R C Dioceses of Arundel and Brighton and Northampton respectively, under long-term leases from the Charity. A third Voluntary Aided School at Chippenham continues to be leased to the governors. The insurance value of these three properties is £5m but they are let at nil or peppercorn rents. Members of the Congregation continue to support these schools as governors and report to the Trustees as appropriate. The Charity sees the use of these properties for Catholic education as a significant contribution to the local community and as fulfilling one of their aims. A number of Sisters are working in collaboration with other agencies providing adult education to the most vulnerable in our society through language and literacy programmes.

Overseas outreach

The Congregation has worked in Kenya since 1985. Much progress has been made during that time. Members of the Congregation work in very poor semi-arid areas of Kenya. Their work includes administration of and running dispensaries and clinics in areas where there are no medical facilities. Aids testing and counselling has been one of the most urgent needs in all the areas in Kenya. Trustees from UK visit overseas missions in Kenya at least three times a year and four are also Trustees of the charities in Kenya. These four trustees also participate in review of monthly accounts and setting of annual budgets. Request for financial support from the charity in Kenya is carefully considered by the UK Trustees before agreeing to this request. Funds are sent in instalments and regular reports are received which are complemented by the visits of the UK trustees to Kenya missions.

Our Mulu dispensary personnel run this clinic. Mulu Dispensary has just added a small maternity unit to help the local community as in Mutito. The building was opened in August 2017 and had its first delivery on the day it was opened. The facility treats approximately 12,500 clients yearly. The maternity facility is of great help to poor mothers who cannot afford other private hospitals.

The charity provides financial support for these services. Funds are transferred to various projects as needed by the Sister to buy drugs, food, equipment, books and clothing. The trustees visit each area two or three times annually to monitor progress and assess the emerging needs. The charity has a coordinator to oversee all the activities in Kenya and to send regular reports on both the finances and the progress of projects. It is the aim of the charity to continue to develop the relationships already well established in these communities.

PSMG is also involved in a mission in Kitalé which is the western region of Kenya and is very poor and isolated. We have two communities Chepchoina and Sirende. The mission in Chepchoina began in 2012 continues to grow. The work is being done in collaboration with the Diocese of Kitalé and the Elgon Trust. Some sisters work in the local schools, hospital and community. We also have Sisters working in Sirende convent in the local dispensary, secondary school and pastoral work within the parish. In 2019, we opened new mission in Tanzania, Kondoa Diocese Huruvi parish and Sisters are involved in different pastoral work within the parish and the local health centre.

1. Mutito Community

The PSMG engagement in Kenya started in 1973 through the health care work of late Sr. Ignatius Barron (SMG) from Ireland. She joined Ursuline sisters in 1973 in responding to a request by the Ursuline Sisters through the Major Superiors conference to give a sister who was a nurse to help in answering to the need for healthcare in Mutito. Sr. Barron went back to Europe when her term was done but was requested again to return to Mutito in 1982 to set up a dispensary. This time she was accompanied by Sr. Josephine Coughlan (SMG). In 1984 the first SMG community was formed in Mutito, Kenya. In 1984, Bishop William Dunne invited the SMG Sisters to replace the Ursuline Sisters in Mutito as they were withdrawing from the Parish due to other commitments.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND STRATEGIES (continued)

Overseas outreach (continued)

Late Sr. M. St. Pius, Superior General and Sr. Margaret Doyle visited Mutito on a discerning mission in February 1985. It was decided to establish the first SMG community in Kitui in October 1985. In answer to a request for volunteers from the congregation, Sr. Rosarii O Connor and Sr. Catherine Howard were chosen to join this community. For a period of 10 years there were no local vocations from Kenya joining the SMG Sisters. However, in 1994, two postulants from Kenya joined the congregation. These were Mueni Musyoka and Anna Katuva. These later became the first fruits of the SMG mission in Kenya.

Today Mutito community has four members Sr. Catherine Makau, Sr Catherine Munanie, Sr. Pauline Muema and Sr. Cecilia Minoo. The sisters are involved in education, health care and pastoral work within the parish.



Above: Sisters watering their vegetables

Right: Sisters and staff celebrating blessing of new ambulance for their health centre



2. Mwingi Community

From Mutito, the next stop for SMG Sisters was Mwingi in 1995. There was a need for a separate community to handle the novitiate. With the cooperation of the Mwingi Parish priest, Fr. Mick Kane a site was identified, purchased and constructions were started. On the 23rd of September 1996, the first SMGs and novices took up residence in the new building. They were late Sr. Madeleine Ryan, Anne Katuva, Meki Ngemu, Mary Lulu, Christine Kithwa and Mueni Musyoka. The house was given a name Baraka house (House of Blessing) because of the thanksgiving to God for the strengthening of SMG presence in Kenya. A formal parish welcome for the SMG Sisters was arranged by late Fr. Kane and the parishioners on October 6th of the same year. Among the guests were the late Bishops of Kitui Catholic Diocese Boniface Lele and the late Bishop William Dunne.

The first Kenyan Sisters were professed in 1997. The Sisters took up different apostolates. They visited the schools for Pastoral programs, taught Sunday school lessons and presided over the Sunday services in different Outstations of the parish. The feeding of poor children developed then in the compound and later moved to a rented house in Mwingi town. Since then, it has developed into Frances Taylor family Learning Center (FTFLC) that takes care of various programs including feeding the hungry children from the street, empowering women, training girls in the polytechnic and educating children in Early Childhood Development (ECDE).

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND STRATEGIES (continued)

Overseas outreach (continued)

Currently Mwingi community has five Sisters; they are Sr, Marietta, Sr Teresa, Sr Bridgit, Sr Catherine and Sr Judy. Being a formation community, currently we have three novices, Emmaculate, Felistus and Anne.

The Frances Taylor Family Centre (FTFLC)

Frances Taylor Family Learning Centre (FTFLC) was established in the year 2000 by the charity with the aim of responding to the variety of problems that faced Mwingi town in Kenya and its environs. Over the years the project has come to focus on a number of activities that attempt to mitigate the harsh impact of the problems arising from extreme poverty and semi-arid conditions of Mwingi area. Currently FTFLC offers the following activities:

Right: Sister serving the children with cocoa



a) Training in Vocational skills

The polytechnic section trains mainly girls who have dropped out of school and are needy. It also offers practical skills in leather work products for boys from the street. The courses offered in the polytechnic include; fashion design and dress making, hairdressing and beauty therapy, cookery, embroidery and craft, knitting and computer skills. The polytechnic has given the girls and boys from the street reasons to hope for a better future hence mitigating risks of sexual exploitation and HIV and AIDS. After the extension of classrooms, a catering department was opened. Students enjoy the classes, and the skills are very remarkable; already different types of cakes are being sold and bring income to the department.



Above: Some of the girls in vocational training



Right: Polytechnic girls in catering class

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND STRATEGIES (continued)

Overseas outreach (continued)

The branding department is the only department which remained open throughout Covid-19, with many orders to fulfil. The pressure heat machine, received this year from donors, has enabled the branding of many items, such as cups, table covers, aprons and T-shirts. In 2020, six boys from the street joined the leatherwork class. Keeping busy and productive means they are less likely to turn to drug abuse.

Right: Leatherwork class for boys from the street



b) Children's feeding programme

This program includes giving one mill per day to poor children particularly those from the street who have accepted to go back to school as well as those who have not yet made the decision to go back to school but may do so one day. These children use the dining room which doubles up as a classroom for giving informal education to them. This includes counselling for, drug abuse, moral behaviour, drawing, health education, literacy classes and prayers. Transformation has been realized for the children on the streets who benefit from the feeding program by pulling them away from the streets and making them remain in school either in pre-school, primary, secondary or technical schools.

c) Self-help groups of women

These women are the parents, guardians or grandparents of the needy children and the aim of the project is to address the root causes of their economic problems. The project aims to increase their capacity of caring for the children. This is so important because it is one of the ways in which Frances Taylor Family and Learning Centre FTFLC tackles the root causes of abandoned children. The women are empowered in different ways including micro loans for specific entrepreneurial targets; giving uncooked food for their households, training them in specific life and economic skills, providing them with guidance and counselling. However, the women groups face the challenge of not having their own space for meetings and work. The project usually has to suspend some activities in order to accommodate these activities.



Sisters involved with empowering women

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND STRATEGIES (continued)

Overseas outreach (continued)

d) Pre-school programme



Above: Kindergarten pupils

Right: Graduation day for the kindergarten pupils after two years at FTFLC

FTFLC also runs a kindergarten for children from low-income families in the surrounding area. This section has about 68 children from needy backgrounds who are following formal education as a way of preparing them for primary school.



Some sisters work in local primary and secondary schools. Remuneration is very little and is not possible in most schools.

3. Mulutu Community

Mulutu convent was officially opened 1st January 2000. The postulants moved to Mulutu in 2001 with Sr. Nora as their directress until to date but with different directress. During their time there, as part of their Formation Programme, each group actively get involved in the parish, visiting the sick and needy in their homes and helping to implement various catechetical and pastoral programmes. Sisters, when available, teach on a voluntary basis in the local primary and secondary schools. The people of Mulutu requested the Sisters, if possible, to build a dispensary and after due consideration the decision was reached to go ahead with the building. The construction was started in June 2004 and completed in June 2005. On 25th February 2006, Fr. Frank Minogue officially opened the dispensary. Currently, there are six Sisters in the community: Sisters. Dorcas Ndanu, Josephine, Anna Mwangangi, Maryanne Kiboro, Jacinta Akiru, and Racheal Ritu and five postulants - Annastacia, Anne, Briannah, Maria and Nereus.



Above: Sisters working in the dispensary

Right: Sister at a home visit



POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND STRATEGIES (continued)

Overseas outreach (continued)

4. Ting'ang'a Community

Ting'ang'a community began in January 2003 with three Sisters. The Sisters bought an already existing house and equipped it. Ting'ang'a community is the first place where all the Sisters and their guests from abroad go for hospitality and welcoming before they proceed to other parts of the country. This is the community for all the Sisters who are students. It also serves as the administration office of the Kenyan area.

Two Sisters are involved in administrative work whilst two others are involved in different apostolates within the parish. They also attend PMC and youth activities within the parish. When college closes, students are sent to various communities for their holidays, where they can put into practice what they are learning.

Students Sisters helping the environment by planting trees



Sisters involved in charity work for the poor



Sister busy threshing pigeon peas

“O, that someone would rise up to plead the cause of the poor.” Mother Magdalen

Generosity is one of our values; the Sisters visit the homes of elderly and less privileged in their village, donating food during the Covid-19 pandemic.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND STRATEGIES (continued)

Overseas outreach (continued)

5. St. Monica's Convent – Chepchoina (Kitalé)

The journey to Chepchoina began when the SMG Sisters were invited by Bishop Maurice Crowley of Kitalé Catholic Diocese some years back. The decision to accept this invitation was taken by SMG leadership in 2010. The original dream was to open the new convent for the closing of the year of Mother Magdalen on February 12th, 2012.

Even though the official opening of the convent was on 30th November 2013 the Sisters started living in the new convent by the end of 2012. The progress of the building was not as quick as had been anticipated but to the consternation of the builders, Rosarii O'Connor and Mary Dunlea took up residence in St. Monica's Convent on 8th December 2012.

The convent was officially opened on 30th November 2013 on the Feast of St. Andrew attended by many SMG Sisters from other convents. Bishop Crowley was the Chief Celebrant of the mass and was joined by Fr. Henry Juma the parish priest, Fr. Leo Staples and other clergy. Parishioners, Sisters and people from further afield joined in the celebrations and it proved truly a joyful and memorable occasion even with gifts from well-wishers.

The community currently has four Sisters: Sisters Eunice, Veronica, Rhoda and Rose. The Sisters are involved in different ministries which include education, health care and pastoral within the parish.

The sisters continue to be employed mainly by the Mount Elgon Trust. Currently, two Sisters are employed by the TSC, pastoral work is ongoing where the Sisters help to alleviate poverty in many and varied ways, especially with families through:

- Helping women become more self-sustaining through the setting up of small businesses to enable them to support their children.
- Making education accessible by part payment of school fees
- Visiting homes to find out where help is needed. This leads to offering of help according to the individual needs.
- Assistance with medical bills where appropriate.



Sister Nurses at local health centre

6. St. Lucy's Convent Sirende Community



The Sisters moved to Sirende community on Sunday 13th October 2019, the feast of Our Lady of Fatima and by, coincidence, the day when John Cardinal Newman was canonized in Rome. The community has four Sisters: Sisters. Anne, Maureen, Angella and Juliana. The four Sisters are involved in pastoral activities within the parish as well as working in the parish dispensary. The area has plenty of rain and Sisters undertake farming.

Left: Sisters at work in their vegetable garden

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND STRATEGIES (continued)

Overseas outreach (continued)

7. PSMG Huruvi Community



Above: On procession into Liturgy

The Huruvi community has three Sisters - Mumbi, Charity and Catherine. The mission in Huruvi started on 12th February 2019 when Sisters Catherine and Charity were missioned in Tanzania, Huruvi Parish Kondoa Diocese. In May 2019, Sr. Mumbi joined the community. The Sisters live in a three bedroomed house. It has a sitting room which the Sisters use as a chapel and the corridor is used as kitchen. The house was freely given to the Sisters by a parishioner's family, until the Sisters have their own convent

Right: Animating PMC groups



POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND STRATEGIES (continued)

Overseas outreach (continued)

Members are involved in the local Roman Catholic parish as readers, Eucharistic ministers and are part of the sacramental programs and RCIA. Local groups are welcomed to the chapel to pray and share the liturgy. In previous years on special days many people gathered to meet and celebrate culture. This has not been possible this year. Some virtual meetings have taken place.

Donations and other payments are agreed by the Trustees in support of the missionary work and ministry in consultation with the members of the Congregation. Some of the groups supported were:

- CAFOD
- Sacred Heart Mission
- Médecins Sans Frontières
- Famine relief in various war torn areas of the world.
- Church in Action
- Migrant projects through UISG

The Charity is not a grant-making charity and does not engage actively in fundraising.

Voluntary Work

Through the use of modern technology the members of the Congregation gave much time over the past year to assist the poor, the vulnerable and the marginalised, visiting virtually and supporting the housebound, the hospitalised and prisoners, assisting the homeless, refugees and asylum seekers. Chaplaincy and parish work pastoral care were restricted to virtual contact. Many members of the Congregation do non-remunerated administrative tasks within the Charity which enables it to function effectively.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

REVIEW OF ACHIEVEMENTS AND PERFORMANCE

The following outlines the achievements during the year in the various areas of activity of the Charity.

Operation of Care Homes

Maryville Care Home Brentford continued to offer quality care to 39 residents during the year. The occupancy level has been almost 100%. Due to COVID since March 2020 there has been an embargo on filling vacancies but since August 2020 these vacancies have been filled. Restrictions and lockdown has made filling vacancies in the service very slow and consequently there has been a loss of income. Staff illness and the requirement for isolation have increased the staffing costs. A number of Agency staff were required to enable the home to function safely.

Residential care homes at Roehampton, Laverstoke Gardens, Streatham and Brentford have all delivered excellent care to a wide range of residents drawn from multi faith backgrounds, a wide variety of cultures and ethnic groups.

The Supported Living projects in Liverpool and Middlesex, London has been very impacted over the past year as potential residents were unable to move into care. The Charity has closed the supported living facility at 8 Somerset Road. Residents were accommodated in the Residential services to fill vacancies.

The Extra Care Supported Living in Brighton and Hove opened in 2014 and is flourishing. Some of the tenants had lived in residential settings and are now enjoying much more personal freedom and choice. Each resident has an apartment. Each also has a care package for helping them to cope with personal care and activities. The social activities for these residents have been much disrupted over the past year.

Supported Living projects in Liverpool and Brighton continue to enable persons with disabilities to experience a more independent lifestyle. The residents now live more independently in these small settings and out of the institutional setting.

Operation of Home and Community Support

The Home Care Service in Brighton now renamed Community has been severely impacted by COVID-19.

Home visits were very limited and staff were furloughed. The Frances Taylor Foundation was responsible for caring for people in their own homes but most did not welcome any one from outside to their home. There is a gradual return to accepting some visits.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

Day Activities

Day Activity Services usually provided at St. Mary's Roehampton, St Raphael's Services at Brentford and in Fernley Resource Centre in Freshfield were all closed and are only gradually reopening. The hydrotherapy pool facility at Freshfield is out of service for the past 18 months. The conservatory and adjoining areas, funded from the Friends of St Joseph's Charity, continue to be used as extra spaces in an effort at social distancing.

One of the Trustees' main objectives for the year was to maintain a high level of occupancy as well as ensure the quality of service in these facilities. One of the objectives will be to continue to achieve a high level in the coming year in all the services.

It is hoped that all locations will begin to return to providing safe, homely and welcoming environment in line with modern thinking and legislation on learning disability.

Covid 19 has impacted on all service provision. Occupancy which would normally be 95% + has diminished in all day activities.

We encourage all our Care staff to work towards the professional development and appropriate care qualifications to meet the needs of the Service. In addition, all our Care employees undertake specific training to meet the specific needs of the individual Service Users.

One of the Trustees' main objectives for the year was to maintain a high level of occupancy as well as ensure the quality of service in these facilities.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

The table sets out some important statistics showing the achievements of the Charity during the year. The Staff Training program continued during the year. The following table sets out the training achievements of the staff.

Services – Staff Qualifications									
	Total number of employees	NVQ2 or QCF equivalent	%	NVQ3 or QCF equivalent	%	NVQ4 or QCF equivalent	%	RMA / Management QCF equivalent	%
Marina, Lansdowne Road, Hove	14	1	7%	6	42%	2	14%	2	14%
Laverstoke Gardens, Roehampton	10	-	-	4	40%	2	20%	1	10%
St. Mary's Roehampton	54	8	15%	5	9%	1	2%	1	2%
St. Raphael's	27	4	15%	2	7%	1	4%	2	7%
Maryville	34								
Tooting Bec Gardens, Streatham	8	8	100%	7	87.5%	1	12.5%	1	12.5%
Woodbourne Avenue, Streatham	8	8	100%	8	100%	2	25%	2	25%
Liverpool Adult Services	71	46	64%	12	16%	4	5%	4	5%
Home and Community Support	12			4	30%			2	16%
Brentford Supported Living	3	0	0	2	66%	0	0	0	0
Fernley Resource Centre, St. Joseph's, Freshfield	36	11	30%	11	31%	4	11%	1	3%
St. Joseph's Home, Freshfield, including L37 Short Breaks Service	93	31	33%	18	19%	3	3%	6	6%
Extra Care Supported Living (at St Anne's Apartments)	16	1	6%	11	69%	2	12.5%	1	6%
Sefton Supported Living	13	6	47%	4	30%	-	-	1	8%

- The qualification levels of staff at all the services are being monitored constantly.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

The table sets out occupancy levels of care facilities showing the achievements of the Charity during the financial year:

Services – Occupancy / Utilisation		
Residential Care Homes	Number of Places	% occupancy
Marina, Lansdowne Road	9	99.8%
Laverstoke Gardens	7	85%
St Mary's Roehampton	42	93%
St Raphael's	21	71%
Maryville	39	87%
Tooting Bec Gardens	8	75%
Woodbourne Avenue	8	100%
St Joseph's Home, Freshfield	36	92%
L37 Short Breaks Service, at St Joseph's Home, Freshfield	TEMPORARILY CLOSED	TEMPORARILY CLOSED

Housing Related Support and Personal Care Services					
	Number of people supported	% occupancy of tenancies	Total hours per week – housing related support	Total hours per week – personal care	Total hours per week (support and care hours combined)
Liverpool Adult Services	37	88%	868.59	665.59	1534.32
Home and Community Support	53	0	-	-	235
Brentford Supported Living	4	100%	-	52.79	52.79
Extra Care Supported Living (St Anne's Apartment & 3C)	14	100%	98	436.5	534.5
Sefton Supported Living	5	100%	-	-	277

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

Day Activity Services		
	Number of people supported ("on the books")	Average number attending per day
Fernley Resource Centre, St Joseph's Freshfield	External clients: Service was closed to external users due to Covid.	We provide support to 32 residents from St Joseph's Residential Care Home.
St. Mary's Roehampton	External clients: Service was closed to all clients due to Covid.	Number of external service users: N/A Number of in-house service users: N/A

Laverstoke

- This property has a new Lift which is fully operational, the new walk-in friendly shower room complete, new staff shower room is complete,
- Our last CQC inspection was in October 2017. We have kept in touch with CQC when necessary via regular channels. We are in anticipation as we may have an unannounced inspection.
- In response to COVID, most activities have had to be held virtually e.g. day centre sessions, music sessions, exercise groups. Staff have also had to set up and offer a wider variety of activities within the service.
- Meetings are mainly with outside agencies e.g. local authorities, NHS, Social Care forums, and are held virtually, via Teams.
- The use of technology for residents / staff / WhatsApp by residents has been implemented and video calling has been well taken up by all families and has remained the most used tool of keeping in touch
- One vacancy which has not been filled although many referrals; clients whose needs are very high and extremely challenging are not suitable for Laverstoke Gardens.
- Families of clients are appreciative of the service at Laverstoke Gardens, as is clearly shown by the letters, beautiful cards and monetary gifts.
- Due to COVID-19, regular annual events like friends and families annual BBQ, Christmas party and other regular celebrations could not take place.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

Streatham Services

- The business improvement plan, implemented September 2019 and is ongoing.
- In response to COVID, Anti bac is used four times daily, there is also PPE, training, compliance, inventory check, capacity tracker, visitors record, weekly PCR test, weekly reports, death in care home, vaccination, LFD testing twice weekly, COVID related risk assessments and business continuity plan etc.
- Clinical appointments, LA annual review, consultations, team meetings across sites, interview, training etc. have been held virtually.
- Almost all service users have smart devices that they generally use to keep in touch with their family, friends and attend work/voluntary work meetings. Technology such as NHS iPad has meant that families can remain in contact with clients.

Liverpool Adult Services

- Some new activities were introduced, such as quizzes, competitions, e.g. best Easter card, gardening etc.
- Manager /admin meetings continued through Zoom
- Managers used WhatsApp to video call houses and speak to clients
- Three vacancies were filled, in spite of difficulties due to restrictions.
- Due to Covid, there were a number of missed events, including funerals, birthday parties and monthly Brain Charity event.

Home Community Support

- Clients have learnt how to cook simple meals and batch cook, where previously they would have eaten out in restaurants. They have taken up new interests including walks in their local vicinity discovering new parts of the city which they had never ventured to before.
- Increased use of technology for grocery deliveries, meal services, takeaway deliveries, Zoom activities with their day services and staying in touch with their family and friends.

Marina

- Increased use of technology, Facebook portals & iPad.
- Some clients now have twice weekly video calls with family and friends - which is a much-increased rate of contact. Whilst on the calls, family / friends play the piano, sing, dogs doing tricks and all sorts of activities that previously would have been done on visits.
- Bicycle scheme for staff - two cycles staff can use to travel back and forth to work to reduce the use of public transport.
- Newsletter has given tremendous feedback and an insight for families into the lives of our service users.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

St Joseph's & Sefton Supported Living

- Clients have enjoyed a variety of activities during the pandemic such as themed meals (Italian, Mexican and Jamaican), fun days in the home including a Mad Hatter's Tea Party with crocheted cupcakes, oversized playing cards and huge paper machete flowers, a Western Day with wigwams, guitars and jail bars! Clients have also enjoyed gardening activities in the home and walks in the extensive grounds and pinewoods around St Joseph's. Lots of birthdays have been celebrated at St Joseph's and SSL with buffets and party decorations. Mother's Day was celebrated and mothers could speak to their children on the phone. As restrictions eased, trips further afield were made, e.g. Knowsley Safari Park.
- Regular Meetings have been held via Zoom and Teams between the management team at St Joseph's and the Team Leader at SSL to offer her support during the pandemic. Monthly meetings have been held via Zoom with Craig Godding, Sefton Social Services Quality and Compliance Officer. Craig has offered guidance and support throughout the pandemic either via Zoom, e-mail or telephone. Weekly Teams meetings with Finance Department at Sefton Council which have gradually tapered off to more infrequent meetings to discuss the financial impact of Covid and the allocation of the various government grants available.
- Throughout the pandemic, particularly in the early months, residents kept in touch with their loved ones via FaceTime. This has been an essential tool in allowing families to have face-to-face contact with their loved ones and helped to maintain relationships and reduce stress for many relatives, as well as one client who 'attended' a family wedding via Zoom!
- Recruitment was postponed during the early months of the pandemic. Since then, there are no positions currently which have not been filled.
- The summer and Christmas Fayre of 2020 could not take place. Likewise, the Summer Fayre of 2021 could not take place and it is unlikely that the Christmas Fayre of 2021 will take place. Each Christmas at St Joseph's, a large gathering of families of people supported at both St Joseph's and SSL, come to enjoy Christmas lunch held in the dining hall at Fernley Resource Centre. This sadly did not happen in 2020 and is unlikely to take place in 2021.
- The small number of staff who are reluctant to have the Covid Vaccine have been given an information pack to read to help them make an informed choice. 11 members of staff have left as they did not want to get vaccinated. Recruitment to the sector was already a significant challenge. Not only do we have an additional 11 posts to fill but we are recruiting from a much smaller pool of potential candidates. Compulsory vaccination will prevent some people from applying for care jobs and we have to perform additional checks when on-boarding staff. Although not solely attributable to compulsory vaccination some services who have traditionally found it easy to fill posts are now struggling to do so. Additional administration having to check vaccination status of professional visitors to care homes.
- CQC visited in 2019 and reported both the Services overall as Good.
- There is much positive feedback from residents and their relatives about the service; family members always comment on how much they appreciate the hard work of staff and also that they are very pleased with the service and support given to their loved ones. Residents often write notes to staff expressing how thankful they are to staff for their support and kindness.
- Feedback from the clinical team and commissioning team notes that both homes are very welcoming and always well maintained. They have given recognition for the high standard of support provided across the two sites. Two notable comments include: "The service is proactive" (Dementia coordinator); "My colleague told me your service gave a high standard of care" (ward nurse responsible for the discharge of one of our service users).

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

Social and Pastoral work

Throughout the year the Charity assisted a large number of the members to carry out their pastoral, charitable and religious work throughout the UK and in other areas of the world as documented in the Activities, Objectives, Policies and Strategies section above.

This pastoral and social work enables the Charity to fulfil its aim to reach those most in need in our society today. Through visiting the lonely in their homes and doing some very mundane tasks for them, a significant number of people have benefited.

All members work in their chosen ministry apart from 16 members of the Congregation who are cared for in care homes.

Overseas missionary work

Kenya

During the year the Charity continued to support and expand its mission in Kenya as well as financing of the education of young Kenyan women. Commitment to and development of the Kenyan mission is one of the long term aims of the Charity.

A new Convent is now completed in Sirende and the Sisters are undertaking pastoral work in the parish and in the area. The property is being fenced at this time and a flourishing shamba and chicken project is doing very well.

Tanzania

Since February 2019, there are three Sisters in Tanzania, involved in pastoral work and research into what is the real need of the Tanzanian people. It is very evident that there is a very real mission into the future. It is very poor area. A plot of land has been bought and already a convent is being built and will be completed very soon. There is need for education for the local young people. Polytechnical education is needed in the area. This will be the next step in establishing the mission.

Kondoa is a new Diocese in Tanzania and Parish of Huruvi is its new Parish (2020). The Bishop of Kondoa said: *"I feel personally your presence in Kondoa is most opportune and your Sisters (SMGs) are offering a new way of pastoral engagement and other education which I think is needed in our time."*

COVID 19

As has been widely reported, a global coronavirus affected the United Kingdom in early 2020 and continued to impact everyone's lives in 2021. The elderly and those with serious underlying medical conditions are particularly vulnerable. The trustees recognise the seriousness of the potential impact of the pandemic on the residents in its facilities. They continue to take all necessary steps to protect residents, staff and sisters and are closely following government guidelines. This has inevitably increased the costs of running the facilities but it is anticipated that these costs will not have a material effect on the charity's financial results. Most adults are now vaccinated and elderly vulnerable adults starting to receive Covid booster vaccinations. Majority of our staff providing direct care are vaccinated or encouraged to do so. Plans are in place to ensure compliance with vaccination requirement in care settings.

Charity's investments were impacted by the pandemic. The values have recovered since the lows of March 2020 and exceed the pre pandemic valuations. It is however highly likely that investment markets will remain volatile as we have seen in recent days' collapse of gas suppliers, shortage of fuel availability and shortage of experienced and trained staff. The exact financial impact is difficult to assess with any high level of confidence but the Trustees are of the opinion that the charity will be able to meet all of its financial obligations and commitments for the foreseeable future. Thus, they consider that the charity is a Going Concern.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

FUNDRAISING ACTIVITIES

The Charity does not seek funds from the public as such. The donated income that it does receive mainly consists of the pensions and salaries donated by the Sisters of the Congregation.

The Charity's undertakes no direct fundraising activities. The Charity does receive donations from an independent charity, 'The Friends of St Joseph's' (Charity number: 502759) which is not under the direct control of the Charity Trustees. Funds raised by this independent charity for the benefit of Service Users who use the St Joseph's Home and Fernley Resource Centre and are used to provide additional amenities and opportunities that contribute to the quality of life of Service Users of these two Services. The mini bus provided by the Friends of St Joseph's has been of great benefit to the Residents.

The annual Garden Fete, fun afternoon is organised by staff, families and friends of the people we support who reside at Maryville Nursing Home and St. Raphael's Care Home in Brentford was cancelled in 2020 and 2021.

The Charity also receives donations in recognition of or gratitude for its provision of facilities and services for which no charge is made, such as the provision of facilities for quiet reflection and prayer and/or Sisters' spiritual accompaniment of individuals. However, such facilities and services are offered irrespective of the ability to pay.

The Charity does not engage any professional fundraisers or commercial participators.

Since we do not participate in fundraising activity, the Trustees of the Charity do not feel there is any need to subscribe to a particular scheme or set of standards for fundraising regulation.

There have been no instances of failure to protect vulnerable members of the public and no complaints have been received in relation to the conduct of the Charity or Friends organisation in respect of fundraising activities.

FINANCIAL REVIEW

The Charity's principal source of income continues to be the fees generated from its charitable activities in the form of the Care Services, Retreats and charitable accommodation that it provides. Income from these sources was lower at £11.94m (2020: £12.98m). Investment income was also slightly lower at £3.22m from £3.48m.

Total income was lower at £16.91m (2020: £17.52m) even though included in there is £0.86m for grants received related to Covid 19. Therefore income, excluding gains on disposal of tangible fixed assets, declined from previous year by some £611k. However, there is, as explained more fully below, an expectation that the tendency in future will be downward pressure on income.

At the same time, expenditure also slightly declined to £15.62m from £17.48m due to closure of retreat centre during Covid lockdowns. The net effect was that there was an excess of income over expenditure, before investment gains, of £1.29m compared to excess of income over expenditure of £35k in 2019/20.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW (continued)

Following the sharp decline in investment values in March 2020, due to the impact of Covid 19, investment values recovered by £28.4m net of reinvestment of investment income and withdrawal from investments of £2.4m to meet cash flow requirements at the year-end to £138.4m (2020: £110.0m). The overall result was a net surplus and increase in overall reserves of £27.5m (2020: deficit of £9.9m). A sharp fall in investment values in March 2020 not only gradually recovered but surpassed pre Covid 19 levels, however investment income is likely to be significantly reduced increasing reliance on capital growth. We are increasingly more reliant on our investment portfolios to support our charitable activities. For the future, although many of the older Sisters still continue to carry out voluntary work, in both our own services and those managed by other agencies, the increasing age profile of Sisters and the reduction in membership numbers result not only in a reduction in income but also in a need to employ more lay people to carry out the work formerly performed by Sisters. Costs, in the form of maintenance of Sisters, are also expected to rise with the increased age profile.

As a consequence, it is anticipated that the costs of the Charity will rise significantly at the same time as it is faced with diminishing income. These factors emphasise the need for the establishment of a sound capital base.

The trustees decided not to invest further monies in the Charity's portfolios of quoted investments, other than reinvesting the investment income. Covid 19 has impacted on Charity's income due to full or partial suspension of certain activities in retreat centres and care services. In addition, costs of operating the various charitable activities have increased, some of these have been partially offset by government grants. The pandemic has continued to disrupt and curtail our daily lives resulting in financial uncertainties for many of our activities. The Charity has, along with many other net depositors suffered a reduction in the income generated by its cash reserves becoming more dependent on the income arising from its investment portfolios. As a Charity we are fortunate that we can rely on our investments to support us during these challenging times. Trustees are mindful that they must not expose the Charity to undue levels of risk with the investments and therefore, continue their policy of maintaining a well-diversified range of investments and closely monitoring the Charity's finances with appropriate advice from the Charity's fund managers.

INVESTMENT POLICY AND PERFORMANCE

The Charity's investments were managed by three fund managers as listed in the Reference and Administrative Details section of this report. The Trustees have wide powers within the Trust Deed and are empowered to invest any monies as authorised by law in a manner they think fit.

All portfolios are subject to a medium degree of risk. The Trustees intend that the real value of the assets be maintained and enhanced over the long term by investment in a portfolio of equities, fixed income stocks and cash. The fund managers' performance is regularly reviewed by the Trustees and their advisors through quarterly reports and scheduled meetings.

The Trustees require the fund managers to adopt an ethical policy and to use their best endeavours to avoid investments that are predominantly involved in areas of unacceptable exploitation. This is very relevant where the Charity has direct investment in shares.

The Trustees have instructed the fund managers not to invest in companies which are involved in, or associated with, the defence industry, manufacture of anti-life products, use of animals for testing cosmetics, harming the environment through unacceptable levels of water pollution, destruction of woodlands or forests, gambling, oppressive regimes, exploitation of labour (unsafe working conditions, child labour, poor wages or race discrimination), pornography, exploitation of third world countries through charging high interest rates on loans or the manufacture of tobacco products. However, where investments take the form of collective investment funds, the Trustees are unable to exercise direct control over the ethical policy adopted by the fund manager.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

INVESTMENT POLICY AND PERFORMANCE (continued)

As noted in the financial review, the year to 31st March 2021 the Charity's investments recovered following the decline in prior year.

The gains on investments during the year amounted to some £27.7m (2020: £9.9m losses) whilst the income return was £3.22m (2020: £3.48m). Investment performance has been generally in line with market movements and returns have been ahead of inflation, more than protecting capital and future income streams. The total return on the portfolios for the year was, approximately 28.1% (2020: negative return 6.0%).

Differing benchmarks are given to different fund managers as a way of diversifying the Charity's exposure to the risks inherent in stock market investment. The overall return generated by the Charity's investments was ahead of the principal benchmark utilised, the ARC Balanced Asset Charity Index which showed a return for the year of 18.98% and only slightly behind the ARC Steady Growth index. Over the longer period, Charity's overall returns have been at least as good as the benchmarks set and therefore, they have been, in the opinion of the Trustees, satisfactory particularly in view of the difficult economic climate and the gains experienced in the recent years. Despite uncertainties, which are inherent in investing at any time, the portfolios look to be well-positioned to benefit from any economic growth whilst carrying sufficient risk protection in the form of less volatile holdings. The income-yield of equity investments is attractive compared to that available from most other forms of investment.

The Charity has withdrawn £2.4m during the financial year to cushion the effects of Covid 19 on its net cash generating ability and is in a fortunate position to be able to do so. Trustees expect to continue to withdraw modest amounts in the foreseeable future from the Charity's investment portfolios to support its charitable activities. Trustees will continue to monitor closely investment returns and continued support required for its operations.

RESERVES POLICY

At the year end the total funds of the Charity were £151.5m of which £131.8m were designated. Details are set out in Note 20 of the financial statements. Designations are as follows:

£75.0m is reserved for the care of the elderly members. The number of elderly and sick members continues to increase. Most of the frail elderly members are cared for in one of the homes operated by the Charity. The aim is to keep the members as active as possible through second and even third careers. Many do voluntary work in their local areas. The Trustees commissioned in 2017 an actuarial review of the long-term requirement for funds for the care of the elderly. This review has indicated that a fund of between £50m and £75m will be required for this purpose and the Trustees. During the year, as investment values recovered and grew pre Covid levels with the Fund balance exceeding the upper limit as reported in 2017 actuarial valuation. Transfers were made from the Fund to leave a balance of £75.0m.

The trustees are mindful that a significant proportion of the Fund is represented by quoted investments which are, by nature, volatile and that the needs of members are also subject to constant change. The level of the Fund will continue to be kept under review as the needs of the Congregation's members evolve and investment markets fluctuate.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

RESERVES POLICY (continued)

£8m has been designated for development and upgrading of the services and accommodation facilities provided by the Charity for the next five to ten years. At the beginning of the financial year the fund value was £21.7m which further increased with net gains in investments. Following an in-depth review of future plans and related costs by the Trustees during the year a fund of some £8m will be required for development expenditure both in the UK and overseas and surplus to this requirement remaining reserves was released to general reserves.

£30.0m has been designated by the Trustees to a new fund, for relief of poverty and distress. The trustees have reviewed their commitment to relief of poverty and distress and have decided to designate £30m to this fund to support other charitable organisations providing support to those requiring relief from poverty and distress. With ageing membership and availability of resources to support people in poverty and distress it is considered the best way for the Charity to carry its mission out through other likeminded charitable organisations who have experience of delivering aid to those in need. Trustees will carefully monitor support requests and deployment of funds expended by the selected charitable organisations.

£7.0m is designated to provide funding for the overseas outreach programmes anticipated to occur in the next five years. Congregation's missions in Kenya and Tanzania are growing and will require increased support in the coming years to develop these missions. At the beginning of the year this fund balance was at £2.6m. Overseas payments amounting to £510.5k with donations, investment income and net gains allocated to the fund in the amount of £466.7k during the year reducing the balance on the Fund to just over £2.5m. In view of the continuing commitment to Congregation's missions in Kenya and Tanzania, trustees designated further £4.5m to this fund. In Kenya and Tanzania the provision of health care through dispensaries and clinics continues to be a challenge. Education is also a high priority. Members are being trained as teachers, nurses, laboratory technicians, social workers and pharmacists. These skills and professional training are essential for the sustainability of our mission in these places. Trustees will continue to monitor the need for overseas support in Kenya and Tanzania and set the reserve in line with their commitment.

Just over £11.8m is designated to represent the net book value of the Charity's properties which cannot be realised without undermining the Charity's works.

The General Funds of the Charity at the year-end stood at £19.7m. This represents just under 15 months' expenditure on the Charity's continuing activities. This is therefore in line with the levels stated in the Trustees' policy which is to hold between one and two years' expenditure in reserve. A reserve of between one and two years' expenditure is considered by the Trustees to be prudent.

Such "Free Reserves" are required to ensure that the Charity has sufficient cash resources to meet all of its liabilities and commitments as they fall due. Also, with such a broad range of activities and a significant portfolio of properties, many of which are quite old, through which these activities are conducted, it is felt that a reasonable provision against contingencies is essential. In addition, a significant proportion of the Charity's reserves are represented by quoted investments which are needed for the income that they generate, particularly in view of the low level of interest rates, but the value of these are subject to quite volatile fluctuations in the current uncertain political and economic environment. Therefore, prudence dictates that a reasonable cushion is held against sudden dramatic falls in value.

The Trustees will continue to monitor the Charity's reserves levels.

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT - continued

YEAR ENDED 31 MARCH 2021

FUTURE PLANS

The Trustees intend to:

- Continue to support and develop the pastoral work and ministry of the Sisters of the Congregation in the Charity's existing care facilities and in the local areas where the Charity has members and or services.
- Consider adapting some of the existing facilities at some of the properties for ageing residents and members.
- Continue to support the outreach to the people in our mission areas of Kenya, extending the mission in Kitalé and Sirende.
- Develop the new Mission in Tanzania in the Kondoa Diocese.
- Commit to maintaining the highest possible quality of care in all of its facilities.
- Provide staff with appropriate and relevant training.

Specific aims include:

- Continue to collaborate with SJOG in working with migrant workers and tuberculosis patients project in Euston and with Field Lane Foundation in working with vulnerable families in Pembridge.
- Monitor the internal controls in the services.
- Continue to upgrade the IT and HR services within the Charity.
- Monitor occupancy levels in all services and staff qualifications.
- Continue to review the Charity's financial position and long-term strategies in the light of the on-going economic situation.
- Review the accommodation services provision in Liverpool and Brentford.
- Review in the coming months all the services being provided in the light of the impact of COVID 19

POOR SERVANTS OF THE MOTHER OF GOD

TRUSTEES' ANNUAL REPORT (continued)

YEAR ENDED 31 MARCH 2021

Trustee Responsibilities

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).

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 in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable 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 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.

The Trustees appreciate the professionalism, dedication and commitment of their members, management personnel, staff and advisers.

Approved by the Trustees on 30 November 2021 and signed as authorised on their behalf by

.....
Sr Rosarii O'Connor
Trustee

.....
Sr Margaret Cashman
Trustee

Independent auditor's report to the trustees of POOR SERVANTS OF THE MOTHER OF GOD

Opinion

We have audited the financial statements of Poor Servants of the Mother of God for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related 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, 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 March 2021 and of the charity's net movement in funds 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 the Act and relevant regulations made or having effect thereunder. 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient and proper accounting records have not been kept; or
- the charity 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 for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 39, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditor's report to the trustees of POOR SERVANTS OF THE MOTHER OF GOD (continued)

Responsibilities of trustees for the financial statements (continued)

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.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to safeguarding regulations, care quality commission compliance, employment law and taxes and Charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and the Charities SORP.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to recognition of income. Audit procedures performed by the engagement team included:

- Inspecting minutes of Trustees' meetings;
- Inspecting correspondence with regulators and tax authorities;
- Reviewing the latest Care Quality Commission (CQC) reports;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing valuations of investments; and
- Challenging assumptions and judgements made by management in their critical accounting estimates. These related to depreciation charges.

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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

..... 2021

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

POOR SERVANTS OF THE MOTHER OF GOD

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds	
		2021 Total £	2020 Total £
Income from			
Donations and legacies	1	748,233	917,931
Charitable Activities	2	11,944,225	12,983,977
Other charitable activities			
- Rents receivable from charitable-use properties temporarily surplus to operational requirements		123,077	125,719
Investments	3	3,221,069	3,483,920
Other			
- Gain on disposal of tangible fixed assets	4	4,945	5,400
- Grants received	4a	864,086	-
Total Income		16,905,635	17,516,947
Expenditure on			
Cost of raising funds			
- Investment management costs		411,659	378,255
Charitable activities	5	16,739,628	17,103,510
Total expenditure		17,151,287	17,481,765
Net (expenditure)/income before gains/(losses) on investments		(245,652)	35,182
Net gains/(losses) on investments		27,760,878	(9,929,581)
Net movement in funds for the year		27,515,226	(9,894,399)
Fund balances at 1 April 2020		124,042,664	133,937,063
Fund balances at 31 MARCH 2021		£151,557,890	£124,042,664

Included in the above figures is a £15,598 (2020: £25,963) restricted donation which has not been spent by 31 March 2021. During the year restricted donations of £2,000 and £449,478 of Covid-19 infection control and rapid testing grants were received. All of the Covid-19 grants were spent during the year along with £12,365 from other restricted funds. This has not been separately disclosed as a restricted fund at 31 March 2021 as this amount is immaterial in context of the overall funds of the Charity.

POOR SERVANTS OF THE MOTHER OF GOD

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	2020 £
Fixed Assets			
Tangible assets	15	11,903,087	12,239,380
Investments	16	138,401,889	110,000,465
		<u>150,304,976</u>	<u>122,239,845</u>
Current Assets			
Debtors	17	713,141	555,861
Cash at bank and in hand		1,978,417	2,637,216
		<u>2,691,558</u>	<u>3,193,077</u>
Creditors:			
Amounts falling due within one year	18	(1,438,594)	(1,390,208)
Net Current Assets		<u>1,252,964</u>	<u>1,802,869</u>
Net Assets		<u><u>£151,557,940</u></u>	<u><u>£124,042,714</u></u>
Funds			
Permanent Endowment Fund	21	<u>50</u>	<u>50</u>
Unrestricted Funds:			
General Funds		19,706,758	15,628,133
Designated Funds	20	131,851,132	108,414,531
		<u>151,557,890</u>	<u>124,042,664</u>
		<u><u>£151,557,940</u></u>	<u><u>£124,042,714</u></u>

Approved by the Trustees on 30 November 2021 and signed as authorised on their behalf by:

.....
Sr Rosarii O'Connor
Trustee

.....
Sr Margaret Cashman
Trustee

POOR SERVANTS OF THE MOTHER OF GOD

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Cash flows from Operating Activities			
Net cash outflow from operating activities	A	(3,228,880)	(2,904,636)
Cash flows from investing activities			
Dividends and interest from investments		3,221,069	3,483,920
Payments to acquire tangible fixed assets		(15,387)	(60,784)
Receipts from sales of tangible fixed assets		4,945	5,400
Payments to acquire investments		(63,104,659)	(49,040,142)
Receipts from sales of investments		62,464,113	46,322,894
Net cash provided by/(used in) investing activities		2,570,081	711,288
Change in cash and cash equivalents in year		(658,799)	(2,193,348)
Cash and cash equivalents at 1 April 2020	B	2,637,216	4,830,564
Cash and cash equivalents at 31 March 2021	B	£1,978,417	£2,637,216

Notes to the Cash Flow Statement

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

	2021 £	2020 £
Net movement in funds (as per the Statement of Financial Activities)	27,515,226	(9,894,399)
Adjustments for		
(Gains)/Losses on investments	(27,760,878)	9,929,581
Dividends and interest from investments	(3,221,069)	(3,483,920)
Depreciation	351,680	347,844
Gains on disposal of tangible fixed assets	(4,945)	(5,400)
(Increase)/decrease in debtors	(157,280)	268,403
Increase/(decrease) in creditors	48,386	(66,745)
Net cash (used in) operating activities	(3,228,880)	(2,904,636)

B. Analysis of cash and cash equivalents

Cash at bank and in hand	1,978,417	2,637,216
Total cash and cash equivalents	£1,978,417	£2,637,216

POOR SERVANTS OF THE MOTHER OF GOD

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2021

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

Basis of preparation

The financial statements have been prepared in accordance with all statutory requirements and with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- estimating the economic useful life of tangible fixed assets.

Assessment of going concern

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

Covid 19 has impacted on Charity's income due to full or partial suspension of certain activities in retreat centres and care services. In addition costs of operating the various charitable activities have increased, some of these have been partially offset by government grants. Senior management with the Trustees continue to monitor the Charity's cash flow forecasts and financial performance of individual units. To cushion the effect of the Charity's net cash generating ability, a planned withdrawal from Charity's investment portfolios of £2.4m for the year ended 31 March 2022 has been arranged. The Charity expects to continue this arrangement for another year and will increase the withdrawal amount if required. The Charity is in a fortunate position to be able to access the required financial resource.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. With access to Charity's investments if required to support cash flow requirements for the operations, Charity will continue to be a going concern in the foreseeable future. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period and following financial year ending 31 March 2023, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' Report for more information).

Income recognition

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of care services service is deferred until the criteria for income recognition are met.

In accordance with the Charities SORP FRS102, volunteer time is not recognised.

POOR SERVANTS OF THE MOTHER OF GOD

PRINCIPAL ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 31 MARCH 2021

Income recognition (continued)

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

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

Expenditure recognition and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds - these comprise fees paid in respect of fund management advice in relation to the charity's portfolio of quoted investments, which is managed under a discretionary management agreement.
- Expenditure on charitable activities – these include the costs of running the charity's Nursing and Care Homes and its Retreat Centres as well as all other costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. These costs comprise charitable grants and donations and direct and support costs in respect to the support of members of the Congregation and their ministry. It also includes governance costs.

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support and governance costs

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

Tangible fixed assets

Individual fixed assets costing £5,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight-line basis as follows:

	Annual rate
Freehold land	Nil
Freehold buildings	2%
Building improvements	10%
Plant and equipment	10 - 20%
Motor vehicles	25%

Financial Instruments and investments

The charity only holds 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.

POOR SERVANTS OF THE MOTHER OF GOD

PRINCIPAL ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 31 MARCH 2021

Investments

Quoted investments are a form of basic financial instrument and are initially recognised at cost and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Gains or losses on investments are disclosed in the statement of financial activities as a combined figure for realised gains or losses from investment sales in the year (sale proceeds less market value last year) and unrealised gains or losses arising from the increase/decrease in value during the year of investments still held.

As noted above, the main form of financial risk to which the charity is exposed is that of the volatility in investment markets.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

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. Deposits for more than three months and up to one year have been disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Services provided by members of the Congregation

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

Foreign currencies

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

POOR SERVANTS OF THE MOTHER OF GOD

PRINCIPAL ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 31 MARCH 2021

Leased assets

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the statement of financial activities on a straight-line basis over the term of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all of the risks and rewards of ownership to the charity. Assets held under finance leases are recognised initially at the fair value of the leased assets (or, if lower, the present value of the minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is recognised as a finance lease obligation. Lease payments are apportioned between finance charges and the reduction of the lease obligation using the effective interest method in order to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the statement of financial activities. Assets held under finance leases are capitalised and depreciated and assessed for impairment losses in the same way as owned assets.

Pension contributions

The Congregation of the Poor Servants on the Mother of God operated a defined contribution scheme open to all employees. The assets of the scheme, which were held separately from those of the Congregation, were invested with an insurance company and the scheme was externally administered by Multiplex Pension Trustees Limited. Contributions were charged to the Statement of Financial Activities as they were made. This scheme has wound up.

From 1 December 2004 the Scheme was replaced by a Group Personal Pension Scheme; a defined contribution scheme. Another defined contribution scheme was set up to manage Auto-Enrolment in 2014 for employees who did not join the Group Personal Pension Scheme as required by the government regulations. Both schemes are defined contribution schemes and the assets of the schemes are held separately from those of the Charity. The Group Personal Scheme is no longer available to new joiners.

The rate of contribution by the charity as employer ranges from 4% to 20% for the Group Personal Pension Plan and 3% for Auto-Enrolment Pensions Plan. Employees may opt to make additional contributions.

Contributions are also made to the National Health Service Pension Scheme for a number of employees at one of the charity's nursing homes. For the purposes of complying with the relevant accounting standards, the Scheme is accounted for as a defined contribution scheme as the Home is not responsible for, or entitled to receive benefit from, any deficit or surplus on the scheme. Another home is required to make monthly payments to the Merseyside Pension Fund to help fund the pension liabilities of several former employees. Contributions are charged to the statement of financial activities as they are made

POOR SERVANTS OF THE MOTHER OF GOD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1.	DONATIONS AND LEGACIES	2021 £	2020 £			
	Salaries and pensions of individual religious received under Gift Aid or deed of covenant	649,742	696,714			
	General donations and gifts	97,036	220,254			
	Legacies	1,455	963			
		<u>£748,233</u>	<u>£917,931</u>			
2.	INCOMING RESOURCES FROM CHARITABLE ACTIVITIES	2021 £	2020 £			
	Care Services	11,142,804	11,820,727			
	Supported Living	398,272	426,507			
	Retreat Centre fees	69,721	441,949			
		<u>11,610,797</u>	<u>12,689,183</u>			
	Rents on properties let for charitable purposes	333,428	294,794			
		<u>£11,944,225</u>	<u>£12,983,977</u>			
3.	INVESTMENT INCOME	2021 £	2020 £			
	Bank deposit interest	1,818	20,045			
	Dividends and interest from quoted investment portfolio	3,219,251	3,463,875			
		<u>£3,221,069</u>	<u>£3,483,920</u>			
4.	GAIN ON DISPOSAL OF TANGIBLE FIXED ASSETS	2021 £	2020 £			
	Properties -	-	-			
	Other	4,945	5,400			
		<u>£4,945</u>	<u>£5,400</u>			
4a.	GRANTS RECEIVED					
		Generalate £	Care Services £	Retreat Centre £	Total 2021 £	Total 2020 £
	Covid-19 Infection Control Grant	-	390,889	-	390,889	-
	Rapid Test Grant	-	58,589	-	58,589	-
	Workforce Capacity Grant	-	29,882	-	29,882	-
	HMRC JRS Grant	136,876	134,567	88,283	359,726	-
	Business Support Grant	-	-	25,000	25,000	-
		<u>£136,876</u>	<u>£613,927</u>	<u>£113,283</u>	<u>£864,086</u>	-
	Net income/(cost)					

POOR SERVANTS OF THE MOTHER OF GOD

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Care Services	Accommodation Services	Retreat Centre	Support of sisters and their ministries	Overseas outreach	Total 2021	Total 2020
	£	£	£	£	£	£	£
Staff costs (including agency staff)	10,910,557	-	260,597	494,315	-	11,665,469	10,775,495
Deprecation	152,302	38,087	-	161,291	-	351,680	347,844
Other operational costs	728,478	154,204	74,725	264,150	-	1,221,557	2,319,632
Administrative Expenses	528,685	14,813	16,200	-	-	559,698	556,328
Grants to overseas Missions (note 7)	-	-	-	-	510,534	510,534	663,572
Care of elderly sisters	-	-	-	867,808	-	867,808	966,679
	<u>12,320,022</u>	<u>207,104</u>	<u>351,522</u>	<u>1,787,564</u>	<u>510,534</u>	<u>15,176,746</u>	<u>15,629,550</u>
Support costs (note 6)	996,296	16,748	28,427	144,557	41,286	1,227,314	1,150,948
Governance costs (note 6)	268,455	6,711	10,067	46,980	3,355	335,568	323,012
	<u>£13,584,773</u>	<u>£230,563</u>	<u>£390,016</u>	<u>£1,979,101</u>	<u>£555,175</u>	<u>£16,739,628</u>	<u>£17,103,510</u>

Prior Year

	Care Services	Accommodation Services	Retreat Centre	Support of sisters and their ministries	Overseas outreach	Total 2019
	£	£	£	£	£	£
Staff costs (including agency staff)	10,008,213	-	292,502	474,780	-	10,775,495
Deprecation	152,302	38,087	-	157,455	-	347,844
Other operational costs	1,103,781	172,745	132,168	910,938	-	2,319,632
Administrative Expenses	522,563	12,937	20,828	-	-	556,328
Grants to overseas missions	-	-	-	-	663,572	663,572
Care of elderly sisters	-	-	-	966,679	-	966,679
	<u>11,786,859</u>	<u>223,769</u>	<u>445,498</u>	<u>2,509,852</u>	<u>663,572</u>	<u>15,629,550</u>
Support costs (note 6)	867,975	16,478	32,806	184,824	48,865	1,150,948
Governance costs (note 6)	258,411	6,460	9,690	45,222	3,229	323,012
	<u>£12,913,245</u>	<u>£246,707</u>	<u>£487,994</u>	<u>£2,739,898</u>	<u>£715,666</u>	<u>£17,103,510</u>

POOR SERVANTS OF THE MOTHER OF GOD

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

6. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

	2021	2020
	£	£
Support costs comprise:		
Sisters' expenses	330,357	74,599
Establishment expenses	344,157	101,505
Administrative costs		
- Staff costs	372,672	344,108
- Other	144,294	185,249
Exchange (gains)/losses	35,834	445,487
	1,227,314	1,150,948
	<hr/>	<hr/>
Governance costs:		
Staff costs	279,505	245,696
Audit fees	49,800	48,600
Other	6,263	28,716
	335,568	323,012
	<hr/>	<hr/>
	£1,562,882	£1,473,960
	<hr/>	<hr/>
Allocation of Governance & Support Costs		
Care Services	1,264,751	1,126,386
Supported Living	23,459	22,938
Retreats	38,494	42,496
	1,326,704	1,191,820
	<hr/>	<hr/>
Support of Sisters & their ministries	191,537	230,046
Overseas outreach	44,641	52,094
	£1,562,882	£1,473,960
	<hr/>	<hr/>

7. OVERSEAS OUTREACH

The direct costs of Overseas Outreach include the payment of grants as follows:

	2021	2020
	£	£
Support of the Congregation's missions in:		
Kenya, Tanzania and Venezuela	£510,534	£663,572
	<hr/>	<hr/>

POOR SERVANTS OF THE MOTHER OF GOD

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

8. SUMMARY ANALYSIS OF EXPENDITURE AND RELATED INCOME FOR CHARITABLE ACTIVITIES

Current Year

	Care Services £	Accommodation Services £	Retreat Centre £	Total 2021 £	Total 2020 £
Direct costs	12,320,022	207,104	351,522	12,878,648	12,456,126
Governance and support costs	1,264,751	23,459	38,494	1,326,704	1,191,820
	<u>13,584,773</u>	<u>230,563</u>	<u>390,016</u>	<u>14,205,352</u>	<u>13,647,946</u>
Fees and rents receivable	<u>11,142,804</u>	<u>398,272</u>	<u>69,721</u>	<u>11,610,797</u>	<u>12,689,183</u>
Net income/(cost)	<u>£(2,441,969)</u>	<u>£167,709</u>	<u>£(320,295)</u>	<u>£(2,594,555)</u>	<u>£(958,763)</u>

Prior Year

	Care Services £	Accommodation Services £	Retreat Centre £	Total 2020 £
Direct costs	11,786,859	223,769	445,498	12,456,126
Governance and support costs	1,126,386	22,938	42,496	1,191,820
	<u>12,913,245</u>	<u>246,707</u>	<u>487,994</u>	<u>13,647,946</u>
Fees and rents receivable	<u>11,820,727</u>	<u>426,507</u>	<u>441,949</u>	<u>12,689,183</u>
Net income/(cost)	<u>£(1,092,518)</u>	<u>£179,800</u>	<u>£(46,045)</u>	<u>£(958,763)</u>

9. NET INCOME FOR THE YEAR

**2021
£** **2020
£**

This is stated after charging:

Depreciation	351,680	347,844
Auditors remuneration		
- Audit fees (including VAT)	49,800	48,600
- Accountancy services	-	-
Losses/(Gains) on currency conversion	35,834	445,487

POOR SERVANTS OF THE MOTHER OF GOD

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

10. STAFF COSTS

	2021	2020
	£	£
Staff costs during the year were as follows:		
Wages and salaries	9,766,790	8,939,324
Social security costs	790,425	684,441
Other pension costs	349,212	328,637
Agency staff	1,278,298	1,281,082
Other costs (including Apprenticeship Levy and recruitment costs)	132,921	131,815
	<u>£12,317,646</u>	<u>£11,365,299</u>

	2021	2020
	No.	No.
The number of employees whose emoluments exceeded £60,000 were:		
£100,001 - £110,000	-	1
£110,001 - £120,000	-	-
£120,001 - £130,000	-	-
£130,001 - £140,000	2	-

Employer contributions of £32,860 (2020: £21,120) were contributed to the employee Group Personal Pension Plan on behalf of the employees earning more than £60,000 (2020: £60,000)

The key management personnel of the charity in charge of directing, controlling and operating the charity on a day to day basis comprise the Trustees together with the following:

Director of Finance
 Social Care Head of Operations
 Social Care Head of Quality and Compliance
 Human Resources Manager
 Retreat Centre Director

The total remuneration (including taxable benefits and employer's pension contributions) of the five (2020:4) key management personnel for the year was £508,517 (2020: £215,614)

POOR SERVANTS OF THE MOTHER OF GOD

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

11. STAFF NUMBERS	2021	2020
	No.	No.
The average monthly head count of staff:		
Care Services	413	365
Supported Living	-	1
Retreats	12	12
Others	61	40
	<hr/> 486 <hr/>	<hr/> 418 <hr/>

12. PENSIONS

The charity operates a defined contribution Group Personal Pension Plan for its employees. The charity is not liable to finance any shortfall of funding and cannot benefit from over funding. Employer contributions payable into the scheme during the year were at a rate of between 4% and 20% of pensionable salary and members contributed between 0% and 7% of pensionable salary.

Employer contributions of £349,212 (2020: £328,637) were paid during the year. The amount outstanding at the year-end was £31,220 (2020: £22,651).

13. TRUSTEE REMUNERATION AND EXPENSES

The Trustees of the Charity are also members of the Congregation and as such have taken vows of poverty under which they have renounced all personal rights to income and capital. The Charity provides for the essential needs of all members of the Congregation.

The living costs of the 6 Trustees are therefore borne by the Charity.

As members of the Congregation, none of the Trustees have resources of their own. As well as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant.

During the year, the total donated by the Trustees was £4,069 (2020: £4,419).

14. TAXATION

As a registered charity the Poor Servants of the Mother of God is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

POOR SERVANTS OF THE MOTHER OF GOD

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

15. TANGIBLE FIXED ASSETS

	Freehold land and Buildings £	Plant and Equipment £	Motor Vehicles £	Total £
COST				
At 1 April 2020	20,016,864	45,893	409,220	20,471,977
Additions	-	-	15,387	15,387
Disposals in year	-	-	(24,765)	(24,765)
At 31 March 2021	<u>20,016,864</u>	<u>45,893</u>	<u>399,842</u>	<u>20,462,599</u>
DEPRECIATION				
At 1 April 2020	7,847,368	41,438	343,791	8,232,597
Charge for year	318,364	1,485	31,831	351,680
Disposals in year	-	-	(24,765)	(24,765)
At 31 March 2021	<u>8,165,732</u>	<u>42,923</u>	<u>350,857</u>	<u>8,559,512</u>
NET BOOK VALUE				
At 31 March 2021	<u>£11,851,132</u>	<u>£2,970</u>	<u>£48,985</u>	<u>£11,903,087</u>
At 31 March 2020	<u>£12,169,496</u>	<u>£4,455</u>	<u>£65,429</u>	<u>£12,239,380</u>

Apart from a small proportion of excess accommodation, which is let, and minimal use for management and administrative purposes, all fixed assets are held for charitable purposes.

Three Voluntary Aided School properties registered in the names of the trustees are not included in fixed assets. All these schools were formerly run by the Congregation but the two Voluntary Aided Schools, at Banstead and Amersham, have been handed over to Roman Catholic Dioceses on long term leases, and the third, at Chippenham has been leased to the governors. As all rights and obligations in respect of these properties have effectively been transferred from the Charity, the Trustees consider their ownership to be in the nature of custodianship of the assets and they have, therefore, not been capitalised. The total insurance value of these schools is approximately £5m.

POOR SERVANTS OF THE MOTHER OF GOD

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

16. INVESTMENTS

	2021	2020
	£	£
Value 1 April 2020	110,000,465	117,212,798
Additions during the year	63,104,659	49,040,142
Disposals		
Proceeds	(62,464,113)	(46,322,894)
Realised gains / (losses)	9,211,009	(679,524)
	<u>(53,253,104)</u>	<u>(47,002,418)</u>
Revaluations	18,549,869	(9,250,057)
Value at 31 March 2021	<u><u>£138,401,889</u></u>	<u><u>£110,000,465</u></u>

	2021	2020
	£	£
Listed on a UK Stock Exchange		
- Fixed interest stocks	18,054,266	17,465,946
- Equities and Unit Trusts	117,224,463	87,795,381
Portfolio bank accounts	3,123,160	4,739,138
Total	<u><u>£138,401,889</u></u>	<u><u>£110,000,465</u></u>

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

Included in the above investments the following represent more than 5% of the total value of investments.
Sarasin Responsible Corporate Bond Fund 5.6%

17. DEBTORS

	2021	2020
	£	£
Fees receivable	521,401	457,162
Prepayments and other debtors	191,740	98,699
Total	<u><u>£713,141</u></u>	<u><u>£555,861</u></u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Taxation and Social Security	271,580	216,023
Other creditors and accruals	1,167,014	1,174,185
Total	<u><u>£1,438,594</u></u>	<u><u>£1,390,208</u></u>

POOR SERVANTS OF THE MOTHER OF GOD

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Investments £	Current Assets £	Current Liabilities £	Total 2021 £
Endowment Fund	-	-	50	-	50
General Funds	51,955	18,401,889	2,691,508	(1,438,594)	19,706,758
Designated Funds (note 20)					
Properties Fund	11,851,132	-	-	-	11,851,132
Retirement Fund	-	75,000,000	-	-	75,000,000
Development Fund	-	8,000,000	-	-	8,000,000
Relief of Poverty & Distress		30,000,000			30,000,000
Overseas Outreach Fund	-	7,000,000	-	-	7,000,000
	11,851,132	120,000,000	-	-	131,851,132
Total Net Assets	£11,903,087	£138,401,889	£2,691,558	£(1,438,594)	£151,557,940
Unrealised gains included above at 31 March 2021	£-	£33,292,517	£-	£-	£33,292,517
Prior Year	Tangible Fixed Assets £	Investments £	Current Assets £	Current Liabilities £	Total 2020 £
Endowment Fund	-	-	50	-	50
General Funds	69,884	13,755,430	3,193,027	(1,390,208)	15,628,133
Designated Funds (note 20)					
Properties Fund	12,169,496	-	-	-	12,169,496
Retirement Fund	-	71,926,915	-	-	71,926,915
Development Fund	-	21,760,058	-	-	21,760,058
Overseas Outreach Fund	-	2,558,062	-	-	2,558,062
	12,169,496	96,245,035	-	-	108,414,531
Total Net Assets	£12,239,380	£110,000,465	£3,193,077	£(1,390,208)	£124,042,714
Unrealised gains included above at 31 March 2020	£-	£4,891,093	£-	£-	£4,891,093

POOR SERVANTS OF THE MOTHER OF GOD

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

20. DESIGNATED FUNDS

Analysis of Movements

	Balance at 1 April 2020 £	Net Income and Gains/Losses £	Transfers £	Balance at 31 March 2021 £
Properties Fund	12,169,496	(318,364)	-	11,851,132
Retirement Fund	71,926,915	19,988,059	(16,914,974)	75,000,000
Development Fund	21,760,058	6,046,989	(19,807,047)	8,000,000
Relief of Poverty & Distress	-	-	30,000,000	30,000,000
Overseas Outreach Fund	2,558,062	(43,835)	4,485,773	7,000,000
	£108,414,531	£25,672,849	£(2,236,248)	£131,851,132

Prior Year

	Balance at 1 April 2019 £	Net Income and Gains/Losses £	Transfers £	Balance at 31 March 2020 £
Properties Fund	12,487,860	(318,364)	-	12,169,496
Retirement Fund	76,387,097	(4,460,182)	-	71,926,915
Development Fund	23,395,409	(1,635,351)	-	21,760,058
Overseas Outreach Fund	1,244,747	(686,685)	2,000,000	2,558,062
	£113,515,113	£(7,100,582)	£2,000,000	£108,414,531

Properties Fund

The charity has a number of properties which are used to fulfil its charitable objectives. These properties although they are unrestricted assets, cannot be realised without undermining the charity's work and reflect the investment in properties held to further the charitable work undertaken. Transfers are made as appropriate to reflect the net change in properties arising from acquisitions and/or disposals.

Retirement Fund

A fund has been designated in respect of the charity's commitment to provide for the retirement and care, in old age and sickness, of the Congregation's members. Lump sums received and transfers from general funds are credited to this fund together with the income and capital growth arising from designated investments. A review of the Congregation's membership has indicated that a fund in the region of £50m to £75m would be required to finance the Charity's commitment to provide care for its elderly members after taking account of their occupational pension rights. During the year, the fund not only benefited from investment income less portfolio management charges but also investment valuation gains and the Trustees decided to leave the designation of the fund to £75m being the upper end of requirement. The level of the Fund will continue to be kept under review as the needs of the Congregation's members evolve and investment markets fluctuate.

POOR SERVANTS OF THE MOTHER OF GOD

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

20 DESIGNATED FUNDS (continue)

Development Fund

The trustees reviewed the requirement for development of their social and healthcare facilities and are designating £8m for this purpose. They believe £8m fund for the development of social and health care facilities will be sufficient for the next five years. Net income in the Fund including the investment gains in the year amounted to £6.04m with £19.8m transferred back to general reserves. The trustees will keep this designation under review and will adjust the designation to meet future needs.

Relief of Poverty and Distress

The trustees have reviewed their commitment to relief of poverty and distress and have decided to designate £30m to this fund to support other charitable organisations providing support to those requiring relief from poverty and distress. With ageing membership and availability of resources to support people in poverty and distress it is considered best way for the Charity to carry its mission out through other likeminded charitable organisations who have experience of delivering aid to those in need. Trustees will carefully monitor support requests and deployment of funds expended by the selected charitable organisations.

Overseas Outreach Fund

Congregation's missions in Kenya and Tanzania are growing and will require increased support in the coming years to develop these missions. The trustees had designated £2.6m for this fund. Overseas payments amounting to £510.5k were utilised to purchase land for future development, Sisters living costs, water bore hole, running of clinics, dispensaries, ambulance service, education and food for local communities (including feeding street children) and relief of famine caused by climate change (Trustees report page 17 to 25 details Overseas Outreach support activities). During the year donations, investment income and net gains of £466.7k were allocated to the fund reducing the balance on the Fund to just over £2.5m. In view of the continuing commitment to Congregation's missions in Kenya and Tanzania, trustees designated further £4.5m to this fund.

21. PERMANENT ENDOWMENT FUND

The permanent endowment represents the original endowment of £50 to be held perpetually and the income alone applied for the furtherance of the Congregation's charitable objects.

22. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.