

**RELIGIOUS OF THE SACRED HEART OF MARY
IMMACULATE VIRGIN, EAP**

**Formerly
Religious of the Sacred Heart of Mary
Marymount International, Kingston**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

Registered Charity Number: 228365

RELIGIOUS OF THE SACRED HEART OF MARY

IMMACULATE VIRGIN, EAP

TRUSTEES' REPORT

The Trustees present the accounts for the year ended 31 August 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

BOARD OF TRUSTEES

Sister Catherine Vincie RSHM
Sister Mary Jo Martin RSHM
Sister Catherine Patten RSHM (Resigned 2 August 2021)
Sister Mary Timoney RSHM (Resigned 2 August 2021)
Sister Rosamond Blanchet RSHM (Appointed 2 August 2021)
Sister Susan Gardella RSHM (Appointed 2 August 2021)

ADDRESS	Marymount International School George Road Kingston Upon Thames Surrey KT2 7PE
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ADVISORS

Solicitors	Stone King LLP 13 Queen Square Bath BA1 2IJ
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Independent Examiner	Lee Stokes FCA Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
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Insurance Brokers	Hettle Andrews Ltd 11 Brindley Place 2 Brunswick Square Birmingham B1 2LP
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RELIGIOUS OF THE SACRED HEART OF MARY

IMMACULATE VIRGIN, EAP

TRUSTEES' REPORT

The accounts have been prepared in accordance with the requirements of the Charities Act 2011, the Statement of Recommended Practice "Accounting and Reporting by Charities" SORP (FRS 102) second edition effective 1 January 2019 and the Charity's governing document.

On 29 February 2008, the School operating activities and the assets (excluding property) of the Religious of the Sacred Heart of Mary (RSHM), Marymount International (Charity number 228365) were transferred to Marymount International School (Company number 5325717 and registered Charity number 1117786). The Incorporated Trustees of the Religious of the Sacred Heart of Mary (Charity number 228365) also donated 20% of the value of the School premises to Marymount International School; no reduction in the holding value of property has been included in these accounts as the premises are still owned by RSHM. On 12 May 2008, Incorporated Trustees of the Religious of the Sacred Heart of Mary contracted to lease the School premises to Marymount International School on a 99 year lease. From May 2008 to May 2018 rental commitments were peppercorn rent and in May 2018 the school started paying rent at £200,000 per annum.

This Charity continues to hold legal title to the property but no longer trades as Marymount International School. Following the transfer of undertaking of the School to the new company and charity, Marymount International School (registered charity number 1117786; registered company number 5325717), this Charity continues to support the School by being involved in the advancement of religious and other charitable work, both within the school and worldwide.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Board of Trustees

The Board of Trustees is responsible for determining the overall conduct of the Charity.

Status and Administration

Marymount International School, Kingston, is conducted by the Religious of the Sacred Heart of Mary, a congregation founded in 1849 in Beziers, France by the Reverend Jean Antoine Gailhac and Mother St Jean Cure. The School is under the specific jurisdiction of the Eastern American Province of the Religious of the Sacred Heart of Mary which maintains its Provincial Office in New York, U.S.A.

Prior to 1 March 2008, the School was registered as a Charity in England & Wales (number 228365) under the name of the "Institute of the Religious of the Sacred Heart of Mary Immaculate Virgin" and operated under the name of Marymount International School (Marymount).

On 29 February 2008, the business of the School and its assets (excluding property) and liabilities were transferred as a gift to Marymount International School, a registered Company limited by guarantee (number 5325717) and registered Charity (number 1117786), both registered in England & Wales. The ownership of the School site is retained by the Religious of the Sacred Heart of Mary with the Board of Governors being the Directors of the new Company and Trustees of the new Charity, responsible for the strategic oversight of the School's operations.

Recruitment and training of Trustees

The Trustees have due regard to the skills required to manage the asset held by the charity and its activities. They will appoint new Trustees to fill any identified skills gaps. Appropriate training and induction would be provided to any new Trustee.

Risk Management

The Trustees have assessed the major risks to which the Charity is exposed and are satisfied that there are systems in place to mitigate exposure to such risks.

RELIGIOUS OF THE SACRED HEART OF MARY

IMMACULATE VIRGIN, EAP

TRUSTEES' REPORT (Continued)

OBJECTIVES AND ACTIVITIES

Objects

The object of the Charity is to promote such charitable purposes as shall advance religious and other charitable work of the congregation and if at any time the congregation shall cease to exist or shall cease to carry on religious or other charitable work then such other lawful charitable purposes connected with the advancement of the Roman Catholic religion as the trustee shall determine.

Aims

Following the transfer of undertaking of the School to the new company and charity, Marymount International School, this Charity continues to support the School by being involved in the advancement of religious and other charitable work, both within the School and in the wider community.

Inextricably linked with this object is the aim of providing public benefit to the local, national and international community.

Objectives for the Year

The Charity will continue to support Marymount International School by leasing premises on favourable rental terms and assisting in the advancement of education and religion.

In setting their objectives and planning their activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Principal Activity

Following the transfer of the business on 29 February 2008, the Charity supports the education of girls by leasing its property to the Marymount International School and continues its own work in advancing the religious and other charitable works of the congregation.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE

The Charity made its property available to Marymount International School for the education of girls. During the year, rent of £200,000 was charged to the school (2020: £200,000).

FINANCIAL REVIEW

The total income generated for the year amounted to £205,903 (2020: £794,064).

There was no income received during the year from grants or legacies. Total income for the year was due to rent received from Marymount International School and foreign exchange gains from grants paid during the year.

Total expenditure for the year amounted to £280,206 (2019: £247,750).

Total expenditure related to depreciation of assets held of £48,288 (2019: £48,288) and a grant to the Generalate of the Order of £200,000 (2019: £199,462).

The net expenditure for the year amounted to £75,303 (2019: net expenditure of £48,288).

Reserves Policy

The Charity operates a reserves policy based on the prudent management principle of having adequate resources to satisfy all outstanding liabilities and commitments. The Charity's current level of reserves is £1,200,892. Following the transfer of all net assets (excluding property) to the new company Marymount International School, the Charity has no outstanding liabilities or commitments other than grants commitments and a guarantee to meet the deficit in the School's Defined Benefit Pension Scheme according to a Recovery Plan approved by the Pensions Regulator.

RELIGIOUS OF THE SACRED HEART OF MARY

IMMACULATE VIRGIN, EAP

TRUSTEES' REPORT (Continued)

FUTURE DEVELOPMENTS

Following the transfer of the School business to Marymount International School (Charity 1117786), this Charity (228365) will continue its religious and charitable works including the support of the local religious community of the sisters of the Religious of the Sacred Heart of Mary and the works of the religious congregation in the United Kingdom and missionary countries, particularly Africa. The religious work will continue to include organisation of prayer and meditation groups open to the general public, visitation of the elderly, voluntary assistance at a local primary school, voluntary teaching of English to immigrants and fundraising for the support of overseas missions. The Charity will also assist Marymount International School in fundraising to finance needs based Bursaries.

STATEMENT OF TRUSTEES' 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 income and expenditure of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles 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; and
- 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 dated 26 April 1963. 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.

Signed on behalf of the Trustees:



Sister Catherine Vincie RSHM
Trustee

9th December 2021

RELIGIOUS OF THE SACRED HEART OF MARY

IMMACULATE VIRGIN, EAP

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE RELIGIOUS OF THE SACRED HEART OF MARY IMMACULATE VIRGIN, EAP

I report to the Trustees on my examination of the accounts of The Religious of the Sacred Heart of Mary Immaculate Virgin, EAP for the year ended 31 August 2021 which are set out on pages 6 to 12.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the 2011 Act"). The trustees are satisfied that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and have chosen instead to have an independent examination.

I report in respect of my examination of the Trust's accounts as carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the requirements of the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I can confirm that I am qualified to undertake the examination because I am a registered member of the ICAEW which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Lee Stokes FCA
Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Date: 3 February 2022

RELIGIOUS OF THE SACRED HEART OF MARY

IMMACULATE VIRGIN, EAP

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	2020 £
Income:			
Legacy income		-	594,064
Rent receivable from Marymount International School		200,000	200,000
Other income		5,903	-
Total Income		<u>205,903</u>	<u>794,064</u>
Expenditure:			
Cost of raising funds			
Financing costs		58	2,660
Charitable Activities:			
Grants payable	2a	230,000	762,571
Premises costs	2b	48,288	48,288
Support costs		1,860	2,368
Total Expenditure		<u>280,206</u>	<u>815,887</u>
Net expenditure for the year		<u>(74,303)</u>	<u>(21,823)</u>
Balances brought forward at 1 September 2020		1,275,195	1,297,018
Balances carried forward at 31 August 2021		<u>£1,200,892</u>	<u>£1,275,195</u>

All funds are unrestricted.

The accompanying notes form part of these accounts.

RELIGIOUS OF THE SACRED HEART OF MARY

IMMACULATE VIRGIN, EAP

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	2020 £
TANGIBLE FIXED ASSETS	4	1,200,442	1,248,730
CURRENT ASSETS			
Cash & Bank		1,410	312,787
CURRENT LIABILITIES			
Creditors – Grants payable	7	-	(286,322)
Accruals		(960)	-
		<u>(960)</u>	<u>(286,322)</u>
NET CURRENT (LIABILITIES) / ASSETS		450	26,465
TOTAL NET ASSETS		<u>£1,200,892</u>	<u>£1,275,195</u>
Unrestricted Funds			
- General		1,200,892	1,275,195
		<u>£1,200,892</u>	<u>£1,275,195</u>

The financial statements were approved and authorised for issue by the Board of Trustees on ^{9 December} 2021 and were signed below on its behalf by:


Sister Catherine Vincie RSHM
Trustee

The accompanying notes form part of these accounts.

RELIGIOUS OF THE SACRED HEART OF MARY

IMMACULATE VIRGIN, EAP

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Practice applicable in the UK and Republic of Ireland (FRS 102) second edition effective 1 January 2019.

The functional currency of the Charity is considered to be GBP because that is the currency of the primary economic environment in which the Charity operates.

The Charity is a Public Benefit Entity registered as a charity in England and Wales charity number: 228365.

a) Basis of preparation

The accounts are prepared under the historical cost convention.

b) Going concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Charity's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement Trustees' Responsibilities on page 5.

c) Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods. The key estimate in the charity's financial statements is depreciation, which is based on an estimation of each asset's useful economic life.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

d) Tangible fixed assets

Fixed assets are stated at cost or deemed cost less accumulated depreciation and impairment losses.

Depreciation is calculated by the following methods at the following rates:-

Building improvements	10% pa straight line
Science and Sports Centres, Our Lady's Hall and St Joseph's Hall	2% pa straight line

e) Debtors

Rent receivable is measured at transaction price.

f) Cash at bank and in hand

Cash is made of solely cash at bank.

RELIGIOUS OF THE SACRED HEART OF MARY

IMMACULATE VIRGIN, EAP

NOTES TO THE ACCOUNTS (Continued)

g) Creditors

Creditors 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 are normally recognised at their settlement amount.

h) Funds

Unrestricted general funds are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

i) Income recognition

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

j) Expenditure recognition

Expenditure consists of grants, premises support and financing costs, which are allocated areas of activity in line with the level of direct costs for each area of activity.

Grants payable are accounted for when either the recipient has a reasonable expectation that they will receive the grant or the Trustees have agreed to pay the grant without condition.

RELIGIOUS OF THE SACRED HEART OF MARY**IMMACULATE VIRGIN, EAP****NOTES TO THE ACCOUNTS (Continued)**

2a. Grants Payable	2021	2020
	£	£
Grants payable can be further analysed as:		
Grant for Diocesan teaching blocks, Zimbabwe	-	207,757
Grant for RSHM Life Care Centre, Zimbabwe	-	304,814
Grant to Ibillin Parish	-	50,000
Grant to the Religious of the Sacred Heart of Mary Eastern American Province	200,000	200,000
Grant to Marymount International School	30,000	-
	<u>£230,000</u>	<u>£762,571</u>
2b. ANALYSIS OF EXPENDITURE	2021	2020
	£	£
Total expenditure includes:		
Premises - depreciation	<u>£48,288</u>	<u>£48,288</u>

3. STAFF COSTS

There were no employees during the current or prior years.

The aggregate amount of reimbursed expenses paid to Trustees was £Nil (2020: £Nil).

RELIGIOUS OF THE SACRED HEART OF MARY

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NOTES TO THE ACCOUNTS (Continued)

4. TANGIBLE FIXED ASSETS

	Building Improvements £	Land £	Science Centre £	Sports Centre £	Our Lady Hall £	St Joseph's Hall £	Total £
COST							
At 31 August 2020	1,937,589	223,735	214,407	500,731	754,741	944,522	4,575,725
At 31 August 2021	1,937,589	223,735	214,407	500,731	754,741	944,522	4,575,725
DEPRECIATION							
At 31 August 2020	1,937,589	-	158,446	332,869	428,243	469,848	3,326,995
Charge for the year	-	-	4,288	10,015	15,095	18,890	48,288
At 31 August 2021	1,937,589	-	162,734	342,884	443,338	488,738	3,375,283
NET BOOK VALUE							
At 31 August 2020	£-	£223,735	£51,673	£157,847	£311,403	£455,784	£1,200,442
At 31 August 2021	£-	£223,735	£55,961	£167,862	£326,498	£474,674	£1,248,730

RELIGIOUS OF THE SACRED HEART OF MARY

IMMACULATE VIRGIN, EAP

NOTES TO THE ACCOUNTS (Continued)

5. TRANSFER OF ASSETS

On 29 February 2008, the business of the school and its assets (excluding property) and liabilities were transferred as a gift to Marymount International School, a registered Company limited by guarantee (number 5325717) and registered Charity (number 1117786), both registered in England & Wales. The trustees also donated 20% of the value of the school premises to the new charitable company at that date. On 12 May 2008, Incorporated Trustees of the Religious of the Sacred Heart of Mary (charity number 228365) contracted to lease the school premises to Marymount International School on a 99 year lease. Rental commitments are peppercorn rent payable (if demanded) for the first ten years of the lease term. Following the conclusion of this period, in 2020/21 rent of £200,000 (2019/20: £200,000) was charged to the school.

6. GUARANTEE

On transfer of the business of the school and its assets (excluding property) and liabilities to Marymount International School the charity made a guarantee to meet the liability in the school's defined benefit pension scheme according to a recovery plan approved by the Pensions Regulator.

7. RELATED PARTY TRANSACTIONS

During 2020/21 grants of £200,000 were made/pledged to the Religious of the Sacred Heart of Mary Eastern American Province (2019/20: £200,000), a related American organisation. A balance of £nil was outstanding between the two organisations at 31 August 2021 (£nil outstanding at 31 August 2020).

During 2020/21 a grant of £30,000 was made/pledged to Marymount International School (2019/20: £nil). A balance of £nil was outstanding between the two organisations at 31 August 2021 (£nil outstanding at 31 August 2020).

