

**TRUSTEES' REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020  
FOR  
THE SISTERS OF PROVIDENCE (ROSMINIAN)**

**Duncan & Toplis Limited, Statutory Auditor  
3 Princes Court  
Royal Way  
Loughborough  
Leicestershire  
LE11 5XR**

**THE SISTERS OF PROVIDENCE (ROSMINIAN)**

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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**THE SISTERS OF PROVIDENCE (ROSMINIAN)**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

<b>TRUSTEES</b>	Sister K A Toone Sister J Toomey Sister L Pereira Sister M B Leydon Sister S M B Cronin Sister T Molloy
<b>PRINCIPAL ADDRESS</b>	Rosmini House 19 Garton Road LOUGHBOROUGH Leicestershire LE11 2DY
<b>REGISTERED CHARITY NUMBER</b>	229120
<b>INDEPENDENT AUDITORS</b>	Duncan & Toplis Limited, Statutory Auditor 3 Princes Court Royal Way Loughborough Leicestershire LE11 5XR
<b>BANKERS</b>	CAF Bank Ltd 25 Kings Hill Avenue West Malling Kent ME19 4JQ
<b>SOLICITORS</b>	Edward Hands and Lewis 44 Church Gate Loughborough Leicestershire LE11 1UE
<b>INVESTMENT ADVISERS</b>	OCM Wealth Management Limited 3 Bouverle Court Northampton NN4 7YD

**THE SISTERS OF PROVIDENCE (ROSMINIAN)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

The trustees present their report and accounts of the English District of the congregation of Sisters of Providence, Rosminian for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Trust Deed, applicable laws and the requirements of Statement of Recommended Practice on Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2019 or later.

## **THE SISTERS OF PROVIDENCE (ROSMINIAN)**

### **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **OBJECTIVES AND ACTIVITIES**

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

The English District of the Sisters of Providence, Rosminian aims to support the religious and the charitable works carried on by the members of the Congregation and to care for those members throughout their lives with the Congregation. These ministries, all of which benefit numerous members of the general public, fall into the following main areas:

##### **1. Education**

The activity within the area of education now takes the form of involvement in a supportive role. Loughborough Amherst School (formerly Our Lady's Convent School) merged with Loughborough Schools Foundation (formerly Loughborough Endowed Schools) on 31 August 2015. One trustee is a member of the Governing Board of Loughborough Amherst School.

##### **2. Pastoral work**

The aims of the trustees in this area include:

Enabling all members of the Congregation to carry out meaningful pastoral work within the community after assessing their skills and the needs of the local area;

The following are examples of the work undertaken by individual sisters:

- parish ministry and helping parishioners develop their spiritual lives;
- leading children and teachers in meditation practice;
- visiting hospitals;
- guiding prayer groups

##### **3. Overseas missionary work**

The Charity provides support for the Congregation's missions in Tanzania, India and South America. The missions are under the control of members of the Congregation and any financial support is used to help towards the formation of new members and their studies and to meet the need for books, school equipment and medical supplies. At present two members of the District continue to minister in Tanzania; one is a School manager as well as a Projects Manager and the second sister holds the position of District Bursar.

##### **4. Caring for members of the Congregation**

In common with many Religious Congregations in Great Britain, the age profile of the members is increasing as existing members grow older.

The Congregation 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 care and education of others. As the age profile of the Congregation increases so does the need to provide increasing and increasingly expensive care to the sisters. At present five members receive special care in Rosmini House at Loughborough. Over the next decade, the trustees expect this number to increase. As a consequence the trustees are giving careful consideration to the impact of this on the work of individual members, the property requirements and the financial implications. In this regard one aim of the trustees is to enable all members to continue with their individual ministries for as long as possible.

The maintenance and upkeep of the Rosmini House building is very costly. Repairs as a result of structural damage and repairs and replacement of equipment continue on an ongoing basis. The trustees have a duty to ensure that the building and its contents are well maintained and meet with the required Health and Safety standards.

Any income/stipend received by the sisters is donated to the Charity and thereby ensures that the work of the sisters and the Charity may continue and develop into the future.

## **THE SISTERS OF PROVIDENCE (ROSMINIAN)**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2020**

##### **5. Protection of children and vulnerable adults**

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 all sisters who are in any kind of ministry in Great Britain having to obtain clearance from the Disclosure and Barring Service (DBS). The trustees are committed to implementing all policies and procedures of the Catholic Safeguarding Advisory Service (CSAS). One sister is responsible for ensuring this policy is adhered to by all sisters who may have contact with children and vulnerable people. The sister takes part in on-going safeguarding training in order to ensure that best practice is firmly followed. The sisters who are involved in parishes and schools have to abide by the policies and guidelines in place in these specific areas.

## **THE SISTERS OF PROVIDENCE (ROSMINIAN)**

### **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **ACHIEVEMENT AND PERFORMANCE**

The following paragraphs outline the main achievements during the year in each of the Charity's principal activities.

##### **1. Education**

There are no longer any sisters working in a teaching position in Loughborough Amherst School. Through her membership of the Board of Governors, one of the trustees has been actively involved in areas of development and in faith based activities within the school.

This sister continues to support developments in Loughborough Amherst School following the transfer of the school's operations to Loughborough Schools Foundation (formerly Loughborough Endowed Schools) in 2015. She continues to provide spiritual support, together with a second sister, when the need arises.

The trustees continue to provide the equivalent of six bursaries each school year to Loughborough Amherst School. Several pupils whose parents were experiencing financial difficulties in 2020 were supported financially and were enabled to continue their education in a seamless way.

It was expected that the Congregation would receive an annual income from Loughborough Schools Foundation for the rental of the property which houses Loughborough Amherst School. The Chief Operating Officer of Loughborough Schools Foundation informed us that the Governing Body was unable to pay the required rental and after much discussion with our Financial Adviser the trustees decided that, as part of our charitable activities, we would make a gift to the school of the rent that was due from 2018-2020. In a letter from the Chief Operating Officer dated 18th November 2020, he writes, "... Please convey our thanks to the Sisters of Providence for their generous offer to gift the rent due over the period 2018-2020. ... Amherst school makes a profound difference to the pupils it serves."

##### **2. Pastoral work**

Due to Covid-19 restrictions which began in March 2020 some sisters were unable to continue their involvement in various forms of pastoral work. These include the following:

One sister continues her membership of the governing body of Loughborough Amherst School and this sister has taken on a supportive role in Loughborough Amherst School by active participation in the Chaplaincy Team where she is in contact with young people. Sometimes she is called upon by parents, pupils and members of staff who wish to discuss various personal issues, for example.

One sister in Loughborough hosts and leads an adult meditation group each week in the convent. Several people participate and they report that they find it very beneficial. She leads sessions with the teachers in a number of schools in the Diocese of Nottingham when requested to do so by the Head teachers of the schools. She has been responsible for introducing the practice of meditation to pupils in the Sacred Heart School, Loughborough, as well as in a number of schools throughout the Diocese of Nottingham. The pupils and their teachers report that this practice has benefitted the pupils to an enormous degree.

A few people from the locality attend Mass in our Chapel occasionally and some people come to the convent to speak about personal difficulties or to ask for prayers. The sisters feel that this hospitality and listening element is very important and all visitors are welcomed.

One sister does voluntary work in a drop-in centre for homeless people in Loughborough. She also lends a helping hand to the Grub Club which has been established in St Mary's Parish, Loughborough. The Grub Club is attended by needy children and their parents during school holidays. In addition to enjoying a healthy meal, the children participate in a number of activities organised by the volunteer team.

As the Sisters were prevented because of Covid-19 restrictions from visiting or welcoming people into the Convent one sister produced several paintings whilst another sister knits children's clothes on an ongoing basis; these paintings and knitted garments were donated to Rainbows Hospice to raise badly needed funds for the Hospice. These ministries, carried out on a voluntary basis by the sisters, enable the Charity to reach out to those in need within society generally and benefit a very significant number of people. It is planned that as soon as the Covid-19 restrictions are lifted the sisters will resume their involvement with local groups.

## **THE SISTERS OF PROVIDENCE (ROSMINIAN)**

### **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **3. Overseas missionary work**

During the year the Charity continued to support the sisters who minister in Tanzania, India and South America. There are two sisters from the English district ministering in Tanzania. A third Sister from the English District resides in Rome as she is Superior General of the Congregation. These sisters are supported financially from central funds in Loughborough.

The trustees support the Antonio Rosmini Children's Centre in Kwediboma which continues to expand and develop as the demand on their services continues to grow swiftly. The children in this centre have either lost their parents or have been abandoned by them. Some parents are unable to care for their children because of illness or family problems. If this centre didn't exist many of these children would probably be left to die of neglect or starvation. The Trustees are deeply committed to this project and the sisters report that the lives of many children have been transformed and continue to be transformed because of the financial support received. The school attached to the Antonio Rosmini Children's Centre provides a quality education, not just for these children, but also for children from the outlying areas who otherwise might not have any access to an education.

Referring to the construction of Administration block at Antonio Rosmini School, Kwediboma, Kilindi, Tanzania, Sr Andrew Kydd writes: "On behalf of the Trustees and the school community I would like to thank you sincerely for the financial support you afforded this project. The Administration staff have now moved in and it will soon be completely operational." (Letter May 2021) This new block consists of seven classes to bring the school into two streams so that more children may benefit from a sound education. It also means that the sisters are able to meet the demands of parents in that region who are anxious for their children to receive a quality education.

Our sisters in Tanzania found that due to the impact of Covid-19 they were unable to meet the food bills and In June 2020 the Superior General appealed for financial help. The Trustees responded to this appeal by donating £12,000 to cover the costs.

In November 2020 the Trustees of the Tanzanian District requested a grant for the construction of a small convent and a Nursery School in Kitandilio, Makambako, Njombe Diocese, Tanzania. The Sisters in that region were living in very poor conditions which in the long term would have a deleterious effect on their health. Having given the request careful consideration, the Trustees approved a grant of £73,455.48. To enable the project to get underway an initial amount of £50,000 was transferred to the District's bank Account with a pledge that the remainder would follow in 2021. We were informed that this region is a particularly poor one and the provision of a nursery school would help a large number of children who desperately need an education in order to benefit their community into the future. The first phase of this project is nearing completion as the sisters' house is almost ready for the community to move in. In a letter dated May 31st 2021 Sr Andrew Kydd, Project Manager, wrote: "The work is well done and is now towards the finishing stages... The ground is being levelled and hopefully the sisters will be moving in in July. I admire the sisters for living uncomplainingly in such makeshift accommodation." The second phase of this project, the construction of a Nursery School, will be undertaken later in 2021 as the plans have already been drawn up and approved.

In November 2020 we donated £2,000 to support a young man from a very difficult family situation who wished to complete his third level Course. He is a former pupil of the Holy Family School in Muheza which is managed by the Sisters and due to his family circumstances he was unable to meet the costs of his education. This was a one off payment.

#### **4. Care of members of the Congregation**

The average age of the members is 76 so the majority of members need additional support. Five members of the Congregation received special care in the Rosmini House during the year. These sisters are supported on a twenty four hour basis by a team of five professional carers and a nurse. The care is of a high standard. It is important to ensure that this standard is maintained so that our sisters can be cared for in the Convent instead of being placed in residential care elsewhere which would be even more costly. The 'care element' is a major challenge facing the Congregation and the trustees for the foreseeable future. Costs continue to rise and the trustees have a duty to ensure that sufficient funds are available to meet these rising costs. These older and fragile sisters spent many years ministering on behalf of many people so they deserve to be treated and cared for with deep respect in their old age



## **THE SISTERS OF PROVIDENCE (ROSMINIAN)**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

It must be noted that members of the Congregation who are retired from their professional work are also involved in the 'care element' within the Congregation; one sister works as a Carer on a part time basis, some sisters undertake to drive and accompany the more fragile sisters for medical appointments at the hospitals and clinics. This year, in particular, saw members being called upon on a daily basis to assist in the Care Unit as the spread of Covid-19 resulted in staff shortages on several occasions. Two of the staff were placed on furlough because they were under the umbrella of 'vulnerable' and the remaining members were at times forced to isolate for short periods because they had been in contact with people with the Covid-19 infection. This meant that members of the community were faced with additional responsibilities over most of 2020.

One sister is the District Bursar while a second Sister manages the House Office and a third sister undertakes other administrative duties within the convent. These specific ministries are often very time consuming but we believe that without the contribution of these individual sisters the trustees would need to employ a greater number of lay staff.

#### **5. Other**

Grants were made to Cafod and we also responded to appeals made as a result of natural disasters in various parts of the world in addition to local appeals in the U.K. We supply food on a monthly basis to the food bank in Carpenter's Arms, Loughborough. We provide financial support to the Superior General for her travel expenses. When requested we aim to make a contribution to the Superior General's Fund.

## **THE SISTERS OF PROVIDENCE (ROSMINIAN)**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **FINANCIAL REVIEW**

The Charity had funds at the beginning of the year of £19,098,265. There was an overall net surplus of £1,296,559 during the year giving reserves at 31 December 2020 of £20,394,824.

The rate of return of the investments is considered by the trustees to be satisfactory in light of their income and capital needs. The portfolio remains a mix of equity and non-equity investments. In summary, the trustees are satisfied with the overall results for the year given the market conditions.

There is no formal criteria or measures such as KPI's that the Charity uses to assess success in the period.

During the year the charity disposed of 8 Rotherfield Avenue, Bexhill-on-Sea as this property was surplus to the charity's requirements. The property was sold for £415,000 on 29th June 2020 with a profit on disposal recognised in the accounts of £294,290.

#### **Reserves policy**

The average age of members of the congregation is 76 years. We have two members who are over ninety and six in their eighties.

Care and nursing costs continue to rise. Therefore it is important to maintain reserves.

The trustees have designated funds out of the general fund for specific purposes as follows:

**Retirement Fund** - A fund has been designated for the purpose of providing for the charity's commitment to provide for the retirement and care in old age and sickness of the order's members.

**Fixed Assets Fund** - In order to fulfil its charitable objectives the charity needs a number of properties. Although these properties are unrestricted assets they cannot be realised without undermining the charity's work. The trustees therefore consider it appropriate to reflect the investment in properties by means of a designated fund.

**Scholarship Fund** - The trustees have made a commitment to pay a total of £110,000 in 2019 and into the future for bursaries to Amherst School. The monies used is at the discretion of Loughborough Amherst School for pupils whose families may be experiencing specific periods of hardship. No pupil receives a full bursary so parents are expected to contribute as much as they can afford at any given time. We therefore consider it appropriate to set aside sufficient reserves to provide an annual income from which to pay these fees.

**Superior General's Fund** - A fund has been designated for the purpose of providing monies to be used for the education of the young members of the Congregation in India, Africa and Venezuela and for specific charitable purposes such as responding to appeals following natural disasters in the world.

The Charity's investments are managed by OCM Wealth Management Ltd. There are no restrictions on the Charity's power to invest.

The investment strategy is set by the trustees and takes into account income requirements, the risk profile and the investment manager's view of the market prospects in the medium term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised by the trustees from time to time. There is also an Ethical Policy precluding investment in any company which, after reasonable enquiry, clearly has significant profits from an activity which is contrary to the objectives of the Christian Church.

The performance of the portfolio and the Charity's investment strategy are reviewed by the trustees who meet with the investment manager every four months.

## **THE SISTERS OF PROVIDENCE (ROSMINIAN)**

### **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **PLANS FOR THE FUTURE**

Since Loughborough Amherst School (formerly Our Lady's Convent School) merged with Loughborough Schools Foundation (formerly Loughborough Endowed Schools) on 31 August 2015, the Roman Catholic ethos and distinctive character of the school has continued. One sister continues to serve on the Board of Governors. As was agreed under the merger agreement, Loughborough Schools Foundation will continue to maintain the property. The trustees have made a commitment to pay a total amount of £110,000 to Loughborough Amherst School for bursaries on a yearly basis. This commitment is indefinite and the Trustees have stipulated that the monies must be used to pay fees, in part, for pupils whose parents are experiencing specific periods of hardship financially. No pupil receives a full bursary as parents are expected to contribute as much as they can afford. We, therefore, consider it appropriate to set aside sufficient reserves to provide an annual income from which to pay these bursaries.

One sister continues in her role as Bursar of the District as otherwise it would be necessary to employ an Accountant to carry out this important work; one sister manages the House Office while a second sister oversees the general maintenance. Other Sisters continue to assist with care of the sick and frail older Sisters such as driving them and accompanying them for medical appointments and various other outings. It is hoped that the Sisters who are involved in some form of ministry will be enabled to continue for the foreseeable future. Their dedication is much appreciated by those people whose lives they touch.

The trustees are acutely aware that we need to make plans for the future as it is envisaged that in the next five years or so the English District will have few if any active members. We considered that as the first members of the Congregation set up the first English Convent in 1843 that we should explore ways of leaving a 'lasting legacy' to the people of this area; in this way our ministry would be continued in a different way into a new era. Our adviser has agreed to assist us to devise a plan in order to see what can be achieved. In the meantime we are exploring and looking at ways to ensure that we choose the most deserving cause and one which will benefit the wider local community. One Charity which has interested us is a Hospice for Children which has been established and continues to serve the needs of many families.

#### **COVID-19 pandemic**

The COVID-19 pandemic which spread to the UK in late January has had an impact on the Sisters of Providence, Rosminian. Rosmini House went into lockdown on 16th March 2020, a week ahead of the Government's official lockdown of 23rd March. Relatives and friends of the Sisters were, sadly, prevented from visiting from 16th March. As a consequence of this management decision, Rosmini House, to date, has not experienced any Covid-19 related illness or deaths. Initially there were problems securing sufficient Personal Protective Equipment, but these problems have now been resolved. It is hoped that the Covid 19 pandemic, although very regrettable, will not have a significant long term impact on the work of the Sisters of Providence, Rosminian. However, in the short term, donations paid may be reduced as a result of a decrease in investment income, increased expenditure on repairs within Rosmini House and the purchase of additional personal protective equipment which means less disposable income will be available for charitable donations or for large donations to members of the Congregation overseas.

## **THE SISTERS OF PROVIDENCE (ROSMINIAN)**

### **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Congregation of Sisters of Providence, Rosminian is an international Roman Catholic religious Congregation supporting over 200 sisters worldwide. It was founded in Italy in 1833. In terms of Canon Law, it is governed by the Superior General and her Council. Two members of the Council, the Vicaress and the Bursar General, who are elected every six years at a General Chapter, live in Rome. Two other Councillors are chosen by the Superior General. There are five districts, Africa, England, India, Italy and Venezuela.

In terms of Civil law the Charity is governed by a Trust Deed dated 22 April 1936 and is a registered Charity - Charity Registration No.229120. The trustees of the Charity are members of the Congregation. As such they have a detailed knowledge of the work of the Charity and of its structure. They meet with the Congregation's legal, accounting, investment and property advisers, when appropriate, to obtain a full briefing of their responsibilities and the Charity's position.

The accounts accompanying this report are those of the English District.

The trustees who served during the year up to the date of approval of the report were:

Sister Johanna Toomey

Sister Kathleen Ann Toone

Sister Loretta Nora Pereira

Sister Mary Bridget Leydon

Sister Sheila Bernadette Cronin

Sister Teresa Molloy

A brief biographical detail on each of the trustees is given below.

Sister Johanna Toomey

Sister Johanna Toomey joined the congregation in 1965. She trained as a teacher in Mary Ward, Nottingham and later attended Cardiff University where she graduated and was awarded an M.Phil for her dissertation on Rosmini and Education. She spent part of her life teaching in Heathfield House Comprehensive School, Cardiff and in both Loughborough & Cardiff convent schools. She was the Headmistress of the latter. She has held the position of Superior General of the Congregation since 2013.

Sister Kathleen Ann Toone

Sister Kathleen Ann Toone joined the Congregation in 1954. She worked as a teacher in a number of schools and as Headteacher in Sacred Heart Primary School, Loughborough before her retirement.

Sister Loretta Nora Pereira

Sister Loretta Nora Pereira joined the Congregation in 1964. She qualified as a Junior school teacher and taught in Our Lady's Convent School in Cardiff, Our Lady's Convent in Loughborough and was Head Teacher of St Audrey's School, Wisbech for a number of years. She also held a position of Chaplain in Ratcliffe College, spent time as a Parish Sister in Leicester and is presently engaged in pastoral work.

Sister Mary Bridget Leydon

Sister Mary Bridget Leydon joined the Congregation in 1962. She qualified as a Montessori teacher and spent all her working life in the Pre-School department Our Lady's Convent School, Loughborough. She was Head of the Pre-school and Infant Departments for several years. At present she is engaged in administrative work in Rosmini House. She is also a member of the Governing Board of Amherst School and assists with the Chaplaincy team.

Sister Sheila Bernadette Cronin

Sister Sheila Bernadette Cronin joined the Congregation in 1981. She was involved in pastoral work for a few years. She has held the position as Carer in Rosmini House Infirmary for several years.

Sister Teresa Molloy

Sister Teresa Molloy joined the Congregation in 1963. She qualified as a Junior school teacher. She gained an Arts Degree from the Open University and she also qualified as a teacher of blind and visually impaired children in the University of Birmingham where she was awarded a B. Phil. in special education. She taught in St Joseph's School for children with visual impairments, Dublin, for many years.

## **THE SISTERS OF PROVIDENCE (ROSMINIAN)**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

The trustees are ultimately responsible for the policies, activities and assets of the Charity. They meet four times a year, or when the need arises, to review developments with regard to the charity or its activities and make any important decisions. When necessary, the trustees seek advice and support from the Charity's professional advisers including property consultants, investments managers, solicitors and accountants.

The day to day management of the Charity's activities, and the implementation of policies, is delegated to the appropriate members of the Congregation. The sisters involved in pastoral duties work under the direction of guidelines set out by the various Dioceses in which they serve.

The English District is governed by the District Co-ordinator who was appointed by the Superior General following consultation with the Sisters. There is a system of accountability operational to ensure that the Co-ordinator is fully informed of the progress and development of the ministries carried out by the Sisters. The Co-ordinator provides the Superior General and her Council with an annual written report detailing the various activities and events of the District. A visit by the Superior General is made at least once every three years.

At the beginning of 2020 the District comprised of twenty four sisters. Of this number, three are ministering in Tanzania and a fourth sister has held the position of Superior General since 2013 and she is based in Rome. During this year three sisters have died and one of the three sisters ministering in Tanzania has returned to England and is now residing in Rosmini House. The sale of the Convent in Bexhill-on-Sea was completed in July 2020.

#### **Risk Management**

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

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

Governance and management looks at the risks of the Congregation, at the skills and training of its members and staff and the good use of its resources.

Operational looks at the risks inherent in the Charity's activities - the members engaging in inappropriate activities, poor maintenance or difficulties with staff, for example.

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

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

Laws, regulations, external and environment look at the effects of government policies, the consequences of non-compliance with laws and regulations.

Having assessed the major risks to which the Charity is exposed, the trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems and by examining the operational and business risks faced by the Charity, they have established effective systems to mitigate those risks.

#### **Trustees induction and training**

All current trustees are well experienced in the nature of the role and understand their legal responsibilities. New trustees will receive an induction, be made aware of the role of a trustee as laid down by the Charity Commission and, if appropriate, attend appropriate training and development seminars to help them develop their role.

#### **Fundraising**

No third party organisations or consultants were used for raising funds for The Sisters of Providence (Rosminian).

**THE SISTERS OF PROVIDENCE (ROSMINIAN)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**Volunteers**

The charity does not require the use of volunteers.

**EMPLOYEES, ADVISERS AND MEMBERS OF THE CONGREGATION**

The trustees wish to record their recognition of the qualities and commitment of all their staff and the individual members of the Congregation, together with our Financial Adviser, Accountant and other professionals who help us in so many ways. Their dedication and positive approach are very much appreciated.

Approved by order of the board of trustees on 41/10/2021 and signed on its behalf by:

T Molloy  
Sister T Molloy - Trustee

## **THE SISTERS OF PROVIDENCE (ROSMINIAN)**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2020**

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE SISTERS OF PROVIDENCE (ROSMINIAN)**

### **Opinion**

We have audited the financial statements of The Sisters of Providence (Rosminian) (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

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

- the information given in the trustees Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
THE SISTERS OF PROVIDENCE (ROSMINIAN)**

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE SISTERS OF PROVIDENCE (ROSMINIAN)**

### **Our responsibilities for the audit of the financial statements**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We have identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial experience, knowledge of the sector, a review of regulatory and legal correspondence and through discussions with Trustees and other key management obtained as part of the work required by auditing standards. We have also discussed with the Trustees and other key management the policies and procedures relating to compliance with laws and regulations. We communicated laws and regulations throughout the team and remained alert to any indications of non-compliance throughout the audit. The potential impact of different laws and regulations varies considerably.

Firstly, the charity is subject to laws and regulations that directly impact the financial statements (for example financial reporting legislation) and we have assessed the extent of compliance with such laws as part of our financial statements audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of investment property and income recognition, as well as the risk of inappropriate journal entries to manipulate reported surplus/deficit. Audit procedures performed by the engagement team included the identification and testing of unusual material nominal ledger entries and challenging management on key assumptions and judgements made in the preparation of the financial statements. We carried out detailed substantive testing on accounting estimates, including reviewing the methods and data used by management to make those estimates, reviewing rental yields and internet property price data, reviewing the outcome of prior year estimates, and assessing the knowledge and expertise of the professional valuers used by management. We also carried out detailed substantive tests on material income streams, including reviewing the supporting documentation used to determine the recognition of income, ensuring it is consistent and recognised in the correct period, and we have reviewed and assessed the knowledge and expertise of the investment managers and verified the valuations and income from the investments to third party confirmations.

Secondly, the charity is subject to other laws and regulations where the consequence for non-compliance could have a material effect on the amounts or disclosures in the financial statements. We identified the following areas as those most likely to have such an effect: Health and Safety regulations, Employment laws and written restrictions or designations imposed by grant providers or donors. We reviewed the supporting documentation for all material incomes received and assured ourselves that any written conditions have been adhered to as applicable. We note that given the nature of the charity, there are no specific laws and regulations governing the activities, aside from Charities Act 2011 and the applicable accounting standards.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other key management and inspection. This inspection included reading minutes of meetings of those charged with governance with the investment managers and discussing with those charged with governance to confirm that to their knowledge they were not aware of any instances of non-compliance. Through these procedures, if we became aware of any non-compliance, we considered the impact on the procedures performed on the related financial statement items.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
THE SISTERS OF PROVIDENCE (ROSMINIAN)**

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. As with any audit, there is a greater risk of non-detection of irregularities as these may involve collusion, intentional omissions of the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

**Use of our report**

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

*Duncan + Toplis Limited*

Duncan & Toplis Limited, Statutory Auditor  
3 Princes Court  
Royal Way  
Loughborough  
Leicestershire  
LE11 5XR

Date: 14/10/2021

**THE SISTERS OF PROVIDENCE (ROSMINIAN)**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	Unrestricted - Designated £	Unrestricted - General £	2020 Total funds £	2019 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	-	9,550	9,550	12,540
<b>Charitable activities</b>	4				
Support of members of the religious order		-	516,401	516,401	466,723
Grants and donations received		-	-	-	3,300
Investment income	3	21,485	65,149	86,634	35,454
Other income	5	294,290	12,014	306,304	-
<b>Total</b>		<b>315,775</b>	<b>603,114</b>	<b>918,889</b>	<b>518,017</b>
<b>EXPENDITURE ON</b>					
Raising funds	6	96,629	-	96,629	101,501
<b>Charitable activities</b>	7				
Support of members of the religious order		29,057	413,593	442,650	515,126
Grants and donations paid		237,409	45,941	283,350	330,419
<b>Total</b>		<b>363,095</b>	<b>459,534</b>	<b>822,629</b>	<b>947,046</b>
Net gains on investments		1,200,299	-	1,200,299	62,785
<b>NET INCOME/(EXPENDITURE)</b>		<b>1,152,979</b>	<b>143,580</b>	<b>1,296,559</b>	<b>(366,244)</b>
Transfers between funds	17	47,048	(47,048)	-	-
<b>Net movement in funds</b>		<b>1,200,027</b>	<b>96,532</b>	<b>1,296,559</b>	<b>(366,244)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>18,562,508</b>	<b>535,757</b>	<b>19,098,265</b>	<b>19,464,509</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>19,762,535</b>	<b>632,289</b>	<b>20,394,824</b>	<b>19,098,265</b>

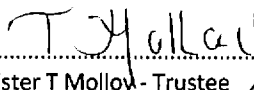
The notes form part of these financial statements

**THE SISTERS OF PROVIDENCE (ROSMINIAN)**

**BALANCE SHEET  
31 DECEMBER 2020**

	Notes	Unrestricted - Designated £	Unrestricted - General £	2020 Total funds £	2019 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	12	7,572,397	63,855	7,636,252	7,800,111
<b>Investments</b>					
Investments	13	11,525,138	-	11,525,138	10,177,391
Investment property	14	665,000	-	665,000	665,000
		<u>19,762,535</u>	<u>63,855</u>	<u>19,826,390</u>	<u>18,642,502</u>
<b>CURRENT ASSETS</b>					
Debtors	15	-	16,289	16,289	-
Cash at bank and in hand		-	581,597	581,597	481,856
		<u>-</u>	<u>597,886</u>	<u>597,886</u>	<u>481,856</u>
<b>CREDITORS</b>					
Amounts falling due within one year	16	-	(29,452)	(29,452)	(26,093)
<b>NET CURRENT ASSETS</b>		<u>-</u>	<u>568,434</u>	<u>568,434</u>	<u>455,763</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>19,762,535</u>	<u>632,289</u>	<u>20,394,824</u>	<u>19,098,265</u>
<b>NET ASSETS</b>		<u>19,762,535</u>	<u>632,289</u>	<u>20,394,824</u>	<u>19,098,265</u>
<b>FUNDS</b>	17				
Unrestricted funds				20,394,824	19,098,265
<b>TOTAL FUNDS</b>				<u>20,394,824</u>	<u>19,098,265</u>

The financial statements were approved and authorised for issue by the Board of Trustees and authorised for issue on .....11.10.2021..... and were signed on its behalf by:

  
Sister T Molloy - Trustee

**THE SISTERS OF PROVIDENCE (ROSMINIAN)**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(228,341)	(402,993)
Interest paid		(301)	(350)
Net cash used in operating activities		<u>(228,642)</u>	<u>(403,343)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(3,917)	(18,933)
Purchase of fixed asset investments		(19,486,385)	(7,358,222)
Sale of tangible fixed assets		414,857	-
Sale of fixed asset investments		19,338,936	7,775,015
Dividends received		64,892	27,837
Net cash provided by investing activities		<u>328,383</u>	<u>425,697</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>99,741</u>	<u>22,354</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>481,856</u>	<u>459,502</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>581,597</u></u>	<u><u>481,856</u></u>

The notes form part of these financial statements

THE SISTERS OF PROVIDENCE (ROSMINIAN)

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	1,296,559	(366,244)
Adjustments for:		
Depreciation charges	47,798	48,951
Gain on investments	(1,200,299)	(62,785)
Profit on disposal of fixed assets	(294,878)	-
Interest paid	301	350
Dividends received	(64,892)	(27,837)
Increase in debtors	(16,289)	-
Increase in creditors	3,359	4,572
Net cash used in operations	<u>(228,341)</u>	<u>(402,993)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank and in hand	481,856	99,741	581,597
	<u>481,856</u>	<u>99,741</u>	<u>581,597</u>
Total	<u>481,856</u>	<u>99,741</u>	<u>581,597</u>

The notes form part of these financial statements

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

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)(effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable to UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared on a going concern basis under the historical cost convention modified to include certain items at fair value.

The financial statements contain information about The Rosminian Sisters of Providence as an individual charity.

The financial statements are presented in £ Sterling and are rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**Significant accounting judgements and estimation uncertainty**

In the application of the charity's accounting policies, management is required to make judgements, 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 affects both current and future periods.

The only areas in the accounts where such judgements and estimates have been made are in respect to estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge, valuation of investment properties and in determining the amounts to be set aside as designated funds, in particular the retirement fund.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Donated assets are accounted for as soon as they are received and are included in the accounts at a reasonable estimate of their value. Any income arising from donated assets is accounted for on a receipts basis.

Legacies are included in the statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Profit on disposals of tangible fixed assets are accounted for when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Investment income is recognised once the dividend or relevant income has been declared and notification has been received of the amount 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.

Rental income is recognised as the charity's right to receive payment is established.



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

1. ACCOUNTING POLICIES - continued

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure on raising funds includes all expenditure associated with raising funds to the charity. This includes investment management fees.

Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs includes charitable grants and donations, costs in respect to support of members of the congregation and enabling their ministry including 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. Grants and donations paid are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the balance sheet date.

Expenditure incurred in the support of members of the religious order are those costs incurred in the areas of health, welfare and housing.

Governance costs are those costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

The charity is not registered for VAT and therefore expenditure is shown inclusive of VAT.

**Tangible fixed assets**

Tangible fixed assets are held at cost less accumulated depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Residential land & buildings	0%
Land and buildings occupied by LAS (formerly OLCS)- 1996 valuation	0%
Buildings occupied by LAS- Alterations	2% Straight line
Fixtures, Fittings & equipment	15% Reducing balance
Motor vehicles	25% Reducing balance

LAS - Loughborough Amerhst School (formerly Our Lady's Convent School).

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

No depreciation is provided in respect of the residential land and buildings, and land and buildings occupied by LAS- 1996 valuation, as the trustees are satisfied that their residual value is not materially less than their book value and these assets have a very long useful life. The land and buildings occupied by LAS are included on the balance sheet at their estimated valuation as at 1 January 1996. The valuation was determined by the Trustees with professional assistance on the basis of replacement cost for existing use. Under the transitional provisions of FRS102, the valuation is now regarded as deemed cost. Additions to freehold land and buildings since that date are included at cost.

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

**1. ACCOUNTING POLICIES - continued**

**Foreign currencies**

Transactions denominated in foreign currencies are recorded at the average rate for the year.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net incoming resources.

**Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Investments**

Quoted investments are valued at their fair value using the closing middle market price on the balance sheet date.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date.

Realised and unrealised gains (or losses) are combined in the Statement of Financial Activities in the year in which they occur.

**Accumulated funds**

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

**Basis of fixed asset valuation**

Prior to 1 April 1996 all capital expenditure was written off as incurred. As at that date the trustees estimated the current value of fixed assets required to be shown in the balance sheet.

**Financial Instruments**

The charity has chosen to adopt the Sections 11 and 12 of the FRS 102 in respect of financial instruments.

Basic financial assets, including cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the income statement.

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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

**1. ACCOUNTING POLICIES - continued**

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Going concern**

The financial statements have been prepared on the going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements.

As noted in the trustees report, the trustees have paid due regard to the Covid-19 pandemic while considering the going concern of the charity.

**2. DONATIONS AND LEGACIES**

	2020	2019
	£	£
Donations	9,550	12,540
	<u>          </u>	<u>          </u>

**3. INVESTMENT INCOME**

	2020	2019
	£	£
Income from listed investment	21,238	3
Interest receivable	504	7,614
Rental income	64,892	27,837
	<u>          </u>	<u>          </u>
	86,634	35,454
	<u>          </u>	<u>          </u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

		2020	2019
	Activity	£	£
Salary and pension income	Support of members of the religious order	508,105	474,100
Exchange rate (loss)/gain	Support of members of the religious order	8,296	(7,377)
Grants receivable	Grants and donations received	-	3,300
		<u>          </u>	<u>          </u>
		516,401	470,023
		<u>          </u>	<u>          </u>

THE SISTERS OF PROVIDENCE (ROSMINIAN)

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

5. OTHER INCOME

	2020	2019
	£	£
Gain on sale of tangible fixed assets	294,878	-
Other income	11,426	-
	<u>306,304</u>	<u>-</u>

6. RAISING FUNDS

Investment management costs

	2020	2019
	£	£
Investment management costs	96,629	101,501
	<u>96,629</u>	<u>101,501</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £
Support of members of the religious order	442,650
Grants and donations paid	283,350
	<u>726,000</u>

The grants and donations payable during the year were as follows:

	2020	2019
	£	£
Bursaries paid to Loughborough Amherst School	110,000	91,045
Transfer to Tanzania - School Building Project	65,000	60,000
Transfer to Tanzania - Fund expenses during COVID-19 pandemic	12,000	-
Transfer to Tanzania - New convent and nursery project in Njombe	50,000	-
Rent donation to Loughborough Amherst School	34,958	-
Transfer to Tanzania - Formation and training of student sisters	-	87,032
Transfer to Tanzania - Purchase of land for Novitiate	-	48,356
Transfer to India - Transfer of land from diocese to Trust of Rosminian Sisters Delegation India	-	27,082
Donation Rome - R McAnish	-	4,500
Donation to Congregation of the Sacred Heart	-	1,300
Donations less than £1,000 each	11,392	11,104
	<u>283,350</u>	<u>330,419</u>

**THE SISTERS OF PROVIDENCE (ROSMINIAN)**

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

**8. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2020	2019
	£	£
Staff costs	181,574	186,744
Auditors' remuneration	23,394	24,041
Auditors remuneration- Non audit	1,701	989
Rates and water	8,549	7,831
Insurance	4,529	19,499
Light and heat	20,546	21,897
Telephone	3,821	8,313
Postage and stationery	2,846	3,888
Legal and professional fees	7,213	-
Sundries	8,435	22,037
Donations	172,942	239,374
Grant funding of activities	110,000	91,045
Household expenses	62,951	57,433
Personal needs	24,599	48,869
Motor expenses	2,537	2,170
Travelling	3,045	12,386
Repairs and maintenance	39,219	49,728
Depreciation	47,798	48,951
Interest payable and similar charges	301	350
	<u>726,000</u>	<u>845,545</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

**Trustees' expenses**

As with other members of the religious order payments were made to the trustees in the form of travel and subsistence expenses incurred as part of their charitable work. Also, they are maintained by the charity, having given all personal possessions and income to the order.

As members of the institute, none of the trustees have resources of their own as all earnings, pensions and other income have been renounced. During the year, the total amount relinquished by the trustees to the charity was £109,487 (2019 - £107,422).

**10. STAFF COSTS**

	2020	2019
	£	£
Wages and salaries	165,633	172,028
Social security costs	10,274	9,846
Other pension costs	5,667	4,870
	<u>181,574</u>	<u>186,744</u>

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

	2020	2019
Convent support staff	<u>13</u>	<u>14</u>

THE SISTERS OF PROVIDENCE (ROSMINIAN)

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

10. STAFF COSTS - continued

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

The total paid to key management personnel in the period was Nil (2019 - Nil).

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted - Designated £	Unrestricted - General £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	-	12,540	12,540
<b>Charitable activities</b>			
Support of members of the religious order	-	466,723	466,723
Grants and donations received	-	3,300	3,300
Investment income	1	35,453	35,454
<b>Total</b>	<b>1</b>	<b>518,016</b>	<b>518,017</b>
<b>EXPENDITURE ON</b>			
Raising funds	101,501	-	101,501
<b>Charitable activities</b>			
Support of members of the religious order	30,946	484,180	515,126
Grants and donations paid	313,515	16,904	330,419
<b>Total</b>	<b>445,962</b>	<b>501,084</b>	<b>947,046</b>
Net gains on investments	62,785	-	62,785
<b>NET INCOME/(EXPENDITURE)</b>	<b>(383,176)</b>	<b>16,932</b>	<b>(366,244)</b>
Transfers between funds	(1,778)	1,778	-
<b>Net movement in funds</b>	<b>(384,954)</b>	<b>18,710</b>	<b>(366,244)</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	18,947,462	517,047	19,464,509
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>18,562,508</b>	<b>535,757</b>	<b>19,098,265</b>

THE SISTERS OF PROVIDENCE (ROSMINIAN)

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

12. TANGIBLE FIXED ASSETS

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 January 2020	8,034,961	463,738	44,510	8,543,209
Additions	-	3,917	-	3,917
Disposals	(118,663)	-	(6,068)	(124,731)
At 31 December 2020	<u>7,916,298</u>	<u>467,655</u>	<u>38,442</u>	<u>8,422,395</u>
<b>DEPRECIATION</b>				
At 1 January 2020	314,845	397,875	30,378	743,098
Charge for year	29,057	10,467	8,273	47,797
Eliminated on disposal	-	-	(4,752)	(4,752)
At 31 December 2020	<u>343,902</u>	<u>408,342</u>	<u>33,899</u>	<u>786,143</u>
<b>NET BOOK VALUE</b>				
At 31 December 2020	<u>7,572,396</u>	<u>59,313</u>	<u>4,543</u>	<u>7,636,252</u>
At 31 December 2019	<u>7,720,116</u>	<u>65,863</u>	<u>14,132</u>	<u>7,800,111</u>

Net book value at 31 December 2020 represents fixed assets used for:

Direct charitable purposes

Teaching	3,402,065	-	-	3,402,065
Advancement of the faith and support of members	<u>4,170,331</u>	<u>59,313</u>	<u>4,543</u>	<u>4,234,187</u>
	<u>7,572,396</u>	<u>59,313</u>	<u>4,543</u>	<u>7,636,252</u>

As permitted under Financial Reporting Standard 102 the charity has continued to adopt a policy of not revaluing its tangible fixed assets. The book value of freehold land and buildings is based on a 1996 valuation net of depreciation, where appropriate with additions since that date at cost and after adjusting for any impairment losses. Under the transitional provisions of FRS102, the 1996 valuations are now regarded as deemed cost. Other tangible fixed assets are stated at cost. Although there may be a considerable difference between the carrying value and market value of the land and buildings the trustees do not consider it to be a practicable exercise to have all the properties revalued.

**THE SISTERS OF PROVIDENCE (ROSMINIAN)**

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

**13. FIXED ASSET INVESTMENTS**

	Listed investments £	Cash and settlements pending £	Totals £
<b>MARKET VALUE</b>			
At 1 January 2020	9,102,274	1,075,117	10,177,391
Additions	20,288,802	-	20,288,802
Disposals	(19,651,735)	(802,417)	(20,454,152)
Revaluations	1,513,097	-	1,513,097
	<u>11,252,438</u>	<u>272,700</u>	<u>11,525,138</u>
At 31 December 2020			
	<u>11,252,438</u>	<u>272,700</u>	<u>11,525,138</u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	<u>11,252,438</u>	<u>272,700</u>	<u>11,525,138</u>
At 31 December 2019	<u>9,102,274</u>	<u>1,075,117</u>	<u>10,177,391</u>
The investment assets are held:			
In the UK	10,438,190	272,700	10,710,890
Outside the UK	814,248	-	814,248
	<u>11,252,438</u>	<u>272,700</u>	<u>11,525,138</u>
Historical cost:			
At 31 December 2020	<u>10,146,591</u>	<u>272,700</u>	<u>10,419,291</u>
At 31 December 2019	<u>8,805,343</u>	<u>1,075,117</u>	<u>9,880,460</u>

**14. INVESTMENT PROPERTY**

	£
<b>FAIR VALUE</b>	
At 1 January 2020	
and 31 December 2020	<u>665,000</u>
<b>NET BOOK VALUE</b>	
At 31 December 2020	<u>665,000</u>
At 31 December 2019	<u>665,000</u>

All Investment properties are held in the UK.

Historical cost at 31 December 2020 £274,289 (2019 - £274,289).

The valuation of the investment properties was carried out by Freckeltons Ltd an independent qualified firm on an open market basis at 31 August 2015. The methods and assumptions used to ascertain the fair value are in accordance with RICS standards, and the valuation was prepared having regard to the market based evidence for similar properties sold in the local area.



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

## 14. INVESTMENT PROPERTY - continued

There are two investment properties for which an element of cost remains within land and buildings. The land and buildings are included in the financial statements at a 1996 valuation at which time the two properties in question were not of an investment nature and it is not practical to ascertain the element of the 1996 valuation comprised by these properties. No depreciation is provided in respect of these properties.

## 15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Prepayments and accrued income	16,289	-

## 16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Social security and other taxes	2,235	2,215
Other creditors	3,822	1,081
Accrued expenses	23,395	22,797
	29,452	26,093

## 17. MOVEMENT IN FUNDS

	At 1.1.20	Net movement	Transfers	At
	£	in funds	between	31.12.20
		£	funds	£
<b>Unrestricted funds</b>				
General fund	535,757	143,580	(47,048)	632,289
Fixed Asset Fund	8,385,117	265,233	(412,953)	8,237,397
Scholarship Fund	2,556,000	(110,001)	110,000	2,555,999
Retirement Fund	7,621,391	997,747	350,001	8,969,139
	19,098,265	1,296,559	-	20,394,824
<b>TOTAL FUNDS</b>	19,098,265	1,296,559	-	20,394,824

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	603,114	(459,534)	-	143,580
Fixed Asset Fund	294,290	(29,057)	-	265,233
Scholarship Fund	-	(110,001)	-	(110,001)
Retirement Fund	21,485	(224,037)	1,200,299	997,747
	918,889	(822,629)	1,200,299	1,296,559
<b>TOTAL FUNDS</b>	918,889	(822,629)	1,200,299	1,296,559

THE SISTERS OF PROVIDENCE (ROSMINIAN)

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

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
<b>Unrestricted funds</b>				
General fund	517,047	16,932	1,778	535,757
Superior General's Fund	76,919	-	(76,919)	-
Fixed Asset Fund	8,416,063	(30,946)	-	8,385,117
Scholarship Fund	2,556,000	(91,045)	91,045	2,556,000
Retirement Fund	7,898,480	(261,185)	(15,904)	7,621,391
	<u>19,464,509</u>	<u>(366,244)</u>	<u>-</u>	<u>19,098,265</u>
<b>TOTAL FUNDS</b>	<u>19,464,509</u>	<u>(366,244)</u>	<u>-</u>	<u>19,098,265</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	518,016	(501,084)	-	16,932
Fixed Asset Fund	-	(30,946)	-	(30,946)
Scholarship Fund	-	(91,045)	-	(91,045)
Retirement Fund	1	(323,971)	62,785	(261,185)
	<u>518,017</u>	<u>(947,046)</u>	<u>62,785</u>	<u>(366,244)</u>
<b>TOTAL FUNDS</b>	<u>518,017</u>	<u>(947,046)</u>	<u>62,785</u>	<u>(366,244)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
<b>Unrestricted funds</b>				
General fund	517,047	160,512	(45,270)	632,289
Superior General's Fund	76,919	-	(76,919)	-
Fixed Asset Fund	8,416,063	234,287	(412,953)	8,237,397
Scholarship Fund	2,556,000	(201,046)	201,045	2,555,999
Retirement Fund	7,898,480	736,562	334,097	8,969,139
	<u>19,464,509</u>	<u>930,315</u>	<u>-</u>	<u>20,394,824</u>
<b>TOTAL FUNDS</b>	<u>19,464,509</u>	<u>930,315</u>	<u>-</u>	<u>20,394,824</u>

**THE SISTERS OF PROVIDENCE (ROSMINIAN)**

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

**17. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,121,130	(960,618)	-	160,512
Fixed Asset Fund	294,290	(60,003)	-	234,287
Scholarship Fund	-	(201,046)	-	(201,046)
Retirement Fund	21,486	(548,008)	1,263,084	736,562
	<u>1,436,906</u>	<u>(1,769,675)</u>	<u>1,263,084</u>	<u>930,315</u>
<b>TOTAL FUNDS</b>	<u>1,436,906</u>	<u>(1,769,675)</u>	<u>1,263,084</u>	<u>930,315</u>

**Superior General's Fund**

A fund has been designated for the purpose of providing monies to be used for education of the young members of the congregation in India, Africa and Venezuela and for specific charitable purposes such as responding to appeals following natural disasters in the world.

**Fixed Assets Fund**

In order to fulfil its charitable objective the charity needs a number of properties. Although these properties are unrestricted assets they can not be realised without undermining the charity's work. The trustees therefore consider it appropriate to reflect the investment in properties by means of designated fund.

**Retirement Fund**

A fund has been designated for the purpose of providing for the charity's commitment to provide for the retirement and care in old age and sickness of the Order's members.

**Scholarship Fund**

The trustees have made a commitment to pay a total of £110,000 for bursaries for Loughborough Amherst School. The monies are used at the discretion of Loughborough Amherst School for pupils whose families may be experiencing specific periods of hardship. No pupil receives a full bursary so parents are expected to contribute as much as they can afford at any given time.

## THE SISTERS OF PROVIDENCE (ROSMINIAN)

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

#### 18. RELATED PARTY DISCLOSURES

Loughborough Amherst School (formerly Our Lady's Convent School) is related to this charity as one trustee is a governor of the school. Rent was gifted to the Loughborough Amherst school during the year of £34,958. During 2019 Loughborough Amherst School had use of the school premises for a peppercorn rent.

Bursaries in respect of pupils at Loughborough Amherst School, have been invoiced during the year totalling £110,000 (2019: £91,045), at the year end Nil (2019: Nil) was still outstanding.

#### 19. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many charities of our size and nature we use our auditors to assist with the preparation of the accounts, they also process our weekly and monthly payrolls.

#### 20. ULTIMATE CONTROLLING PARTY

The charity is controlled by its trustees.

#### 21. FINANCIAL INSTRUMENTS

The carrying amount of the charity's financial instruments are as follows:

	2020 £	2019 £
<b>Financial assets at fair value through income and expenditure</b>		
Listed investments	<u>11,252,438</u>	<u>9,102,274</u>

The incomes, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

	2020 £	2019 £
<b>Net gains and losses (including changes in fair value)</b>		
Financial assets measured at fair value through net income/expenditure	<u>1,200,299</u>	<u>62,785</u>

The total income from financial assets that are measured at fair value through the income statement was £21,742 (2019 - £3).

**THE SISTERS OF PROVIDENCE (ROSMINIAN)**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	9,550	12,540
<b>Investment income</b>		
Income from listed investment	21,238	3
Interest receivable	504	7,614
Rental income	64,892	27,837
	<u>86,634</u>	<u>35,454</u>
<b>Charitable activities</b>		
Salary and pension income	508,105	474,100
Grants receivable	-	3,300
Exchange rate (loss)/gain	8,296	(7,377)
	<u>516,401</u>	<u>470,023</u>
<b>Other income</b>		
Gain on sale of tangible fixed assets	294,878	-
Other income	11,426	-
	<u>306,304</u>	<u>-</u>
<b>Total incoming resources</b>	<b>918,889</b>	<b>518,017</b>
<b>EXPENDITURE</b>		
<b>Investment management costs</b>		
Investment management costs	96,629	101,501
<b>Charitable activities</b>		
Staff costs	165,633	172,028
Social security	10,274	9,846
Pensions	5,667	4,870
Auditors' remuneration	23,394	24,041
Auditors remuneration- Non audit	1,701	989
Rates and water	8,549	7,831
Insurance	4,529	19,499
Light and heat	20,546	21,897
Telephone	3,821	8,313
Postage and stationery	2,846	3,888
Legal and professional fees	7,213	-
Sundries	8,435	22,037
Donations	172,942	239,374
Carried forward	435,550	534,613

This page does not form part of the statutory financial statements

**THE SISTERS OF PROVIDENCE (ROSMINIAN)**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
<b>Charitable activities</b>		
Brought forward	435,550	534,613
Grant funding of activities	110,000	91,045
Household expenses	62,951	57,433
Personal needs	24,599	48,869
Motor expenses	2,537	2,170
Travelling	3,045	12,386
Repairs and maintenance	39,219	49,728
Freehold property	29,057	30,946
Fixtures and fittings	10,467	11,825
Motor vehicles	8,274	6,180
Bank interest	301	350
	<u>726,000</u>	<u>845,545</u>
Total resources expended	<u>822,629</u>	<u>947,046</u>
<b>Net income/(expenditure) before gains and losses</b>	96,260	(429,029)
<b>Net gains / (losses) on investments</b>		
Realised and unrealised gains/ (losses) on fixed asset investments	<u>1,200,299</u>	<u>62,785</u>
<b>Net income/(expenditure)</b>	<u><u>1,296,559</u></u>	<u><u>(366,244)</u></u>