

THE SISTERS OF NOTRE DAME (OF NAMUR)

England & Wales · Charity number 232411

Details

Other names SISTERS OF NOTRE DAME

Status Registered

Legal form Trust

Registered 1964-02-04

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

Contact

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The Provincialate
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Activities

Objects: THE ADVANCEMENT OF THE ROMAN CATHOLIC RELIGION AND OF CHRISTIAN EDUCATION PARTICULARLY AMONG THE CHILDREN OF THE POOR.

Activities: The Sisters of Notre Dame are a group of religious women whose main aim is to contribute to the advancement of Roman Catholic religion by involvement in education, broadly conceived. This they do by formation of the young, various voluntary ministries, and support for educational and catechetical programmes and institutions. They are committed to the care of their aged, sick and infirm sisters.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Religious Activities
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies

Geography

- **Area of benefit:** ENGLAND AND WALES.
- Congo
- Kenya
- Nigeria
- Peru
- Scotland
- South Africa
- Zimbabwe
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£3,896,641	£4,187,040	£24,322,228	100
2023-08-31	£4,550,561	£4,239,411	£25,301,820	100
2022-08-31	£3,278,972	£4,149,374	£25,303,583	90
2021-08-31	£3,999,184	£4,184,527	£26,375,414	126
2020-08-31	£3,262,214	£4,829,877	£25,823,301	144

Trustees

Name	Role	Appointed
Sister Catherine Mary Darby SND		2021-08-15
Sister Elizabeth Brady		2022-03-10
Sister Gail Taylor		2024-08-15
Sister Margaret Walsh SND		2021-08-15
The Notre Dame Trustee Co Limited		1953-12-31

THE SISTERS OF NOTRE DAME (OF NAMUR)

England & Wales - Charity number 232411

Accounts

**The Sisters of Notre Dame
De Namur**

**Annual Report and Accounts
representing the:**

**Institute of the Sisters of Notre
Dame De Namur British Province**

31 August 2024

Charity Registration Number
232411 (England and Wales)
SC038746 (Scotland)

Contents

Reports

Reference and administrative information	1
Trustees' report	3
Independent auditor's report	22

Accounts

Statement of financial activities	27
Balance sheet	28
Statement of cash flows	29
Principal accounting policies	31
Notes to the accounts	38

Trustees	The Notre Dame Trustee Co Limited Sister Mary McClure (retired 15 August 2024) Sister Catherine Darby Sister Margaret Walsh Sister Elizabeth Brady Sister Gail Taylor (appointed 15 August 2024)
Directors of The Notre Dame Trustee Co Limited	Sister Catherine Darby Sister Margaret Walsh Sister Elizabeth Brady Sister Gail Taylor
Provincial Moderator	Sister Catherine Darby
Provincial office	The Provincialate 266 Woolton Road Liverpool L16 8NF
Telephone	0151 665 0600
Website	www.snduk.org
E-mail	ukprov@sndden.org
Charity registration numbers	232411 (England and Wales) SC038746 (Scotland)
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Principal bankers	Barclays Bank plc Cumbria and Lancashire Business Banking Barclays Leicester LE87 2BB
Stockbrokers	J M Finn & Co Limited 25 Copthall Avenue London EC2R 7AH

Solicitors

Brabners LLP
Horton House
Exchange Flags
Liverpool
L2 3YL

McSparran McCormick
Waterloo Chambers
19 Waterloo Street
Glasgow
G2 6AH

Property advisers and agents

Carter Jonas
The White House
Greenhalls Avenue
Warrington
WA4 6HL

Property marketing agents

CBRE Limited
One St Peter's Square
Manchester
M2 3DE

The trustees present their report together with the accounts of the Institute of the Sisters of Notre Dame De Namur British Province (the "charity") for the year ended 31 August 2024.

The accounts have been prepared in accordance with the accounting policies set out on pages 31 to 37 of the attached accounts and comply with the charity's trust deed, applicable laws and the requirements of 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).

Introduction

The Institute of the Sisters of Notre Dame De Namur (the "Congregation") is an international Roman Catholic religious congregation supporting 887 sisters worldwide. It was founded in 1804 in Amiens, France. Its Generalate is located in Rome.

The Congregation is organised into units called Provinces. A Province is a legal body and is usually defined geographically to facilitate the mission of the Congregation in national and local areas. Each Province has its own structure of governance which makes provision for a Provincial Superior, known in Great Britain as the Provincial Moderator, who together with a Provincial Leadership Team takes responsibility for the leadership and administration of the British Province.

The accounts accompanying this report are the accounts of the charitable trust on which the assets of the Congregation in Great Britain are held.

Mission

The Sisters of Notre Dame De Namur are a group of religious women whose main aim is to contribute to the advancement of the Roman Catholic religion by means of involvement in education, broadly conceived. By caring for individual members of the Congregation throughout their lives with the Congregation, the charity aims to enable and support the sisters to live out their faith and to live life to the full supported by the community of Sisters and to put that faith into practice through a wide variety of religious and other charitable works.

When setting the objectives and planning the work of the charity for the year, and when encouraging the work of individual sisters, the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

At their last General Chapter, the sisters repeated their commitment to create a more just and loving world, continuing to choose Gospel imperatives as a way of life that "calls us to recommit to actions that lead to transformation within ourselves, society, Church and our Notre Dame Congregation". The sisters are committed to fulfilling their mission by ministering to the whole of creation, to our world and to one another. Every six years the Congregation reviews its life-in-mission, sets new directions, make policies and necessary changes to existing legislation in response to changing times.

Mission (continued)

The General Chapter is the highest authority in the Congregation of the Sisters of Notre Dame de Namur. Every Province in the Congregation is represented. Our most recent General Chapter was postponed for a year because of Covid restrictions. It took place on Zoom from October to December 2021. By the end of December 2021 a new Congregational Leadership Team had been elected and a way forward for the Congregation agreed.



Every General Chapter has a theme or focus. The 2021 Chapter was entitled “Renew – Transform – Go”. The gathering of sisters from across five continents is a ‘sacred’ opportunity to be in communion with one another from North to South, East to West.

Recently the Congregation had a Mid-Chapter meeting on zoom, where the focus was on what had been life giving about the Chapter Calls and what we had found challenging about our Congregational Strategic Resource Plan. The fruits of these days will be shared in the Congregational Leadership’s Triennial Report.

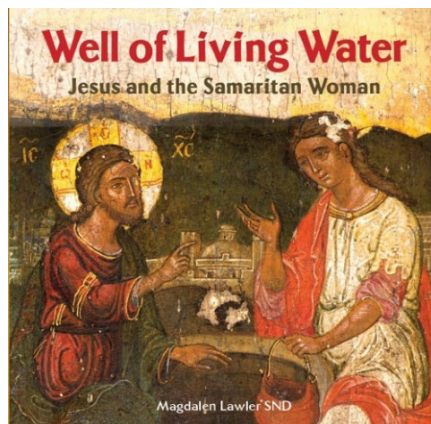
The works or ministries of the sisters of the Congregation fall into the following main areas:

◆ **Worship, prayer and spirituality**

The ‘religious’ life of the sisters is not an end in itself – it is the foundation and source of the Ministries that are undertaken by the sisters.

Members of the Congregation are given the opportunity for private worship and to continue to develop their knowledge and trust in Jesus and the Church through quiet prayer, study of the Gospel and spiritual development. In addition, members of the Congregation celebrate and pray with the wider community including people of all faiths and none. They do this through the provision of spiritual guidance, by presence and accompaniment, by availability, by listening in times of need.

Sisters are involved in the giving of retreats (times when individuals seek time away or ‘time out’ from the normal demands of life) and the celebration of the Liturgy through prayer groups and church services. Some members of the Congregation write and/ or edit books and publish their work in the area of spirituality, religious education, catechesis, ecology and interfaith.



Sister Magdalen Lawler works with groups and individuals mainly through Zoom, sometimes person to person, her health permitting. Her work includes retreats sponsored by retreat centres in N. Ireland, Wales, Yorkshire and London as well as days of quiet reflection around Britain.

Sister Magdalen is also the author of six books on the subject of Art and Spirituality. She has reviewed and republished *Pathways to God’s Goodness*, *The Spirituality of Julie Billiart*, originally published in 2001, and the publication is now being used in schools and retreat centres around the country.

Mission (continued)

◆ **Worship, prayer and spirituality** (continued)

Her most recent publication is *Well of Living Water*, published by Messenger in 2020 and re-printed by The Way Publications in 2024. It is an in-depth study of a Grecian icon, with nine chapters exploring the depth of Jesus' message to the woman of Samaria, known in the east as Photine/ Light bearer.

Sister Isabel continues to work in the area of interreligious dialogue. She writes:

"Its main focus is with the Council of Christians and Jews (CCJ). I am secretary to the West of Scotland branch of this Council and support two of their projects. One is an educational project to develop an understanding of Jane Haining in schools in Scotland. Jane is the only natural born Scot to have died in Auschwitz and she did so because of her refusal to leave her post as matron of the Church of Scotland Jewish School in Budapest. She is recognised as One of the Righteous by the Holocaust Museum, Yad Vashem, in Israel. The project focuses on the need for solidarity, harmony and understanding between people of different faiths and traditions.

The second project is a garden project run by St Clare's Catholic Primary School and Calderwood Lodge Jewish School. The two Catholic and Jewish schools share a campus, possibly the only one in the world and certainly in Europe as far as we know. The project was begun after Sister Isabel had been awarded a prize by CCJ UK for her work in developing good interfaith relations. It is an opportunity to bring children and parents from both schools together to work on a common garden. Both schools have Muslim pupils and the shared garden is another attempt to show that interfaith harmony is possible in a world torn apart by divisions.

I also work with my parish, particularly in bringing together people from the different places of worship in the west end of Glasgow. I am also a trustee and secretary to a Church of Scotland homelessness centre in the east end of Glasgow and continue to write a regular blog called interfaith journeys".

Sister Kathleen McGhee continues with her ministry: "The focus of my ministry is Pastoral Accompaniment. I accompany priests, deacons, religious sisters and lay people. It plays a supportive role in the lives of these women and men who are, in the main, holding responsible and often demanding roles in the Church. This accompaniment is also part of the initial and ongoing formation of deacons in the Liverpool Archdiocese. In addition, I accompany an apostolic group of religious women on a regular basis"

Sister Denise Dunn continues with her ministry in Cumbernauld supporting the life of her parish. This involves being a reader, offering liturgical services, days of retreat and participating in parish events. She also supports some individuals by visiting, being a driver and lastly spiritual accompaniment.

Mission (continued)

◆ **Education**

The Congregation's work of education continues through the involvement of members in teaching, educational support and administration in educational establishments. They also work with children and adults with learning disabilities, people with special needs, multiple impairments or both. Many sisters are actively engaged in religious education programmes and have pioneered programmes for families and those with special needs. Sisters who are now unable to be actively involved in this work continue to support schools, Hope University and other learning centres by attending special events and by their friendship, encouragement and prayer.

The Sisters of Notre Dame De Namur are trustees of three schools – Notre Dame Catholic Academy, Liverpool; St Julie's High School, Liverpool; and Notre Dame RC Girls School, Southwark, London.

Sister Margaret Jenkins continues in her crucial supportive role with students in Notre Dame Catholic College, Liverpool. Her focus is with those who struggle in mainstream education. She provides opportunities for students to talk about their problems in a safe environment. Her office is a haven for those who cannot cope at lunchtime in the dining room. She works alongside pupils to help them complete difficult work projects and currently she has a particular care for pupils continuing to suffer from the longstanding impacts of Covid and the lockdown. Margaret works alongside the chaplain in extending a practical outreach to the families of students. She is a listening compassionate presence to students and staff alike.

Sister Denise Dunn is involved in sport for people with a learning disability. At present she works with coaches in providing weekly training for athletes within a multi sports' club. These athletes compete in competitions around Scotland. The club is focused on training, but it also gives the athletes an opportunity to meet socially.

Over the years the governance of many secondary schools was passed from the sisters to local dioceses or local education authorities. Many have retained Notre Dame in their name. Close links continue to grow and be strengthened through the "Notre Dame Schools and Colleges Network" supported by Sister Catherine Darby:



UK NOTRE DAME NETWORK OF SCHOOLS AND COLLEGES TODAY

- ◆ Notre Dame Norwich
- ◆ Notre Dame Plymouth
- ◆ Notre Dame Southwark
- ◆ Notre Dame Sheffield

Mission (continued)

◆ **Education** (continued)

- ◆ Notre Dame Sixth Form College Leeds
- ◆ Notre Dame Catholic College Liverpool
- ◆ St Julie's High School Liverpool
- ◆ Notre Dame Glasgow
- ◆ Fernhill School Glasgow
- ◆ Our Lady and St. Patrick's High School Dumbarton.

This year's Annual Conference 2024 took place in Glasgow with Sister Margaret Walsh facilitating a session entitled, ' Learning to read Books.'

Sr Gail Taylor continues to teach on post-graduate diploma and Master courses in psychodynamic therapy and counselling with different training organisations. This supports trainees to develop their therapeutic skills and to work with people experiencing emotional distress. Gail also provides clinical supervision to both trainees and qualified therapists.

Some UK schools raise funds to support other Notre Dame schools in the Southern Hemisphere.



The trustees also support the Former head teacher of St Julie's Catholic High School and the former Acting Head of Notre Dame Catholic College, Liverpool, who have replaced the Notre Dame sisters on the University Council.

◆ **Social and pastoral work**

The charity enables and supports individual members of the Congregation in ministry and outreach work thereby furthering the message set out in the Gospel to love one another. In order to provide direct service to the materially poor, and since most sisters are of retirement age, many sisters freely give their services in diverse ministries.

Some work for social justice, in adult literacy programmes, on safeguarding boards, in hospices, with the elderly, as hospital chaplains and as ward based volunteers, prison visitors, as well as with socially deprived women and children suffering from the stress of their situation. Others serve on a vast variety of groups in their neighbourhoods, parishes and dioceses. They are to be found in some of the poorest parishes in the land. Sisters are working with refugees and asylum seekers in Liverpool and Glasgow. Sisters with training and experience in a number of disciplines give service to individuals and groups as counsellors, psychologists, facilitators and assessors. Sr Mary Kavanagh acts as a Moderator for the Faith in Action Initiative for young people.

Mission (continued)

◆ **Social and pastoral work** (continued)

In response to Laudato Si (Pope Francis Encyclical which deals with the crises in our environment), they also continue their own learning. They have also provided reflection days on the 'cry of the earth' In Edinburgh, Glasgow, Liverpool and the Southwest of England particularly in relation to the environment and the climate crisis. Our involvement in education of ourselves and others remains a strong impetus to witness to the Gospel imperative to care for creation.

Sister Mary Isabel Kilpatrick who has spent more than 20 years working in Peru and Nicaragua writes:

“At this stage of our lives (average age in our province is 84) our contribution to wider society is on a spiritual level. Our mission has to do with believing in goodness in people and in creation. The way I can do this now is by maintaining contact with a network of friends and former colleagues at home and abroad to encourage one another in our belief in the value of goodness in a world where this is not always the case. In relation to our mission to care for creation I try to find ways to maintain contact with the international network of people working to educate about climate justice and to do what is possible in small ways to reduce our carbon footprint.”

Sister Gail Taylor is a chartered psychologist and adult psychoanalyst. The intensive training in psychoanalysis, a talking therapy, becomes effective through the development of a professional trusting relationship between a person and their analyst. This makes it possible for someone to use the therapeutic relationship with the analyst to explore and work together on what is most troubling. Such insight can help bring change in behaviours and personality and in the severity of symptoms and thus enable people to more fully live their life.

Caring for Survivors of abuse

Sister Agnes Szraga gives support to groups and individual survivors of in-care childhood abuse. She does so through listening, advising on current related legislation and informing them of where to seek assistance.

Sister Elizabeth Brady has recently become a member of the Scottish Children's Panel which makes important legal decisions for the children who attend – keeping their views at the heart of every legal hearing.

Social deprivation

Sister Maureen McGuigan works with a local credit union in a deprived area. She keeps in touch with families through offering telephone support, thus enabling people to access funding and avoid debt.

Sister Catherine Mulligan, as a member of the parish SVDP, visits vulnerable families and individuals. She helps decide on distribution of funds to the disadvantaged e.g. needy families in local schools.

As a member of her local Parish Council she assists in deliberations to promote the welfare of the parish community.

Mission (continued)

◆ **Social and pastoral work** (continued)

Our Canon Lawyers

Sister Rachel Harrington, who lives in London and **Sister Ishbel Macpherson**, who lives in Glasgow, have doctorates in Canon Law. They remain two of the very few women who are fully qualified canonists.

Both Rachel and Ishbel fulfil the role of Judge in a number of diocesan and regional tribunals in England, Wales and Northern Ireland. Rachel serves on an Inter-Diocesan Tribunal which serves seven dioceses in Ireland. Much of their work can be done from home.

◆ **Overseas: Mission and development**

The British Province assists in the education and formation processes for our sisters in Africa and South America in a variety of ways. It helps support sisters working in the world's poorest countries and with the most disadvantaged people – for example in Democratic Republic of Congo, Nigeria, Peru, Kenya, South Africa and Zimbabwe.

Two sisters from Britain still work in Nigeria giving service in healthcare and educational programmes, the promotion of justice and peace and the empowerment of the poor. Other sisters fundraise for overseas development work by making Birthday, Christmas and All Occasion cards, making jewellery and knitting blankets. Many sisters also keep in touch with the younger generation of sisters in other parts of the world letter-writing. This is found to be a valued means of sharing experience, and encouragement.

◆ **Other responsibilities: Archives**

One of the duties of the Provincial Administration is to ensure that the archives are kept safely and that they are up to date.

The Sisters of Notre Dame were founded in the year 1804 and first came to England in 1845. The archives, therefore, cover the hundred years since the foundation of the British Province in 1920 and also include a large collection of documents relating to the life and work of the sisters who ministered in England and Scotland from 1845. The work of the archives has been entrusted to a team of sisters who receive and catalogue documents and respond to enquiries about the life and work of the sisters. These mainly come from research projects and family members.

Activities, specific objectives and relevant policies

◆ Activities and specific objectives

"Through our developing understanding of 'Mission' we search anew in each time and place for ways to spread the Gospel and to take our stand with the poor of the earth. According to our tradition we value education as fundamental" *SND Constitutions*.

Caring for members of the Congregation

As well as reaching out to the poor and needy, we care for the individual members of our Province by enabling and supporting them in living out their vocation and putting it into practice through a wide variety of educational, social, pastoral and religious works.

The Sisters of Notre Dame De Namur are committed to the care of their aged, sick and infirm sisters. In Britain all of the sisters are over 60 years of age; with one sister in her 100's, twenty-two in their 90s; fifty-three in their 80s; seventeen in their 70s; and five in their 60s. The sisters aim to keep the elderly as active and independent as possible for as long as possible and provide care which enhances life. Facilities are provided in two communities to meet the differing needs of an ageing group.

It is of particular importance that a high standard of care is maintained. To ensure this the sisters employ lay managers who manage the staff, update their training and take responsibility for maintenance of the buildings. In this way, the sisters can be confident as employers that staffing legislation, health and safety requirements and general good practice are all in place. An extensive programme of staff training using external agencies has been provided over the past years. The training is largely continued and updated 'in house' with external support when required. There is also in place an on-going programme of staff training. We currently employ 104 members of staff.

◆ Relevant policies

Grants and donations policy

Whilst the trustees agree to support organisations whose work is within the objects of the charity, the charity does not regard itself as a grant making entity and applications for grants and donations are not invited.

Investment policy

Under the Trust Deed of the charity, the trustees may invest the charity's money, according to the law for the time being in force. The stockbrokers J M Finn and Co Limited offer their advice after taking account of the charity's ethical policy. The trustees, on the advice of the professional and lay advisers, review the policy annually. Catholic Social Teaching informs our investment policy. It also enhances the development of the charity and the achievement of its objectives. The requirements of the Charities Act, to seek out the best possible returns within acceptable levels of risk, are fulfilled. To achieve this we maintain a diversified investment portfolio.

Activities, specific objectives and relevant policies (continued)

◆ Relevant policies (continued)

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data; it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

Looking to the future

◆ Caring for members of the Congregation

In common with many religious congregations in Britain, the age profile of the members of the Province is increasing as existing members grow older and the number of new vocations decreases. At present the average age is 84.

The Province has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted a significant part of their lives to the work of education of the poor and marginalised in society. As the age profile of the Province increases so too does the need to provide care for the sisters. At present 56 members of the Province are in need of varying levels of nursing care (2023 – 61). When hospitalisation is required, stays are kept to a minimum and sisters convalesce in one of the two large communities as they are able to give the care and support necessary.

Over the next decade, the trustees expect the proportion of sisters requiring care to continue to increase. As a consequence, the trustees are giving careful consideration to the impact of this on the work of individual members of the Province, the property requirements of the Province and the financial implications.

Achievements and performances

◆ Social and pastoral work

Whilst only 2 (2023 – 2) sisters are now in paid employment, the majority of able sisters perform some sort of voluntary, charitable or pastoral work

Of the 104 staff employed by the Sisters of Notre Dame, most have vocational qualifications ranging from BTEC to the Registered Manager qualification. Staff members are well trained to take on additional responsibility either within our houses or within the wider community.

Achievements and performances (continued)

◆ **Social and pastoral work** (continued)

SPRED

The SPRED Religious Education program supported individuals with learning difficulties and volunteers during the year and the charity continues to expand and develop. There are groups serving parishes throughout Glasgow, Paisley and Motherwell where young people and adults with disability become full, active members of their parish community. The work was pioneered by two Sisters of Notre Dame and one continues to take an active part in this work.

◆ **Education**

Every year sisters organise a residential conference for Notre Dame schools and colleges at which staff from the three schools for which we are still trustees gather with staff from the seven former Notre Dame schools and colleges to share experience and practice. An appropriate speaker is invited to introduce the key theme at each conference. It is greatly welcomed as a valuable resource at a challenging time for schools.

Financial review

Results for the year

A summary of the year's results can be found on page 27 of this report and accounts.

During 2024 total income amounted to £3,896,641 (2023: £4,550,561). £2,773,204 (2023: £3,762,992) was received by way of donations and legacies. This figure includes salaries and pensions of the sisters amounting to £2,674,515 (2023: £2,703,676) covenanted to the charity and legacy income of £84,840 (2023: £51,418). The 2023 figure includes £1,000,000 being the conversion, into a gift, of a loan advanced by the Generalate of the Congregation as explained in note 1 to the attached accounts. Investment income and interest receivable totalled £238,657 (2023: £239,069).

The surplus on the disposal of tangible fixed assets totalled £881,572 compared to £542,065 in 2023. Further details are given in note 3 to the attached accounts.

Expenditure totalled £4,187,040 compared to £4,239,411 in 2023 with staff costs, continuing to represent a significant proportion of this and amounting to £1,936,552 (2023: £1,731,236).

Expenditure incurred on maintaining the members of the Province and supporting them in their pastoral work and ministry (excluding staff costs) amounted to £2,172,300 (2023 £2,152,407).

Last year, specific expenditure in relation to potential property disposals included an impairment provision of £215,500 made to reduce the value of one of the charity's properties as the market value of the property was considered to be less than its realisable value. Further details of the impairment are given in note 6 to the attached accounts. The property was sold during the year. £197,811 (2023: £220,922) has been expended on maintaining and securing the property while it was empty.

Financial review (continued)

Results for the year (continued)

Expenditure on raising funds was £39,180 (2023: £39,294) and included fees paid to the charity's stockbrokers of £24,474 (2023: £26,886).

Net expenditure for the year before investment gains, therefore, was £290,399 (2023: net income before investment losses of £311,150). Investment gains amounted to £374,829 (2023: losses of £312,913). Hence, there was a net increase in funds for the year of £84,430 (2023: a decrease of £1,763).

Investment performance

The stockbrokers continue to be guided by the trustees' investment policy set out earlier in this report and comply with the ethical guidelines given to them.

During the year the value of the portfolio increased but fell slightly short of the target of 10% growth. The income rate of return was also slightly short of the target of 3%. The trustees consider this reasonable at the current time and that the investment performance is in line with our benchmarks. Because of the relatively modest size of the portfolio, any variation away from that target has only a marginal effect on the viability of the charity. The charity's brokers are instructed to conduct the portfolio in a medium risk manner.

The trustees will continue to review performance but, given that they view their investments as being for the long term, they remain confident that the policy adopted is appropriate for the charity.

Reserves policy and financial position

Reserves policy

The reader will discern from the foregoing that the charity carries out a diverse range of activities and is responsible for care and support of sisters whose average age is increasing and whose needs are changing. The trustees recognise the need to provide adequately for the maintenance of the sisters in their retirement.

Total restricted funds held at the end of the year are £10,608 (2023: £12,465). With the exception of these small restricted funds, all of the charity's assets are held as unrestricted funds.

Those unrestricted funds represented by tangible fixed assets are shown as a separate tangible fixed assets fund in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

Similarly, those properties held as programme related investments are held within a separate designated.. It is the intention of the trustees that where such assets are held for charitable purposes rather than for their future economic benefits, such as the generation of rental income or disposal, then they should continue to be used for these purposes for as long as needed and as such their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

Financial review (continued)

Reserves policy and financial position (continued)

Reserves policy (continued)

The trustees have examined the need for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work and its commitments and the sources of its cash flows, the level of free reserves should be equal to at least six months' expenditure. The current level of reserves reaches this target.

The trustees endeavour to build on the rationalisation that has taken place over the last couple of years to improve liquidity and build sufficient reserves to sustain the care of the elderly sisters to the end of their lives in the face of diminishing incomes and increasingly costly care needs.

The trustees have established a sisters' retirement fund to provide for the future costs of providing nursing care to elderly sisters who have dedicated their working lives to the charity. The amount currently designated is restricted to the funds available to the charity. No further sums were allocated during the year but further sums will be designated as they become available.

The trustees review their reserves policy annually.

Financial position

The balance sheet shows total reserves of £24.3 million (2023: £24.2 million). Of this, £15.0 million (2023: £17.1 million) is represented by the net book value of properties and other tangible fixed assets essential for the support and work of the sisters whilst £ 1 million (2023: £1 million) comprises funds represented by properties classified as programme related investments, net of their associated provisions.

The sisters' retirement fund amounts to £4.75 million (2023: £4.75 million), and is represented by investments and net current assets. In the context of the total sum that will be needed in future years to provide for the sisters as they grow older, this amount is not large enough. However, it is hoped that further sums can be designated in future years as they become available following property disposals.

Funds available to support the work of the sisters in the future, in particular the support of the Province's ministry and its development and charitable work overseas, are shown as general funds on the balance sheet and amount to £3.6 million (2023: £1.4 million). This figure needs to be considered in the light of annual expenditure of approximately £4 million, the increasing age profile of the sisters and the need for the charity to continue to support the work of the Congregation, both in this country and overseas. The sisters are also aware of the importance to the charity of the investment assets and the income generated therefrom. Given the continuing economic uncertainty, there is a real need to retain monies to enable the long term financial stability of the charity. As noted above, the trustees believe that the charity's free reserves are adequate, at the current time. As noted elsewhere in the trustees' report the trustees are developing plans to dispose of properties surplus to their needs to generate funds to meet the charity's ongoing financial needs.

Tax exemptions etc.

The beneficiaries of the work of the charity have the assurance that all of the income of the charity must be applied for charitable purposes in furtherance of the charity's object of furthering the Roman Catholic faith. The charity enjoys tax exemption on income from its activities and on its investment income and gains provided these are applied for its charitable aims. As a charity, it is also entitled to a reduction of 80% on business rates on the property it occupies for its charitable purposes, and a 50% reduction in Council Tax for its properties that are occupied by members of the Congregation. The financial benefits received as a result of these exemptions are all applied for the purposes of furthering the Roman Catholic faith by enabling and supporting the sisters to live out their vocation and to put it into practice through a wide variety of religious and other charitable works.

The nature of the charity's activities means that it is unable to reclaim VAT input tax on its costs as it is exempt for VAT purposes. The charity also pays tax as an employer through the national insurance contributions it makes.

Future plans

The charity is working with the Congregation to update its strategy to continue the mission of the Sisters of Notre Dame de Namur in all of the global areas in which it operates whilst balancing this against the need to care for the increasingly elderly sisters who have sustained this mission in years gone by. The strategy will determine where resources are targeted. The sisters are working to maximise those resources by seeking to obtain the optimum efficiencies in their operational costs and care provision. The trustees continue to review the use of their assets in the light of future needs.

Governance, structure and management

Governance

In terms of Canon law, the Congregation is governed at an international level by the General Moderator and her Congregational Leadership Team. They are elected every six years at a General Chapter which is a meeting of representatives of all provinces of the Congregation. The British Province is governed by the Provincial Moderator and her Provincial Leadership Team, who are elected by members of the Province in accordance with the Province's Government Plan. Appointments to the Provincial Leadership Team are ratified canonically by the Congregational Leadership Team.

The Congregational Leadership Team is accountable to the General Chapter which is the Supreme Legislative Authority in the Congregation. The most recent General Chapter took place in 2021.

In terms of Civil law, the British Province of the Congregation is an unincorporated body registered under the Charities Act, Charity Registration Number 232411, and governed by a Trust Deed dated 31 December 1953. The charity is also registered in Scotland with the Charity Registration Number SC038746.

Governance, structure and management (continued)

Governance (continued)

The members of the Provincial Leadership Team as well as Sr Margaret Walsh, are also the trustees and the directors of the corporate trustee, The Notre Dame Trustee Co Limited, which is registered as a trust corporation.

The members of the Provincial Leadership Team are chosen for their personal qualities, their understanding and experience of the ministries of the sisters throughout Britain and their ability to work with and lead the sisters of the Province.

As all trustees are members of the Congregation they have a detailed knowledge of the work of the charity and of its structure. On being appointed, new trustees are required to spend at least one full day with those trustees leaving office. They also meet with the Congregation's legal, accounting, investment and property advisers to obtain a full briefing of their responsibilities and the charity's position.

All trustees are members of the Congregation and as such their living and personal costs are borne by the charity. However, they receive no remuneration or expenses for their services as trustees.

The present trustees were appointed or reappointed in August 2024. On appointment as trustees, the sisters participate in a detailed induction programme which is devised as part of the handover process and involves lay managers, consultants and professional advisers so as to explain their duties as trustees.

Trustees are encouraged to attend various relevant training sessions where appropriate such as: Conference of Religious conferences; safeguarding conferences; finance workshops; spiritual and theological development courses; and ICT training.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts and brief biographical details on each of the trustees in office is given below:

Sister Gail Taylor

Sister Gail Taylor was appointed as a trustee in August 2024. She has worked in secondary education including with vulnerable adolescents in the care system. After teaching Gail trained in psychology, qualifying as an educational psychologist working both in local authority in London and for several years at the Notre Dame Clinic, Glasgow, where she was clinical manager. The Notre Dame Clinic worked therapeutically with the most vulnerable families, continuing the work of Sr Marie Hilda who established the clinic in 1931.

Furthering her therapeutic training she trained as an adult psychoanalytic psychotherapist and then as an adult psychoanalyst. She has been involved in the training of psychoanalytic psychotherapists and other training courses. She also serves as a trustee in two charities who support the advancement of psychoanalytic thinking in Scotland.

Governance, structure and management (continued)

Governance (continued)

Sister Catherine Darby

Sister Catherine Darby was reappointed as a trustee and appointed as Provincial Moderator in August 2024. She has served on three previous teams from 2021 to 2024, 1999 to 2004 and from 2004 to 2009. Catherine's professional background is in education: her experience ranges from teaching in primary schools in Lancashire and London, ten years as adviser for primary schools in the Shrewsbury Diocese and her most recent ministry is in parish and adult faith formation. This latter ministry led to her being one of the two UK coordinators to initiate and liaise with the Institute of Pastoral Studies, Loyola University, Chicago and the northern dioceses a Certificate in Pastoral Ministry. She was also a collaborator in establishing an inter-diocesan certificate for a Diploma for Pastoral Leadership in Pastoral Ministry. Catherine was asked to be a member of the group setting up a pilot project for the formation of lay pastoral associates in the Liverpool Archdiocese.

Sister Margaret Walsh

Sister Margaret Walsh was reappointed as a Trustee in August 2024. She served on the previous leadership team from 2021 to 2024. She has worked in both secondary and higher education. After teaching in secondary schools she moved into an advisory service for adult theological education. As an advisor she worked with teachers, clergy and laypeople. Later she was appointed to be the director of an ecumenical college where she taught degree courses for Manchester University to students who were preparing for ministry in the various Christian denominations. This work included working with leaders in the local Muslim community. After retiring from full-time teaching she served as chair of governors at St Julie's Catholic High School, Liverpool. She also worked with the Sisters of Notre Dame as co-ordinator of their International Heritage Centre in Namur, Belgium.

Sister Elizabeth Brady

Sister Elizabeth Brady was reappointed as a trustee in August 2024. She served on two previous teams from 15 August 2014 to 15 August 2021, and subsequently appointed to the last team on 10 March 2022. She has worked in the field of primary education in both Scotland and England. She worked for 12 years in Liverpool first as Deputy Head Teacher and then Head Teacher for nine years in Saint Matthew's Junior School. She then returned to Scotland and was Head Teacher in St Michael's Primary School, West Dunbartonshire for 13 years. After qualifying as a play therapist she spent three years at the Notre Dame Centre in Glasgow. More recently she has worked as a panel member with Children's Hearings Scotland.

Key management personnel

The trustees consider that they are the key management personnel of the charity responsible for directing and controlling the charity and running and operating the charity on a day to day basis. In this, they are advised and supported by the Business Manager and the Finance Manager who implement the trustees' decisions, as outlined below.

Governance, structure and management (continued)

Key management personnel (continued)

The pay of the Business Manager and the Finance Manager is reviewed annually by the trustees and normally increased in line with inflation. Consideration is given also to any changes in roles or responsibilities and pay is benchmarked against similar roles to ensure that it is in line with market rates and is fair.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review developments with regard to the charity or its activities and make any important decisions. They are assisted in this task by the Business Manager and the Finance Manager who deal with finance, resources and secretarial matters. The lay managers provide a link between successive Provincial Leadership Teams but possess no executive authority. They, together with external advisers, advise the trustees as to their legal and fiscal responsibilities and duties and provide training in these matters.

When necessary, the trustees seek advice and support from the charity's professional advisers including property consultants, investment brokers, solicitors and accountants.

The Provincial Moderator or a member of the Provincial Team is required to visit each sister regularly and throughout the year there is a system of accountability operational throughout the Province to ensure that the General Moderator and her Congregational Leadership Team are aware of the progress and development of the ministries carried out by the sisters of the Province. A visit by the General Moderator and Congregational Leadership Team is usually made to the British Province at least once every six years, but due to Covid this pattern has been disrupted. The most recent visit took place in September and October 2016 and it is expected that the next formal visit will take place within the next four years.

The sisters are housed in a variety of communities and residences throughout Britain. Currently these are: two large communities with care provision; two communities of two sisters; and 37 residences of individual sisters.

The two large communities are administered by local Moderators and they are assisted in this task by lay managers. In view of the age profile of our sisters we are exploring other models of pastoral care and management for the future.

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and accounts 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 and in Scotland requires the trustees to prepare accounts 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 year.

Governance, structure and management (continued)

Statement of trustees' responsibilities (continued)

In preparing accounts giving a true and fair view, the trustees are required to:

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

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 accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's constitution. 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.

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 faces and have reviewed the measures already in place, or needing to be put in place, to deal with them.

Trustees and senior management are responsible for overseeing the risk assessment each year, focusing on internal and external risk factors.

The five areas identified for particular attention within our risk management strategy are:

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

Governance, structure and management (continued)

Risk management (continued)

Governance and management looks at the risk of the Congregation, and hence the charity, suffering from a lack of direction, at the skills and training of its members and staff, and the good use of its resources. The main risk in this area is the diminishing numbers of sisters. The trustees are working with the rest of the Congregation on a strategy for the future that addresses this reality practically and financially.

Operational looks at the risks inherent in the charity's activities. These include:

- ◆ adequate insurance for our properties and regular evaluation of those properties;
- ◆ the provision of anti-virus software to protect our computing systems;
- ◆ regular fire inspections and renewal of firefighting equipment;
- ◆ mandatory training for staff in our nursing and care facilities in administration of medicines and safe manual handling, etc.

Challenges remain in making sure there are sufficient staff to give the care that is needed as the age profile of the sisters increases. As ever the trustees are grateful for the loyalty and professionalism of our colleagues who have worked incredibly hard in difficult circumstances. Measures are in place to protect out most vulnerable sisters in the event of energy shortages.

Financial risks include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies, etc. The main source of income of the charity is donations of sisters' pensions and salaries which have not been affected by the current crisis. There have been increases in costs, with wage pressure linked to staff shortages continuing to be a particular issue. The main concern is the macroeconomic and geopolitical climate and the impact on the property market in particular. The charity is dependent on property sales to support future activities.

With the Congregation we are involved in a strategic review to ensure our financial viability in the future and, as outlined in the accounts, they have provided funds to facilitate this.

The charity's assets comprise listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed with the help of reputable stockbrokers adhering to a policy agreed by the trustees. The trustees meet regularly with the stockbrokers and the performance of the portfolio is monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future.

We maintain communications with our investment managers and, whilst there are concerns over stability, we are long term investors, and trust we will continue to benefit from the portfolio in future.

Governance, structure and management (continued)

Risk management (continued)

Reputational looks at possible damage to the Congregation's, and hence the charity's, reputation.

The charity is working with the Conferences of Religious in England and Scotland to support their work on safeguarding issues and to ensure that the charity can fully co-operate in any enquiry, should it be required to. The care of the sisters is undertaken with reference to the charity's Child Protection and Vulnerable Adults policy under the guidance of the Province Protection Officers who are responsible for guiding, reporting and ensuring that the best practice in the care of all of the sisters is adhered to at all times.

Laws, regulations, external and environment looks at the effects of government policies, the consequences of non-compliance with laws and regulations and poor risk assessment in the charity's care facilities and elsewhere.

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.

Employees and members of the Congregation

The trustees wish to record their recognition of the professionalism and commitment of all their staff and the individual members of the Congregation. Their dedication and positive approach are very much appreciated.

Approved by the trustees and signed on their behalf by:



Trustee

Approved by the trustees on: 29.05.25

Independent auditor's report to the trustees of The Sisters of Notre Dame De Namur

Opinion

We have audited the accounts of The Sisters of Notre Dame De Namur (the 'charity') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 August 2024 and of its incoming resources and application of resources for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005. and regulation 8 of the Charities Accounts (Scotland) Regulations 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts 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 other information comprises the information included in the annual report, including the trustees' report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts 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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 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 accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

We have been appointed as auditor under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with those Acts and relevant regulations made or having effect thereunder.

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

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:

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of the trustees and the review of minutes of meetings of the trustees.

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud (continued)

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ Making enquiries of the trustees as to where they considered there was susceptibility to fraud and their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Carried out substantive testing of expenditure including the authorisation thereof;
- ◆ Gained an understanding of the processes in place for the management of the charity's investments and confirmed the validity of investment movements; and
- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Reviewing the minutes of meetings of trustees;
- ◆ Enquiring of management as to actual and potential litigation and claims; and
- ◆ Agreeing accounts disclosures to underlying supporting documentation.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Independent auditor's report Year to 31 August 2024

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, and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott Audit LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

29 August 2025

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

Statement of financial activities Year to 31 August 2024

	Notes	Total funds	
		2024 £	2023 (restated) £
Income from:			
Donations and legacies	1	2,773,204	3,762,992
Investments and interest receivable	2	238,657	239,069
Charitable activities			
. Book royalties		3,165	149
. Other		43	6,286
Other sources			
. Surplus on disposal of tangible fixed assets	3	881,572	542,065
Total income		3,896,641	4,550,561
Expenditure on:			
Raising funds	4	39,180	39,294
Charitable activities			
. Support of members of the Congregation and their ministry	5	3,878,726	3,674,790
. Specific expenditure in relation to potential property disposals	6	197,811	436,422
. Programme related investments	7	61,606	81,170
. Grants and donations	8	9,717	7,735
Total expenditure		4,187,040	4,239,411
Net (expenditure) income before investment gain		(290,399)	311,150
Net profit (losses) on the revaluation and disposal of listed investments	15	374,829	(312,913)
Net income (expenditure) and net movement in funds		84,430	(1,763)
Reconciliation of funds:			
Fund balances brought forward at 1 September 2023		24,237,798	24,239,561
Fund balances carried forward at 31 August 2024		24,322,228	24,237,798

All recognised gains and losses are included in the above statement of financial activities.

All of the charity's activities derived from continuing operations during the above two financial periods.

With the exception of the following amounts, all income and expenditure for the above two financial periods related to the unrestricted funds:

	2024 £	2023 £
Restricted income		
Donations and legacies	12,756	9,011
Restricted expenditure	14,613	6,029

All fund balances were unrestricted at the year end with the exception of £10,608 (2023 – £12,465) as disclosed in note 16 to the accounts.

Balance sheet 31 August 2024

	Notes	2024 £	2024 £	2023 £	2023 (restated) £
Fixed assets					
Tangible assets	14		14,957,687		17,090,164
Investments					
. Listed investments	15		4,693,607		4,341,738
. Programme related investments	16		2,643,674		2,643,674
			22,294,968		24,075,576
Current assets					
Debtors	17	132,020		396,088	
Cash at bank and in hand		4,209,879		2,217,242	
		4,341,899		2,613,330	
Liabilities					
Creditors: amounts falling due within one year	18	(670,965)		(807,434)	
Net current assets			3,670,934		1,805,896
Total assets less current liabilities			25,965,902		25,881,472
Provisions	19		(1,643,674)		(1,643,674)
Total net assets			24,322,228		24,237,798
The funds of the charity:					
Funds and reserves					
Restricted funds	20		10,608		12,465
Unrestricted funds					
. Tangible fixed assets fund	21	14,957,687		17,090,164	
. Programme related investment fund	22	1,000,000		1,000,000	
. Designated funds	23	4,750,000		4,750,000	
. General fund		3,603,933		1,385,169	
			24,311,620		24,225,333
			24,322,228		24,237,798

Approved by the trustees
and signed on their behalf by:

CMDarby

Trustee 29.05.25

Approved on:

Statement of cash flows Year to 31 August 2024

	Notes	2024 £	2023 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(957,088)	(892,195)
Cash flows from investing activities:			
Investment income and interest received		228,771	231,985
Proceeds from the disposal of tangible fixed assets		4,045,059	1,482,970
Purchase of tangible fixed assets		(1,290,507)	(1,311,507)
Payments in respect of forthcoming property disposals		(56,559)	(59,246)
Proceeds from the disposal of listed investments		146,242	1,343,509
Purchase of listed investments		(126,433)	(321,150)
Net cash provided by investing activities		2,946,573	1,366,561
Change in cash and cash equivalents in the year		1,989,485	474,366
Cash and cash equivalents at 1 September 2023	B	2,223,760	1,749,394
Cash and cash equivalents at 31 August 2024	B	4,213,245	2,223,760

Notes to the statement of cash flows for the year to 31 August 2024

A Reconciliation of net movement in funds to net cash used in operating activities

	2024 £	2023 (restated) £
Net movement in funds (as per the statement of financial activities)	84,430	(1,763)
Adjustments for:		
Depreciation	259,497	235,479
Impairment of tangible fixed assets	—	215,500
(Gains) losses on investments	(374,829)	312,913
Non-cash movement – conversion of loan to a donation (note 1)	—	(1,000,000)
Investment income and interest receivable	(238,657)	(239,069)
Surplus on disposal of tangible fixed assets	(881,572)	(542,065)
Decrease in debtors	330,513	136,148
Decrease in creditors	(136,470)	(9,338)
Net cash used in operating activities	(957,088)	(892,195)

B Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	Non-cash movements £	At 31 August 2024 £
Cash at bank and in hand	2,217,242	1,992,637	—	4,209,879
Cash held by stockbrokers for re-investment	6,518	(3,152)	—	3,366
Totals	2,223,760	1,989,485	—	4,213,245

Statement of cash flows Year to 31 August 2024

C Reconciliation of net cash flow to movement in net debt

	2024	2023
	£	£
Increase in cash	1,989,485	474,366
Changes in net debt arising from non-cash flows	—	1,000,000
Movement in net debt in year	1,989,485	1,474,366
Net cash (debt) at 1 September 2023	2,223,760	749,394
Net cash (debt) at 31 August 2024	4,213,245	2,223,760

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

Basis of preparation

These accounts have been prepared for the year to 31 August 2024 with comparative information given in respect to the year to 31 August 2023.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with 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 (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and applicable Charities Accounts (Scotland) Regulations.

The charity constitutes a public benefit entity as defined by FRS 102.

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

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates.

The items in the accounts where such judgements and estimates have been made include:

- ◆ estimating the useful economic lives of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ determining the size of the sisters' retirement fund, in order to provide for the continuing care of the members;
- ◆ assessing the value of land and buildings held by the charity as programme related investments, including whether certain assets should be held at £nil value;
- ◆ the determination of any impairment charge in respect to tangible fixed assets.

Assessment of going concern

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

Assessment of going concern (continued)

The trustees recognise that current global uncertainty, difficulties in recruiting suitable staff, and increasing employment costs may lead to increases in expenditure and liquidity problems relating to the value of, or ability to sell, property. However, the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 August 2025, the most significant areas that affect the carrying value of the assets held by the charity are the performance of the investment and property markets (see the investment policy and the risk management sections of the trustees' report for more information).

The trustees have considered the impact of these issues on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Prior period adjustments

The opening fund balances and comparative position has been restated. A reconciliation to the balances as stated in these financial statements to the figures previously reported is presented in note 31.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount can be measured reliably, and it is probable that the income will be received.

Income comprises donations and legacies; investment income from listed investments and programme related investments; interest receivable; income from charitable activities; the surplus on disposal of tangible fixed assets and miscellaneous income.

Donations, including salaries and pensions of individual religious received under Gift Aid or deed of covenant, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Income recognition (continued)

Income from listed investments is recognised once the dividend has been declared and notification has been received of the dividend due. Income from programme related investments comprises rental income from properties used by voluntary aided schools and other registered charities for purposes consistent with the objects of the Institute of the Sisters of Notre Dame De Namur British Province, and is recognised when due under the lease arrangements with the entities. Income from all investments is accounted for only when the receipt of such income is probable, and the amount can be measured reliably.

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.

Income from charitable activities comprises income in respect to book royalties; income from the sale of calendars and other sundry income. Income in respect to book royalties is recognised on an accruals basis.

A surplus on the disposal of tangible fixed assets or on the disposal of programme related investments is defined as the difference between the sale proceeds and the net book value of the asset at the time of disposal, after deducting any costs associated with the disposal. Where legal completion takes place subsequent to the year end but an exchange of contracts has taken place prior to the year end, any surplus on disposal is accounted for in the year of exchange unless completion was conditional on certain acts being carried out by the charity between the year end and completion.

Miscellaneous income is measured at fair value and accounted for on an accruals basis.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses are allocated to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes stockbrokers' fees and an allocation of support costs as outlined in note 9.
- ◆ 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 include:
 - ◇ Expenditure on the support of members of the Congregation and their ministry. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty and supporting the other charitable activities of members of the Congregation.

Expenditure recognition (continued)

- ◇ Specific expenditure in relation to potential property disposals including any necessary impairment against the carrying amount of such property, security costs, maintenance costs and other costs associated with the empty property.
- ◇ Expenditure on programme related investments includes any rent payable on leasehold assets.
- ◇ Grants and donations to support the Congregation's own work overseas and to support other charitable organisations with objectives consistent with those of the charity.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

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

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Governance costs are apportioned using percentages based on the proportion of time spent on the activities of the charity.

The majority of expenditure on support and governance is allocated to the charitable activities of care of members of the Congregation and enabling their ministry, with a small proportion allocated to expenditure on raising funds.

Tangible fixed assets

All items of furniture and equipment or groups of such assets costing more than £5,000 and with an expected useful life exceeding one year are capitalised. Computers are capitalised regardless of cost.

◆ *Freehold land and buildings*

Freehold land and buildings acquired prior to 1 September 2014 are included in the accounts based on a valuation as at 31 August 2014. This valuation has been deemed to be cost under the transitional arrangements set out in FRS 102. Additions following that date are accounted for at cost.

Non-specialised buildings are those designed as, and used wholly or mainly for, private residential accommodation. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, to confirm that their residual value is not materially less than their book value. When this is deemed to be the case, an impairment provision is made.

Tangible fixed assets (continued)

- ◆ *Freehold land and buildings (continued)*
Specialised buildings comprise large residential convents. Depreciation is provided at 2% per annum on a straight-line basis in order to write off the buildings over their estimated useful economic life to the charity.
- ◆ *Improvements to property*
Expenditure on improvements to property is capitalised and depreciated over a 20 year period on a straight line basis.
- ◆ *Furniture and equipment*
Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a three or fifteen year period on a straight line basis for computers and fixtures and fittings respectively.
- ◆ *Motor vehicles*
Motor vehicles are capitalised and depreciated over a four-year period, on a straight line basis, in order to write off the cost of each vehicle over its estimated useful life.

An impairment review in respect to a particular class of asset is carried out if events, or changes in circumstances, indicate that the carrying amount of any tangible fixed asset may not be recoverable.

Fixed asset investments

- ◆ *Listed investments*
Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if 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 investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Fixed asset investments (continued)

◆ *Programme related investments*

Programme related investments include land buildings owned by the charity but used by other organisations for purposes consistent with the charity's objectives. The original cost of the buildings classified as programme related investments is not known and the trustees consider that no meaningful value can be attributed to those assets which are used primarily for charitable purposes since they are not used directly by the charity, are not used to generate income and cannot easily be disposed of in the open market value or put to alternative use while such occupation, which may be indefinite, continues. Such buildings are therefore valued at £nil in the accounts.

The land elements of these assets which could be separated and sold on the open market are held at their market value when there is both an intention to dispose of the land and a reliable estimate of its fair value can be made.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Contingent liabilities

A contingent liability arises from a past event that gives the charity a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the charity. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the balance sheet but are disclosed in the notes to the financial statements.

Fund accounting

The reserves are used to fulfil the charity's missions. The reserves policy is set out in the trustees' report.

Fund accounting (continued)

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

The tangible fixed assets fund represents the net book value of those tangible fixed assets used for the support of the sisters and their ministry. A decision was made to separate this fund from the general fund in recognition of the fact that the assets are used in the day to day work of the charity, and the fund value would not be realisable easily if needed to meet future contingencies.

The programme related investments fund represents the value of the charity's programme related investments, net of associated provisions. These investments comprise land and buildings owned by the charity but used by other charitable and not-for-profit organisations with objectives consistent with those of the charity. It is the intention of the trustees that such assets should continue to be used for these purposes and as such their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

The designated funds are monies or other assets set aside out of general funds and designated for specific purposes by the trustees.

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

Pension costs

In order to comply with the auto-enrolment requirements introduced by the Pensions Act 2008, the charity offers its employees membership of a defined contribution pension scheme. Contributions to the scheme are debited to the statement of financial activities in the year in which they are payable to the scheme. The assets of the scheme are held independently of the charity.

Leased assets

Rentals payable under operating leases and interest under hire purchase arrangements are taken to the statement of financial activities on a straight line basis over the lease or hire purchase term.

Foreign currencies

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

Services provided by members of the Congregation

For the purpose of these accounts, no monetary value has been placed on the care, administrative or other services provided by members of the Congregation.

1 Income from: Donations and legacies

	2024	2023
	Total	Total
	£	£
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	2,674,515	2,703,676
Legacies receivable	84,840	51,418
Loan from the Generalate of the Congregation converted to a donation (see below)	—	1,000,000
Other donations and gifts	13,849	7,898
Total funds	2,773,204	3,762,992

During the year ended 31 December 2023, a loan of £1 million advanced to the charity in prior years by the Generalate of the Congregation was forgiven and is therefore shown in the comparative figures as a donation.

2 Income from: Investments and interest receivable

	Unrestricted funds	
	Total	Total
	2024	2023
	£	£
Income from listed investments		
. UK fixed interest	17,374	13,588
. UK equities	67,180	72,929
. UK unit trusts	13,399	15,084
. Overseas unit trusts	1,937	6,184
. Overseas equities	21,475	26,919
	121,365	134,704
Interest earned on deposit accounts	55,686	23,195
Income from programme related investments		
. Rental income	61,606	81,170
Total funds	238,657	239,069

3 Income from: Other sources – Surplus on disposal of tangible fixed assets

The surplus on disposal of tangible fixed assets includes £871,731 arising from the disposal of land and buildings (2023: £542,065).

4 Expenditure on: Raising funds

	Unrestricted funds	
	Total	Total
	2024	2023
	£	£
Stockbrokers' fees	24,475	26,886
Allocated support costs (note 9)	14,705	12,408
Total funds	39,180	39,294

5 Expenditure on: Support of members of the Congregation and their ministry

	Un- restricted funds £	Restricted funds £	Total 2024 £	Un- restricted funds £	Restricted funds £	Total 2023 £
Premises	485,638	476	486,114	436,547	45	436,592
Staff costs	1,706,426	—	1,706,426	1,522,383	—	1,522,383
Sisters' living and personal expenses	1,049,460	409	1,049,869	1,161,728	525	1,162,253
Education, training and spiritual renewal	32,221	6,143	38,364	12,104	772	12,876
Depreciation	259,497	—	259,497	235,479	—	235,479
Management costs						
. Direct costs	58,949	102	59,051	69,551	85	69,636
. Support costs	279,405	—	279,405	235,571	—	235,571
Total funds	3,871,596	7,130	3,878,726	3,673,363	1,427	3,674,790

6 Specific expenditure in relation to potential property disposals

	Unrestricted funds	
	Total 2024 £	Total 2023 £
Impairment provision	—	215,500
Costs of security and running of the property (including staff costs of £15,320 (2023-£17,122))	197,811	220,922
Total funds	197,811	436,422

The contract for the sale of charity's property at Parbold, Lancashire was due to be agreed at the end of July 2021 but the buyers withdrew their offer before exchange of contracts. Impairment provisions were made in prior periods following reassessments of the realisable value of the property. The property was re-marketed and was sold during the year ended 31 August 2024.

The charity continued to incur expenditure in relation to security and other costs of maintaining the property until the sale of the property during the year.

7 Expenditure on: Programme related investments

	Unrestricted funds	
	Total 2024 £	Total 2023 £
Rent	61,606	81,170
Total funds	61,606	81,170

During the year, Notre Dame Catholic College was transferred to a multi academy trust. As part of that arrangement the charity became the owner of the freehold of the school (see note 16) and the existing 30 year lease was cancelled, resulting in the termination of rental costs to the local authority.

8 Expenditure on: Grants and donations

	Total 2024 £	Total 2023 £
Grants in support of the overseas missionary work and ministry of Institute of The Sister of Notre Dame De Namur British Province	8,648	7,135
Other grants and donations	1,069	600
Total funds	9,717	7,735

All expenditure on grants and donations related to the unrestricted fund, with the exception of Grants in support of the overseas missionary work and ministry of Institute of The Sisters of Notre Dame De Namur British Province of £7,483 (2023: £4,602).

9 Support costs

	Raising funds (note 4) £	Support of members and their ministry (note 5) £	2024 Total £	Raising funds (note 4) £	Support of members and their ministry (note 5) £	2023 Total £
Provincial administration						
. Staff costs	10,740	204,066	214,806	9,587	182,144	191,731
. Office costs	2,866	54,457	57,323	1,692	32,151	33,843
Governance costs (note 10)	1,099	20,882	21,981	1,129	21,456	22,585
	14,705	279,405	294,110	12,408	235,751	248,159

The charity allocates its support costs on a basis consistent with the use of resources.

10 Governance costs

	Total 2024 £	Total 2023 £
Professional fees	21,981	22,585

11 Net (expenditure) income before investment losses

This is stated after charging (crediting):

	Total 2024 £	Total 2023 £
Staff costs (note 12)	1,936,552	1,731,236
Auditor's remuneration		
. Statutory audit fee (including VAT) – current year	22,200	21,960
. Statutory audit fee (including VAT) – prior year	(219)	4,905
Depreciation	259,497	235,479
Operating lease charges		
. Equipment	3,234	3,234

12 Staff costs, key management personnel and trustees' remuneration

Staff costs during the year were as follows:

	Total 2024 £	Total 2023 £
Wages and salaries	1,743,421	1,522,436
Social security costs	116,734	105,529
Pension costs	27,783	25,564
	1,887,938	1,653,529
Agency staff	48,614	64,764
Redundancy costs	—	12,943
	1,936,552	1,731,236

The average number of employees during the year expressed as both full time equivalent (FTE) and average numbers, analysed by function, was:

	2024 average	2023 average	2024 FTE	2023 FTE
Central administration and support	5	4	4	4
Support of members of the congregation and their ministry	95	96	58	56
	100	100	62	60

No employee earned £60,000 per annum or more (including taxable benefits) during the year (2023: £nil).

The trustees consider that they together with the Business Manager and the Finance Manager comprise the key management personnel of the charity in charge of directing and controlling, running and operating the material charitable activities on a day-to-day basis. The total remuneration (including taxable benefits and employer's pensions contributions) of the Business Manager and the Finance Manager for the year was £117,526 (2023: £112,082).

As members of the Congregation, the trustees' living and personal expenses during the year were borne by the charity, but they received no remuneration or reimbursement of expenses in connection with their duties as trustees during the year (2023: £nil).

13 Taxation

Institute of the Sisters of Notre Dame De Namur British Province is a registered charity and, therefore, is not liable to income tax or corporation tax on income on gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

14 Tangible fixed assets

	Land and buildings		Property Improve- ments £	Furniture and equipment £	Motor vehicles £	Total £
	Non- specialised £	Specialised £				
Cost or deemed cost						
At 1 September 2023	8,490,110	11,685,006	129,702	399,731	423,832	21,128,381
Additions	923,938	—	223,656	24,652	118,261	1,290,507
Disposals	(1,780,000)	(3,000,000)	(12,452)	(159,698)	(86,104)	(5,038,254)
At 31 August 2024	<u>7,634,048</u>	<u>8,685,006</u>	<u>340,906</u>	<u>264,685</u>	<u>455,989</u>	17,380,634
At cost	2,019,048	185,006	340,906	264,685	455,989	3,265,634
At deemed cost	<u>5,615,000</u>	<u>8,500,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	14,115,000
	<u>7,634,048</u>	<u>8,685,006</u>	<u>340,906</u>	<u>264,685</u>	<u>455,989</u>	17,380,634
Depreciation and impairment						
At 1 September 2023	328,168	3,171,761	6,431	239,088	292,769	4,038,217
Depreciation charge for the year	—	173,700	15,732	17,820	52,245	259,497
On disposals	—	(1,634,000)	(467)	(159,698)	(80,602)	(1,874,767)
At 31 August 2024	<u>328,168</u>	<u>1,711,461</u>	<u>21,696</u>	<u>97,210</u>	<u>264,412</u>	2,422,947
Net book values						
At 31 August 2024	<u>7,305,880</u>	<u>6,973,545</u>	<u>319,210</u>	<u>167,475</u>	<u>191,577</u>	14,957,687
At 31 August 2023	<u>8,161,942</u>	<u>8,513,245</u>	<u>123,271</u>	<u>160,643</u>	<u>131,063</u>	17,090,164

As explained under principal accounting policies, freehold land and buildings are included in the accounts at a deemed cost based on their valuation as at 31 August 2014, with additions from 1 September 2014 accounted for at cost, less any provisions for impairment.

Many of the freehold land and buildings were acquired many years ago and precise figures for the historical cost of the properties are not available. However, it is known that the original purchase price on many of the properties was insignificant in today's terms.

Impairment

An impairment provision is included within the accounts where there are indications that the net realisable value of a property is less than its net book value. Indications that may give rise to this conclusion include:

- ◆ The post year end sale of a property results in net proceeds materially below the net book value of the property at the year-end date; and
- ◆ Advice from a selling agent indicates that the net proceeds from the disposal of a property may be materially below the net book value of a property for the foreseeable future.

In such cases an impairment provision is included in order to reduce the net book value of the relevant property to equate to its actual or estimated net sale proceeds.

15 Listed investments

	2024 £	2023 £
Listed investments		
Market value at 1 September 2023	4,335,220	5,670,492
Additions at cost	126,433	321,150
Disposals at book value (see below)	(148,299)	(1,469,681)
Net unrealised investment gains (losses)	376,886	(186,741)
Market value at 31 August 2024	<u>4,690,240</u>	4,335,220
Cash held by stockbrokers for re-investment	<u>3,367</u>	6,518
	<u>4,693,607</u>	<u>4,341,738</u>
Cost of listed investments at 31 August 2024	<u>2,964,161</u>	2,904,854

Disposals at book value included above are made up of the following:

	2024 £	2023 £
Proceeds	146,242	1,343,509
Realised losses	2,057	126,172
	<u>148,299</u>	<u>1,469,681</u>

Listed investments held at 31 August 2024 comprised the following:

	2024 £	2023 £
UK fixed interest	153,781	144,993
UK equities	2,097,518	1,915,503
UK unit trusts	801,899	761,042
Overseas equities	1,555,076	1,431,424
Overseas unit trusts	81,967	82,258
	<u>4,690,241</u>	<u>4,335,220</u>

All listed investments were dealt in on a recognised stock exchange.

16 Programme related investments

Programme related investments include certain properties not used directly by the charity but which are used by other charitable and not-for-profit organisations for purposes consistent with the charity's objectives. The Sisters of Notre Dame support the development and operation of three voluntary aided schools. No formal rental agreements are in place.

	2024 £	2023 (restated) £
Voluntary aided schools:		
at 1 September 2023 and 31 August 2024	<u>2,643,674</u>	2,643,674

16 Programme related investments (continued)

The trustees have considered the value of all three schools and consider that, other than as described below, no meaningful value can be attributed to them since they are not used directly by the charity, do not generate income and cannot be disposed of on the open market or put to alternative use while their occupation by the schools, which may be indefinite, continues.

The specific sites held relate to:

- ◆ The school in Kirkdale, Liverpool was subject to a 30-year lease with the Council which commenced in September 2013. A premium of £500,000 was paid upon commencement of the lease and rent of £81,170 per annum was payable. The charity, in turn, rented the building to the school. As previously, no formal arrangement existed between the school and the charity for the occupation of the building. The school undertook to pay a rent to the charity of £81,170 per annum.

On 1 June 2024 the school became part of a Multi-Academy Trust. On that date, as part of the conversion, the lease was surrendered and Liverpool City Council transferred freehold ownership of the land and buildings to the charity. The school buildings are now occupied under a Church Supplemental Agreement and no rent is payable.

The site is included above at £nil value (2023 - £nil).

- ◆ One school located in Woolton, Liverpool is provided rent free. As discussed in note 29 (post balance sheet events), the sale of a portion of land, which is on the site of St Julie's Catholic High School, Woolton, is under progression. This land is included above at £2,643,674 (2023 - £2,643,674) based on its fair value as assessed at each year end. The remainder of the site, including the buildings, are included at £nil value (2023 - £nil).
- ◆ One school located in Southwark, London is provided rent free. The site is included above at £nil value (2023 - £nil).

17 Debtors

	2024 £	2023 £
Prepayments in respect to forthcoming property disposals	56,559	100,774
Other prepayments and accrued income	37,131	48,922
Legacies receivable	2,000	—
Miscellaneous debtors	36,330	16,392
Proceeds receivable in relation to property disposal	—	230,000
	132,020	396,088

18 Creditors: amounts falling due within one year

	2024 £	2023 £
Monies administered by the charity on behalf of individual members of the Institute of the Sisters of Notre Dame De Namur British Province (see below)	475,612	507,916
Expense and other creditors	138,418	190,317
Deposit received for sale of property	—	50,000
Accruals and deferred income	29,071	32,512
Taxes and social security costs	27,864	26,689
	670,965	807,434

Monies administered by the charity on behalf of individual members

The monies administered by the charity on behalf of individual members of the Institute represent funds introduced by sisters. As they are repayable on demand they are included as creditors repayable within one year. However, they would be repaid only if a sister were to leave the Congregation or be paid out in accordance with her Will should she die. If a sister were to leave the Congregation, this would require a certain amount of planning. On the death of a sister, her estate would take time to be administered and settled. In both situations, therefore, the charity would have time to prepare for sufficient liquid funds to be made available.

19 Provision

	2024 £	2023 (restated) £
Provision for capital contribution for the building of St Julie's Catholic High School	1,643,674	1,643,674

In 2016 the then trustees entered into an agreement with Liverpool City Council for the rebuilding of St Julie's Catholic High School in Liverpool. This was to be funded by the Council with a capital contribution from the charity. The charity's contribution is a proportion of the net proceeds of sale of part of the site which was earmarked, at the time of the agreement, as being suitable for disposal.

20 Restricted funds

The income funds of the charity include restricted funds comprising the following donations and grants held on trusts and to be applied for specific purposes:

	At 1 September 2023 £	Income £	Expenditure £	At 31 August 2024 £
Sundry restricted funds	12,465	12,756	(14,613)	10,608

	At 1 September 2022 £	Income £	Expenditure £	At 31 August 2023 £
Sundry restricted funds	9,483	9,011	(6,029)	12,465

21 Tangible fixed assets fund

	2024 £	2023 £
At 1 September 2023	17,090,164	16,406,287
Net movement in year	(2,132,477)	683,877
At 31 August 2024	14,957,687	17,090,164

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. A decision was made to separate this fund from the general fund and other designated funds of the charity in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies and/or obligations.

22 Programme related investment fund

	2024 £	2023 (restated) £
At 31 August	1,000,000	1,000,000

The programme related investment fund represents the value of the charity's programme related investments, net of any provisions related to such investments (note 19). As explained in note 16, such investments includes land and buildings owned by the charity but used by other charitable and not-for-profit organisations with objectives consistent with those of the charity. It is the intention of the trustees that such assets should continue to be used for these purposes for as long as needed and as such their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

23 Designated funds

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds for a specific purpose.

Sisters' retirement fund	2024 £	2023 £
At 1 September 2023	4,750,000	4,750,000
Net movement in year	—	—
At 31 August 2024	4,750,000	4,750,000

The sisters' retirement fund represents monies set aside by the charity's trustees to provide for the future costs of providing nursing care to elderly sisters who have dedicated their working lives to the charity.

24 Analysis of net assets between funds

Fund balances at 31 August 2024 are represented by:	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Sisters' retirement fund £	Restricted funds £	Total 2024 £
Tangible fixed assets	—	14,957,687	—	—	—	14,957,687
Listed investments	—	—	—	4,693,607	—	4,693,607
Programme related investments	—	—	2,643,674	—	—	2,643,674
Net current assets	3,603,933	—	—	56,393	10,608	3,670,934
Provision	—	—	(1,643,674)	—	—	(1,643,674)
Total net assets	3,603,933	14,957,687	1,000,000	4,750,000	10,608	24,322,228

Fund balances at 31 August 2023 are represented by:	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Sisters' retirement fund £	Restricted funds £	Total 2023 (restated) £
Tangible fixed assets	—	17,090,164	—	—	—	17,090,164
Listed investments	—	—	—	4,341,738	—	4,341,738
Programme related investments	—	—	2,643,674	—	—	2,643,674
Net current assets	1,385,169	—	—	408,262	12,465	1,805,896
Provision	—	—	(1,643,674)	—	—	(1,643,674)
Total net assets	1,385,169	17,090,164	1,000,000	4,750,000	12,465	24,237,798

The total unrealised gains on listed investments as at 31 August 2024 constitute movements on revaluation and are as follows:

	2024 £	2023 £
Unrealised gains included above:		
On listed investments	1,726,079	1,430,366
Total unrealised gains at 31 August 2024	1,726,079	1,430,366
Reconciliation of movements in unrealised gains:		
Unrealised gains at 1 September 2023	1,430,366	2,246,242
Less: In respect to disposals in year	(81,173)	(629,135)
Add: net gains (losses) arising on revaluation in the year	376,886	(186,741)
Total unrealised gains at 31 August 2024	1,726,079	1,430,366

25 Contingent liabilities - Grants from the Department for Education

Historic improvements to the three voluntary aided schools classified as programme related investments (see note 16) were funded by capital grants from the Department for Education. The total grants received amounted to approximately £5.5 million.

In the event of the sale or disposal by other means, of any asset for which a capital grant was received, the charity is obliged, if it does not reinvest the proceeds, to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State. The trustees, having assessed the likelihood of such a sale, do not consider the disposal of the schools and subsequent repayment probable since the agreement for the schools' use of the properties is indefinite.

26 Custodian funds

At 31 August 2024 the charity was holding £8,864 (2023: £8,146) and £10,606 (2023: £10,622) on behalf of the Generalate of the Congregation of the Sisters of Notre Dame and the Nigerian Province of the Congregation respectively. The movement on the funds held by the charity comprised monies received of £165,112 (2023: £75,448) and monies paid of £164,411 (2023: £109,036). These funds are not included in the accounts of the charity.

27 Related party transactions

The Congregation of the Sisters of Notre Dame de Namur is made up of all the sisters worldwide, including those of the British Province. The Congregational Leadership Team, or Generalate, is elected by and is accountable to the Congregation. The General Moderator, assisted by the rest of the Generalate, has the authority and the responsibility for the overall governance of the Congregation.

In the year to 31 August 2020 the Generalate of the Congregation made a loan of £1 million to the British Province, this was converted into a donation during the year to 31 August 2023 (note 1).

The trustees own the share capital of The Notre Dame Trustee Company Limited, a company incorporated in England and Wales. The Notre Dame Trustee Company Limited is also a trustee of the charity. The company has trust corporation status. Its main object is to act in the role of custodian trustee for the charity and as nominee of the charity in the holding of any trust assets and to do all such other things as are incidental or conducive to this main object. The trustee company holds as nominee the property and investments of the charity. The trustee company is otherwise dormant.

As members of the Congregation, none of the trustees have resources of their own, as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the trustees to the charity was £80,205 (2023: £72,888).

There are no other related party transactions requiring disclosure (2023: none).

28 Commitments under operating leases

At 31 August 2024, the charity had future commitments under non-cancellable operating leases as follows:

	Equipment	
	2024	2023
	£	£
Amounts due within one year	3,234	3,234
Amounts due between two and five years	3,773	6,467
	7,007	9,701

29 Post balance sheet events

Programme related investments includes a plot of land adjacent to the school at Woolton in Liverpool. During the year ended 31 August 2024, heads of terms relating to its sale had been agreed. Following the year end a contract for sale, conditional on planning permission was accepted. The contractual sales price and anticipated payments to be made to Liverpool City Council are reflected in the values of the programme related investments and provisions as at 31 August 2024. It is hoped that the sale will take place during the year ending 31 August 2025.

30 Ultimate control

The charity, which is governed by a trust deed, was controlled throughout the period by the British Province of the Congregation of the Sisters of Notre Dame by virtue of the fact that the Provincial Moderator and the other members of the Provincial Team, are elected by the members of the Congregation. The Provincial Team are the trustees and the directors of the corporate trustee, The Notre Dame Trustee Company Limited. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the Province in Britain are vested in the trustees of the charity, who undertake all transactions entered into in the course of the Province's charitable activities.

31 Prior period adjustments

A reconciliation of the opening fund balances at 1 September 2022 and 1 September 2023 and the net expenditure for the year ended 31 August 2023 with the amounts as previously reported is shown below.

Reconciliation of the charity's funds:	2023 £	2022 £
Total opening funds as previously stated	25,301,820	25,303,583
Restatements:		
Adjustment in relation to programme related investments (note 16) (a)	(4,689,659)	(4,689,659)
Adjustment in relation to capital grants (notes 16 and 24) (b)	5,269,311	5,269,311
Adjustment in relation for costs related to a property disposal (note 18) (c)	(1,643,674)	(1,643,674)
Net impact of restatements	(1,064,022)	(1,064,022)
Total opening funds as restated	24,237,798	24,239,561

There is no difference between the net movement in funds for the year ended 31 August 2023 as previously stated and the net movement in funds for the year ended 31 August 2023 as reported in the Statement of Financial Activities.

a.) Adjustment in relation to programme related investments

The trustees have reviewed the value of the schools comprising programme related investments and consider that no meaningful value can be attributed to them since they are not used directly by the charity, do not generate income and cannot be disposed of in the open market, or put to alternative use while their occupation by the schools, which may be indefinite, continues. They therefore consider that the value of the land and buildings they occupy for educational purposes to be £nil and have written down their value.

The site of St Julie's School in Woolton includes land which is capable of being separately disposed of. Land which has the potential for development has previously been held at an estimate of its developable based on a historical estimate, but amalgamated with the value applied for educational purposes. The restatement made results in land only being valued to the extent that there is both an ability and intention to dispose of such land and such values can be reliably estimated. Such land has been valued to £2,643,674, being the value of the land net of estimated costs of sale as at the balance sheet date for each of the above periods. A contract for the sale of this land was entered in to after the year end (see note 29).

b.) Adjustment in relation to capital grants

Programme related investments were previously shown net of capital grants from the Department of Education totalling £5,269,311. The agreement for the use of the properties by the schools is indefinite and the trustees therefore do not expect the buildings to be sold, rendering the requirement to repay those grants improbable. The trustees have accordingly adjusted the accounts to show the grants as contingent liabilities.

31 Prior period adjustments (continued)

c.) Adjustment in relation to provisions on disposal

In 2016 the then trustees entered into an agreement with Liverpool City Council for the rebuilding of St Julie's Catholic High School in Liverpool. It was agreed that the charity would contribute to the building costs, to be funded by a future sale of adjacent land. A provision of £1,643,674 has been made for this contribution.

These adjustments represent changes of accounting policy and therefore the accounting treatment has been applied retrospectively, resulting in a restatement of the comparative figures for the prior year. The fund balances brought forward at 1 September 2022 and 1 September 2023 have been adjusted to recognise the reduced value of the assets, the treatment of any liability of the grants as contingent, and the provision.

THE SISTERS OF NOTRE DAME (OF NAMUR)

England & Wales - Charity number 232411

Accounts

**Institute of the Sisters of
Notre Dame De Namur
British Province**

Annual Report and Accounts

31 August 2023

Charity Registration Number
232411 (England and Wales)
SC038746 (Scotland)

Contents

Reports

Reference and administrative information	1
Trustees' report	3
Independent auditor's report	21

Accounts

Statement of financial activities	26
Balance sheet	27
Statement of cash flows	28
Principal accounting policies	30
Notes to the accounts	38

Trustees	The Notre Dame Trustee Co Limited Sister Mary McClure Sister Catherine Darby Sister Margaret Walsh Sister Elizabeth Brady
Directors of The Notre Dame Trustee Co Limited	Sister Mary McClure Sister Catherine Darby Sister Margaret Walsh
Provincial Moderator	Sister Mary McClure
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Website	www.snduk.org
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Charity registration numbers	232411 (England and Wales) SC038746 (Scotland)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	Barclays Bank plc Cumbria and Lancashire Business Banking Barclays Leicester LE87 2BB
Stockbrokers	J M Finn & Co Limited 25 Cophall Avenue London EC2R 7AH

Solicitors

Brabners LLP
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Exchange Flags
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G2 6AH

Property advisers and agents

Carter Jonas
The White House
Greenhalls Avenue
Warrington
WA4 6HL

Property marketing agents

CBRE Limited
One St Peter's Square
Manchester
M2 3DE

The trustees present their report together with the accounts of the Institute of the Sisters of Notre Dame De Namur British Province (the "charity") for the year ended 31 August 2023.

The accounts have been prepared in accordance with the accounting policies set out on pages 30 to 37 of the attached accounts and comply with the charity's trust deed, applicable laws and the requirements of 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).

Introduction

The Institute of the Sisters of Notre Dame De Namur (the "Congregation") is an international Roman Catholic religious congregation supporting 923 sisters worldwide. It was founded in 1804 in Amiens, France. Its Generalate is located in Rome.

The Congregation is organised into units called Provinces. A Province is a legal body and is usually defined geographically to facilitate the mission of the Congregation in national and local areas. Each Province has its own structure of governance which makes provision for a Provincial Superior, known in Great Britain as the Provincial Moderator, who together with a Provincial Leadership Team takes responsibility for the leadership and administration of the British Province.

The accounts accompanying this report are the accounts of the charitable trust on which the assets of the Congregation in Great Britain are held.

Mission

The Sisters of Notre Dame De Namur are a group of religious women whose main aim is to contribute to the advancement of the Roman Catholic religion by means of involvement in education, broadly conceived. By caring for individual members of the Congregation throughout their lives with the Congregation, the charity aims to enable and support the sisters to live out their faith and to live life to the full supported by the community of Sisters and to put that faith into practice through a wide variety of religious and other charitable works.

When setting the objectives and planning the work of the charity for the year, and when encouraging the work of individual sisters, the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

At their last General Chapter, the sisters repeated their commitment to create a more just and loving world, continuing to choose Gospel imperatives as a way of life that "calls us to recommit to actions that lead to transformation within ourselves, society, Church and our Notre Dame Congregation". The sisters are committed to fulfilling their mission by ministering to the whole of creation, to our world and to one another. Every six years the Congregation reviews its life-in-mission, sets new directions, make policies and necessary changes to existing legislation in response to changing times.

Mission (continued)

The General Chapter is the highest authority in the Congregation of the Sisters of Notre Dame de Namur. Every Province in the Congregation is represented. Our most recent General Chapter was postponed for a year because of Covid restrictions. It took place on Zoom from October to December 2021. By the end of December 2021 a new Congregational Leadership Team had been elected and a way forward for the Congregation agreed.



Every General Chapter has a theme or focus. The 2021 Chapter was entitled “Renew – Transform – Go”. The gathering of sisters from across five continents is a ‘sacred’ opportunity to be in communion with one another from North to South, East to West.

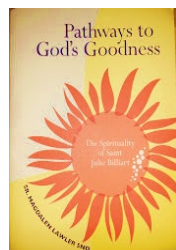
The works or ministries of the sisters of the Congregation fall into the following main areas:

◆ **Worship, prayer and spirituality**

The ‘religious’ life of the sisters is not an end in itself – it is the foundation and source of the Ministries that are undertaken by the sisters.

Members of the Congregation are given the opportunity for private worship and to continue to develop their knowledge and trust in Jesus and the Church through quiet prayer, study of the Gospel and spiritual development. In addition, members of the Congregation celebrate and pray with the wider community including people of all faiths and none. They do this through the provision of spiritual guidance, by presence and accompaniment, by availability, by listening in times of need.

Sisters are involved in the giving of retreats (times when individuals seek time away or ‘time out’ from the normal demands of life) and the celebration of the Liturgy through prayer groups and church services. Some members of the Congregation write and/or edit books and publish their work in the area of spirituality, religious education, catechesis, ecology and interfaith.



Sister Magdalene Lawler continues in her ministry as a free-lance retreat and conference leader, facilitating retreats at home and abroad. She works with groups and individuals either through Zoom or person to person. Her work includes retreats sponsored by retreat centres in Ireland, Yorkshire and London as well as days of quiet reflection around Britain.

Sister Magdalene is also the author of five books on the subject of Art and Spirituality.

She has reviewed and republished her *Pathways to God's Goodness*, The Spirituality of Julie Billiart, originally published in 2001, and the publication is now being used in schools and retreat centres around the country.

Mission (continued)

◆ **Worship, prayer and spirituality** (continued)

Sister Isabel continues to work in the area of interreligious dialogue. She writes:

"Its main focus is with the Council of Christians and Jews (CCJ). I am secretary to the West of Scotland branch of this Council and support two of their projects. One is an educational project to develop an understanding of Jane Haining in schools in Scotland. Jane is the only natural born Scot to have died in Auschwitz and she did so because of her refusal to leave her post as matron of the Church of Scotland Jewish School in Budapest. She is recognised as One of the Righteous by the Holocaust Museum, Yad Vashem, in Israel. The project focuses on the need for solidarity, harmony and understanding between people of different faiths and traditions.

The second project is a garden project run by St Clare's Catholic Primary School and Calderwood Lodge Jewish School. The two Catholic and Jewish schools share a campus, possibly the only one in the world and certainly in Europe as far as we know. The project was begun after Sister Isabel had been awarded a prize by CCJ UK for her work in developing good interfaith relations. It is an opportunity to bring children and parents from both schools together to work on a common garden. Both schools have Muslim pupils and the shared garden is another attempt to show that interfaith harmony is possible in a world torn apart by divisions.

I also work with my parish, particularly in bringing together people from the different places of worship in the west end of Glasgow. I am also a trustee and secretary to a Church of Scotland homelessness centre in the east end of Glasgow and continue to write a regular blog called interfaith journeys".

Sister Kathleen McGhee continues with her ministry:

"The focus of my ministry is Pastoral Accompaniment. I accompany twenty people in any month: priests, deacons, religious sisters and lay people. It plays a supportive role in the lives of these people who are, in the main, holding responsible and often demanding roles in the Church. This accompaniment is also part of the initial and ongoing formation of the deacons in the Liverpool Archdiocese.

In addition, I accompany three religious communities, two active groups and one monastic. This includes the regular facilitation of a Provincial Team".

◆ **Education**

The Congregation's work of education continues through the involvement of members in teaching, educational support and administration in educational establishments as well as membership of school governing bodies. They also work with children and adults with learning disabilities, people with special needs, multiple impairments or both. Many sisters are actively engaged in religious education programmes and have pioneered programmes for families and those with special needs. Sisters who are now unable to be actively involved in this work continue to support schools, Hope University and other learning centres by attending special events and by their friendship, encouragement and prayer.

Mission (continued)

◆ **Education** (continued)

The Sisters of Notre Dame De Namur are trustees of three voluntary aided schools – Notre Dame Catholic College, Liverpool; St Julie's High School, Liverpool; and Notre Dame High School, Southwark, London. Some sisters serve on the governing bodies of these three schools and one sister serves as a governor for Notre Dame, Sheffield.

Sister Margaret Jenkins continues in her crucial supportive role with students in Notre Dame Catholic College, Liverpool. Her focus is with those who struggle in mainstream education. She provides opportunities for students to talk about their problems in a safe environment. Her office is a haven for those who cannot cope at lunchtime in the dining room. She works alongside pupils to help them complete difficult work projects and currently she has a particular care for pupils suffering the aftermath of Covid. Margaret works alongside the chaplain in extending a practical outreach to the families of students. She is a listening compassionate presence to students and staff alike.

Over the years the governance of many secondary schools was passed from the sisters to local dioceses or local education authorities. Many have retained Notre Dame in their name. Close links continue to grow and be strengthened through the "Notre Dame Schools and Colleges Network" supported by Sisters Catherine Darby and Anne Marie Niblock.

- ◆ Notre Dame Norwich
- ◆ Notre Dame Plymouth
- ◆ Notre Dame Southwark
- ◆ Notre Dame Sheffield
- ◆ Notre Dame Sixth Form College Leeds
- ◆ Notre Dame Catholic College Liverpool
- ◆ St Julie's High School Liverpool
- ◆ Notre Dame Glasgow
- ◆ Fernhill School Glasgow
- ◆ Our Lady and St. Patrick's High School Dumbarton



UK NOTRE DAME NETWORK OF SCHOOLS AND COLLEGES TODAY

This year's Annual Conference 2023 included representatives from each school along with their head teachers. The head teachers continue to meet monthly via Zoom facilitated by Sister Catherine Darby. This encounter has created a 'sacred space' for mutual support and reflection.

Mission (continued)

◆ Education (continued)

One of our sisters from our Generalate in Rome told the story of how the Photovoltaic Project began in Africa as a call from the General Chapter in 2002. The call was to ensure equality of communication in our schools and health care centres, with electricity using the energy of the sun. The project is ongoing and highly successful. The UK schools decided to adopt the project and raise funds to ensure it continues to be sustainable and for the training of engineers, teachers and staff in the best use of technology.



The trustees also support the head teacher of St Julie's Catholic High School and the Acting Head of Notre Dame Catholic College, Liverpool, who have replaced the Notre Dame sisters on the University Council.

◆ Social and pastoral work

The charity enables and supports individual members of the Congregation in ministry and outreach work thereby furthering the message set out in the Gospel to love one another. In order to provide direct service to the materially poor, and since most sisters are of retirement age, many sisters freely give their services in diverse ministries.

Some work for social justice, in adult literacy programmes, on safeguarding boards, in hospices, with the elderly, as hospital chaplains, prison visitors, as well as with socially deprived women and children suffering from the stress of their situation. Others serve on a vast variety of groups in their neighbourhoods, parishes and dioceses. They are to be found in some of the poorest parishes in the land. Sisters are working with refugees and asylum seekers in Liverpool and Glasgow. Sisters with training and experience in a number of disciplines give service to individuals and groups as counsellors, psychologists, facilitators and assessors.

In response to *Laudato Si* (Pope Francis Encyclical which deals with the crises in our environment), they also continue their own learning. They have also provided reflection days on the 'cry of the earth' in Edinburgh, Glasgow, Liverpool and the Southwest of England particularly in relation to the environment and the climate crisis. Our involvement in education of ourselves and others remains a strong impetus to witness to the Gospel imperative to care for creation.

Sister Mary Isabel Kilpatrick who has spent more than 20 years working in Peru and Nicaragua writes:

"At this stage of our lives (average age in our province is 84) our contribution to wider society is on a spiritual level. Our mission has to do with believing in goodness in people and in creation. The way I can do this now is by maintaining contact with a network of friends and former colleagues at home and abroad to encourage one another in our belief in the value of goodness in a world where this is not always the case. In relation to our mission to care for creation I try to find ways to maintain contact with the international network of people working to educate about climate justice and to do what is possible in small ways to reduce our carbon footprint."

Mission (continued)

◆ **Social and pastoral work** (continued)

Sister Gail Taylor is an adult psychoanalytic psychotherapist. She has been recognised by the Institute of Psychoanalysis.

Caring for Survivors of abuse

Sister Agnes Szraga gives support to groups and individual survivors of in-care childhood abuse. She does so through listening, advising on current related legislation and informing them of where to seek assistance.

Sister Elizabeth Brady is a member of the Scottish Children's Panel which makes important legal decisions for the children who attend – keeping their views at the heart of every legal hearing.

Social deprivation

Sister Maureen McGuigan works with a local credit union in a deprived area. She keeps in touch with families through offering telephone support, thus enabling people to access funding and avoid debt.

Sister Catherine Mulligan, as a member of the parish SVDP, visits vulnerable families and individuals. She helps decide on distribution of funds to the disadvantaged e.g. needy families in local schools.

As a member of her local Parish Council she assists in deliberations to promote the welfare of the parish community.

Our Canon Lawyers

Sister Rachel Harrington, who lives in London and Sister Ishbel Macpherson, who lives in Glasgow, have doctorates in Canon Law. They remain two of the very few women who are fully qualified canonists.

Both Rachel and Ishbel fulfil the role of Judge in a number of diocesan and regional tribunals in England, Wales and Northern Ireland. Rachel serves on an Inter-Diocesan Tribunal which serves seven dioceses in Ireland. Much of their work can be done from home.

◆ **Overseas: Mission and development**

The British Province assists in the education and formation processes for our sisters in Africa and South America in a variety of ways. It helps support sisters working in the world's poorest countries and with the most disadvantaged people – for example in Democratic Republic of Congo, Nigeria, Peru, Kenya, South Africa and Zimbabwe.

Two sisters from Britain still work in Nigeria giving service in healthcare and educational programmes, the promotion of justice and peace and the empowerment of the poor. Other sisters fundraise for overseas development work by making Birthday, Christmas and All Occasion cards, making jewellery and knitting blankets. Many sisters also keep in touch with the younger generation of sisters in other parts of the world letter-writing. This is found to be a valued means of sharing experience, and encouragement.

Mission (continued)

◆ **Other responsibilities: Archives**

One of the duties of the Provincial Administration is to ensure that the archives are kept safely and that they are up to date.

The Sisters of Notre Dame were founded in the year 1804 and first came to England in 1845. The archives, therefore, cover the hundred years since the foundation of the British Province in 1920 and also include a large collection of documents relating to the life and work of the sisters who ministered in England and Scotland from 1845. The work of the archives has been entrusted to a team of sisters who receive and catalogue documents and respond to enquiries about the life and work of the sisters. These mainly come from research projects and family members.

Activities, specific objectives and relevant policies

◆ **Activities and specific objectives**

"Through our developing understanding of 'Mission' we search anew in each time and place for ways to spread the Gospel and to take our stand with the poor of the earth. According to our tradition we value education as fundamental" *SND Constitutions*.

Caring for members of the Congregation

As well as reaching out to the poor and needy, we care for the individual members of our Province by enabling and supporting them in living out their vocation and putting it into practice through a wide variety of educational, social, pastoral and religious works.

The Sisters of Notre Dame De Namur are committed to the care of their aged, sick and infirm sisters. In Britain all of the sisters are over 60 years of age; with 24 in their 90s; 56 in their 80s; 18 in their 70s; and five in their 60s. The sisters aim to keep the elderly as active and independent as possible for as long as possible and provide care which enhances life. Facilities are provided in two communities to meet the differing needs of an ageing group.

It is of particular importance that a high standard of care is maintained. To ensure this the sisters employ lay managers who manage the staff, update their training and take responsibility for maintenance of the buildings. In this way, the sisters can be confident as employers that staffing legislation, health and safety requirements and general good practice are all in place. An extensive programme of staff training using external agencies has been provided over the past years. The training is largely continued and updated 'in house' with external support when required. There is also in place an on-going programme of staff training. Currently we employ 104 members of staff.

◆ **Relevant policies**

Grants and donations policy

Whilst the trustees agree to support organisations whose work is within the objects of the charity, the charity does not regard itself as a grant making entity and applications for grants and donations are not invited.

Activities, specific objectives and relevant policies (continued)

◆ Relevant policies (continued)

Investment policy

Under the Trust Deed of the charity, the trustees may invest the charity's money, according to the law for the time being in force. The stockbrokers J M Finn and Co Limited offer their advice after taking account of the charity's ethical policy. The trustees, on the advice of the professional and lay advisers, review the policy annually. Catholic Social Teaching informs our investment policy. It also enhances the development of the charity and the achievement of its objectives. The requirements of the Charities Act, to seek out the best possible returns within acceptable levels of risk, are fulfilled. To achieve this we maintain a diversified investment portfolio.

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data; it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

Looking to the future

◆ Caring for members of the Congregation

In common with many religious congregations in Britain, the age profile of the members of the Province is increasing as existing members grow older and the number of new vocations decreases. At present the average age is 84.

The Province has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted a significant part of their lives to the work of education of the poor and marginalised in society. As the age profile of the Province increases so too does the need to provide care for the sisters. At present, 61 members of the Province are in need of varying levels of nursing care (2022: 60). When hospitalisation is required, stays are kept to a minimum and sisters convalesce in one of the two large communities as they are able to give the care and support necessary.

Over the next decade, the trustees expect the proportion of sisters requiring care to continue to increase. As a consequence, the trustees are giving careful consideration to the impact of this on the work of individual members of the Province, the property requirements of the Province and the financial implications.

During the past year we have made major changes to our ownership of properties in both London and Glasgow. In Pimlico, London we have sold 2 flats as well as one town house in Bermondsey, The sisters who lived in these properties moved to Liverpool where they receive the care they now need.

Looking to the future (continued)

◆ **Caring for members of the Congregation** (continued)

The sale of Kingsborough Gardens, our largest house in Scotland, was completed in August.

Other smaller flats and houses in Glasgow have also been sold and the Sisters have moved to more suitable accommodation. We bought flats in the Nazereth House complex and sisters who are still independent and mobile have moved there.

Achievements and performances

◆ **Social and pastoral work**

Whilst only 2 (2022: 2) sisters are now in paid employment, the majority of able sisters perform some sort of voluntary, charitable or pastoral work

Of the 104 staff employed by the Sisters of Notre Dame, most have vocational qualifications ranging from BTEC to the Registered Manager qualification. Staff members are well trained to take on additional responsibility either within our houses or within the wider community.

SPRED

The SPRED Religious Education program supported individuals with learning difficulties and volunteers during the year and the charity continues to expand and develop. There are groups serving parishes throughout Glasgow, Paisley and Motherwell where young people and adults with disability become full, active members of their parish community. The work was pioneered by two Sisters of Notre Dame who continue to take an active part in this work.

◆ **Education**

Every year sisters organise a residential conference for Notre Dame schools and colleges at which staff from the three schools for which we are still trustees gather with staff from the seven former Notre Dame schools and colleges to share experience and practice. An appropriate speaker is invited to introduce the key theme at each conference. It is greatly welcomed as a valuable resource at a challenging time for schools.

Financial review

Results for the year

A summary of the year's results can be found on page 26 of this report and accounts.

During 2023 total income amounted to £4,550,561 (2022: £3,278,972). £3,767,356 (2022: £2,774,799) was received by way of donations and legacies. This figure includes salaries and pensions of the sisters amounting to £2,703,676 (2022: £2,594,305) covenanted to the charity and legacy income of £51,418 (2022: £169,478). Also included is £1,000,000 being the conversion, into a gift, of a loan advanced by the Generalate of the Congregation as explained in note 1 to the attached accounts. Investment income and interest receivable totalled £239,069 (2022: £253,407).

Financial review (continued)

Results for the year (continued)

Income being the surplus on the disposal of tangible fixed assets totalled £542,065 compared to £232,717 in 2022. Further details are given in note 3 to the attached accounts.

Expenditure totalled £4,239,411 compared to £4,149,374 in 2022 with staff costs, continuing to represent a significant proportion of this and amounting to £1,731,236 (2022: £1,571,136).

Expenditure incurred on maintaining the members of the Province and supporting them in their pastoral work and ministry (excluding staff costs) amounted to £1,970,263 (2022 £1,753,445).

Specific expenditure in relation to potential property disposals includes an impairment provision of £215,500 (2022: £518,307) made to reduce the value of one of the charity's properties as the market value of the property was considered to be less than its realisable value. Further details of the impairment are given in note 6 to the attached accounts. £220,922 (2022: £199,417) has been expended on maintaining and securing the property while it is empty.

Expenditure on raising funds was £39,294 (2022: £42,405) and included fees paid to the charity's stockbrokers of £26,886 (2022: £31,113).

Net income for the year before investment losses, therefore, was £311,150 (2022: net expenditure before investment losses of £870,402). Investment losses amounted to £312,913 (2022: losses £201,429). Hence, there was a net decrease in funds for the year of £1,763 (2022: decrease £1,071,831).

Investment performance

The stockbrokers continue to be guided by the trustees' investment policy set out earlier in this report and comply with the ethical guidelines given to them.

During a year of continued uncertainty, the value of the portfolio decreased and again failed to reach its target of 10% growth. The income target of 3% was achieved. The trustees consider this reasonable at the current time. The investment performance is in line with the benchmark. Because of the relatively modest size of the portfolio, any variation away from that target has only a marginal effect on the viability of the charity. The charity's brokers are instructed to conduct the portfolio in a medium risk manner.

The trustees will continue to review performance but, given that they view their investments as being for the long term, they remain confident that the policy adopted is appropriate for the charity.

Reserves policy and financial position

Reserves policy

The reader will discern from the foregoing that the charity carries out a diverse range of activities and is responsible for care and support of sisters whose average age is increasing and whose needs are changing. The trustees recognise the need to provide adequately for the maintenance of the sisters in their retirement.

Financial review (continued)

Reserves policy and financial position (continued)

Reserves policy (continued)

Total restricted funds held at the end of the year are £12,465 (2022: £9,483). With the exception of these small restricted funds, all of the charity's assets are held as unrestricted funds.

Those unrestricted funds represented by tangible fixed assets are shown as a separate tangible fixed assets fund in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

Similarly, those properties held as programme related investments are held as a separate designated fund - the programme related investments fund. These investments comprise land and buildings owned by the charity but used by other charity and not-for-profit organisations with charitable objectives consistent with those of the charity. It is the intention of the trustees that such assets should continue to be used for these purposes for as long as needed and as such their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

The trustees have examined the need for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work and its commitments and the sources of its cash flows, the level of free reserves should be equal to at least six months' expenditure. The current level of reserves reaches this target.

The trustees endeavour to build on the rationalisation that has taken place over the last couple of years to improve liquidity and build sufficient reserves to sustain the care of the elderly sisters to the end of their lives in the face of diminishing incomes and increasingly costly care needs.

In 2017, the trustees established a sisters' retirement fund to provide for the future costs of providing nursing care to elderly sisters who have dedicated their working lives to the charity. The amount currently designated is restricted to the funds available to the charity. Further sums will be designated as they become available.

The trustees review their reserves policy annually.

Financial position

The balance sheet shows total reserves of £25.3 million (2022: £25.3 million). Of this, £17.1 million (2022: £16.4 million) is represented by the net book value of properties and other tangible fixed assets essential for the support and work of the sisters whilst £2.1 million (2022: £2.1 million) comprises funds represented by properties classified as programme related investments.

As noted above, the trustees established a sisters' retirement fund in 2017. This amounts to £4.75 million (2022: £4.75 million), and is represented by investments and net current assets. In the context of the total sum that will be needed in future years to provide for the sisters as they grow older, this amount is not large enough. However, it is hoped that further sums can be designated in future years as they become available following property disposals.

Financial review (continued)

Reserves policy and financial position (continued)

Financial position (continued)

Funds available to support the work of the sisters in the future, in particular the support of the Province's ministry and its development and charitable work overseas, are shown as general funds on the balance sheet and amount to £1.4 million (2022 - £2.1 million). This figure needs to be considered in the light of annual expenditure of approximately £4 million, the increasing age profile of the sisters and the need for the charity to continue to support the work of the Congregation, both in this country and overseas. The sisters are also aware of the importance to the charity of the investment assets and the income generated therefrom. Given the continuing economic uncertainty, there is a real need to retain monies to enable the long term financial stability of the charity. As noted above, the trustees believe that the charity's free reserves are adequate, at the current time. As noted elsewhere in the trustees' report the trustees are developing plans to dispose of properties surplus to their needs to generate funds to meet the charity's ongoing financial needs.

Tax exemptions etc.

The beneficiaries of the work of the charity have the assurance that all of the income of the charity must be applied for charitable purposes in furtherance of the charity's object of furthering the Roman Catholic faith. The charity enjoys tax exemption on income from its activities and on its investment income and gains provided these are applied for its charitable aims. As a charity, it is also entitled to a reduction of 80% on business rates on the property it occupies for its charitable purposes, and a 50% reduction in Council Tax for its properties that are occupied by members of the Congregation. The financial benefits received as a result of these exemptions are all applied for the purposes of furthering the Roman Catholic faith by enabling and supporting the sisters to live out their vocation and to put it into practice through a wide variety of religious and other charitable works.

The nature of the charity's activities means that it is unable to reclaim VAT input tax on its costs as it is exempt for VAT purposes. The charity also pays tax as an employer through the national insurance contributions it makes.

Future plans

The charity is working with the Congregation to update its strategy to continue the mission of the Sisters of Notre Dame de Namur in all of the global areas in which it operates whilst balancing this against the need to care for the increasingly elderly sisters who have sustained this mission in years gone by. The strategy will determine where resources are targeted. The sisters are working to maximise those resources by seeking to obtain the optimum efficiencies in their operational costs and care provision.. The trustees continue to review the use of their assets in the light of future needs.

Governance, structure and management

Governance

In terms of Canon law, the Congregation is governed at an international level by the General Moderator and her Congregational Leadership Team. They are elected every six years at a General Chapter which is a meeting of representatives of all provinces of the Congregation. The British Province is governed by the Provincial Moderator and her Provincial Leadership Team, who are elected by members of the Province in accordance with the Province's Government Plan. Appointments to the Provincial Leadership Team are ratified canonically by the Congregational Leadership Team.

The Congregational Leadership Team is accountable to the General Chapter which is the Supreme Legislative Authority in the Congregation. The most recent General Chapter took place in 2021.

In terms of Civil law, the British Province of the Congregation is an unincorporated body registered under the Charities Act, Charity Registration Number 232411, and governed by a Trust Deed dated 31 December 1953. The charity is also registered in Scotland with the Charity Registration Number SC038746.

The members of the Provincial Leadership Team as well as Sr Elizabeth Brady, are also the trustees and the directors of the corporate trustee, The Notre Dame Trustee Co Limited, which is registered as a trust corporation.

The members of the Provincial Leadership Team are chosen for their personal qualities, their understanding and experience of the ministries of the sisters throughout Britain and their ability to work with and lead the sisters of the Province.

As all trustees are members of the Congregation they have a detailed knowledge of the work of the charity and of its structure. On being appointed, new trustees are required to spend at least one full day with those trustees leaving office. They also meet with the Congregation's legal, accounting, investment and property advisers over the course of several days to obtain a full briefing of their responsibilities and the charity's position.

All trustees are members of the Congregation and as such their living and personal costs are borne by the charity. However, they receive no remuneration or expenses for their services as trustees.

With one exception, the present trustees were appointed in May 2021 and took office on 15 August 2021. On appointment as trustees, the sisters participate in a detailed induction programme which is devised as part of the handover process and involves lay managers, consultants and professional advisers so as to explain their duties as trustees.

Trustees are encouraged to attend various relevant training sessions where appropriate such as: Conference of Religious conferences; safeguarding conferences; finance workshops; spiritual and theological development courses; and ICT training.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts and brief biographical details on each of the trustees in office is given below:

Governance, structure and management (continued)

Governance (continued)

Sister Mary McClure

Sister Mary McClure was appointed as Provincial Moderator in August 2021. She previously served on the Provincial Leadership Team from 2009 to 2014 and has also served on the General Government Team between 1996 and 2000, where she worked with the units in the USA, South America and Africa. She has been involved at all levels of education: primary and secondary teaching; higher education as a senior lecturer in Theology and Post-Graduate Teacher Education, and has published in the field of Religious and Moral Education. Mary offers 'facilitation' for communities and schools and has worked as a chaplain/counsellor in a secondary school. She has held management roles in a number of organisations that educate, empower and safeguard women.

Sister Catherine Darby

Sister Catherine Darby was appointed to the Provincial Leadership Team in August 2021. She has served on two previous teams from 1999 to 2004 and from 2004 to 2009. Catherine's professional background is in education: her experience ranges from teaching in primary schools in Lancashire and London, ten years as adviser for primary schools in the Shrewsbury Diocese and her most recent ministry is in parish and adult faith formation. This latter ministry led to her being one of the two UK coordinators to initiate and liaise with the Institute of Pastoral Studies, Loyola University, Chicago and the northern dioceses a Certificate in Pastoral Ministry. She was also a collaborator in establishing an inter-diocesan certificate for a Diploma for Pastoral Leadership in Pastoral Ministry. Catherine was asked to be a member of the group setting up a pilot project for the formation of lay pastoral associates in the Liverpool Archdiocese.

Sister Margaret Walsh

Sister Margaret Walsh was appointed to the Provincial Team in August 2021. She has worked in both secondary and higher education. After teaching in secondary schools she moved into an advisory service for adult theological education. As an advisor she worked with teachers, clergy and laypeople. Later she was appointed to be the director of an ecumenical college where she taught degree courses for Manchester University to students who were preparing for ministry in the various Christian denominations. This work included working with leaders in the local Muslim community. After retiring from full-time teaching she served as chair of governors at St Julie's Catholic High School, Liverpool. She also worked with the Sisters of Notre Dame as co-ordinator of their International Heritage Centre in Namur, Belgium.

Sister Elizabeth Brady

Sister Elizabeth Brady was a member of the Provincial Leadership Team from 15 August 2014 to 15 August 2021 she was reappointed as a trustee on 10 March 2022. She has worked in the field of primary education in both Scotland and England. She worked for 12 years in Liverpool first as Deputy Head Teacher and then Head Teacher for nine years in Saint Matthew's Junior School. She then returned to Scotland and was Head Teacher in St Michael's Primary School, West Dunbartonshire for 13 years. After qualifying as a play therapist she spent three years at the Notre Dame Centre in Glasgow. More recently she has worked as a panel member with Children's Hearings Scotland.

Governance, structure and management (continued)

Key management personnel

The trustees consider that they are the key management personnel of the charity responsible for directing and controlling the charity and running and operating the charity on a day to day basis. In this they are advised and supported by the Business Manager and the Finance Manager who implement the trustees' decisions, as outlined below.

The pay of the Business Manager and the Finance Manager is reviewed annually by the trustees and normally increased in line with inflation. Consideration is given also to any changes in roles or responsibilities and pay is benchmarked against similar roles to ensure that it is in line with market rates and is fair.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review developments with regard to the charity or its activities and make any important decisions. They are assisted in this task by the Business Manager and the Finance Manager who deal with finance, resources and secretarial matters. The lay managers provide a link between successive Provincial Leadership Teams but possess no executive authority. They, together with external advisers, advise the trustees as to their legal and fiscal responsibilities and duties and provide training in these matters.

When necessary, the trustees seek advice and support from the charity's professional advisers including property consultants, investment brokers, solicitors and accountants.

The Provincial Moderator or a member of the Provincial Team is required to visit each sister regularly and throughout the year there is a system of accountability operational throughout the Province to ensure that the General Moderator and her Congregational Leadership Team are aware of the progress and development of the ministries carried out by the sisters of the Province. A visit by the General Moderator and Congregational Leadership Team is usually made to the British Province at least once every six years, but due to Covid this pattern has been disrupted. The most recent visit took place in September and October 2016 and it is expected that the next formal visit will take place within the next four years.

The sisters are housed in a variety of communities and residences throughout Britain. Currently these are: two large communities with care provision; two communities of two sisters; and 35 residences of individual sisters.

The two large communities are administered by local Moderators and they are assisted in this task by lay managers. In view of the age profile of our sisters we are exploring other models of pastoral care and management for the future.

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and accounts 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 and in Scotland requires the trustees to prepare accounts 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 year.

Governance, structure and management (continued)

Statement of trustees' responsibilities (continued)

In preparing accounts giving a true and fair view, the trustees are required to:

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

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 accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's constitution. 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.

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 faces and have reviewed the measures already in place, or needing to be put in place, to deal with them.

Trustees and senior management are responsible for overseeing the risk assessment each year, focusing on internal and external risk factors.

The five areas identified for particular attention within our risk management strategy are:

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

Governance, structure and management (continued)

Risk management (continued)

Governance and management looks at the risk of the Congregation, and hence the charity, suffering from a lack of direction, at the skills and training of its members and staff, and the good use of its resources. The main risk in this area is the diminishing numbers of sisters. The trustees are working with the rest of the Congregation on a strategy for the future that addresses this reality practically and financially.

Operational looks at the risks inherent in the charity's activities. These include:

- ◆ adequate insurance for our properties and regular evaluation of those properties;
- ◆ the provision of anti-virus software to protect our computing systems;
- ◆ regular fire inspections and renewal of firefighting equipment;
- ◆ mandatory training for staff in our nursing and care facilities in administration of medicines and safe manual handling, etc.

The recent pandemic had a significant impact on the operation of the charity. The age profile of the sisters and the fact that the most elderly and vulnerable of them live in large communities has meant that it has had to operate differently to keep them and the staff caring for them safe. To do this they followed Government guidance. It has been a challenging time for the sisters. Restrictions have been eased but remain under constant review.

Challenges remain in making sure there are sufficient staff to give the care that is needed. As ever the trustees are grateful for the loyalty and professionalism of our colleagues who have worked incredibly hard in difficult circumstances. Measures are in place to protect our most vulnerable sisters in the event of energy shortages.

Financial risks include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies, etc. The main source of income of the charity is donations of sisters' pensions and salaries which have not been affected by the current crisis. There have been some increases in costs, with wage pressure linked to staff shortages being a particular issue. The reduction of three large houses to two was delayed because Covid security measures meant delays to sisters moving. The main concern is the macroeconomic and geopolitical climate and the impact on the property market in particular. The charity is dependent on property sales to support future activities.

With the Congregation we are involved in a strategic review to ensure our financial viability in the future and, as outlined in the accounts, they have provided funds to facilitate this.

Governance, structure and management (continued)

Risk management (continued)

The charity's assets comprise listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed with the help of reputable stockbrokers adhering to a policy agreed by the trustees. The trustees meet regularly with the stockbrokers and the performance of the portfolio is monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future.

We maintain communications with our investment managers and, whilst there are concerns over stability, we are long term investors, and trust we will continue to benefit from the portfolio in future.

Reputational looks at possible damage to the Congregation's, and hence the charity's, reputation.

The charity is working with the Conferences of Religious in England and Scotland to support their work on safeguarding issues and to ensure that the charity can fully co-operate in any enquiry, should it be required to. The care of the sisters is undertaken with reference to the charity's Child Protection and Vulnerable Adults policy under the guidance of the Province Protection Officers who are responsible for guiding, reporting and ensuring that the best practice in the care of all of the sisters is adhered to at all times.

Laws, regulations, external and environment looks at the effects of government policies, the consequences of non-compliance with laws and regulations and poor risk assessment in the charity's care facilities and elsewhere.

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.

Employees and members of the Congregation

The trustees wish to record their recognition of the professionalism and commitment of all their staff and the individual members of the Congregation. Their dedication and positive approach are very much appreciated.

Approved by the trustees and signed on their behalf by:

Sister Mary McClure

Trustee

Approved by the trustees on: 21 March 2024

Independent auditor's report to the trustees of Institute of the Sisters of Notre Dame De Namur British Province

Opinion

We have audited the accounts of Institute of the Sisters of Notre Dame De Namur British Province (the 'charity') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statements of cash flows principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31st August 2023 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements, that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts 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 and accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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:

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of the trustees and the review of minutes of meetings of the trustees.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ Making enquiries of the trustees as to where they considered there was susceptibility to fraud and their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud (continued)

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Carried out substantive testing of expenditure including the authorisation thereof;
- ◆ Gained an understanding of the processes in place for the management of the charity's investments and confirmed the validity of investment movements; and
- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Reviewing the minutes of meetings of trustees;
- ◆ Enquiring of management as to actual and potential litigation and claims; and
- ◆ Agreeing accounts disclosures to underlying supporting documentation.

As a result of our procedures we did not identify any key audit matters relating to irregularities.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act and in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

28 March 2024

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

Statement of financial activities Year to 31 August 2023

	Notes	2023			2022		
		Un-restricted funds £	Restricted funds £	Total funds £	Un-restricted funds £	Restricted funds £	Total funds £
Income from:							
Donations and legacies	1	3,758,345	4,647	3,762,992	2,767,771	7,028	2,774,799
Investments and interest receivable	2	239,069	—	239,069	253,407	—	253,407
Charitable activities							
· Book royalties		149	—	149	432	—	432
· Other		1,922	4,364	6,286	17,617	—	17,617
Other sources							
· Surplus on disposal of tangible fixed assets	3	542,065	—	542,065	232,717	—	232,717
Total income		4,541,550	9,011	4,550,561	3,271,944	7,028	3,278,972
Expenditure on:							
Raising funds	4	39,294	—	39,294	42,405	—	42,405
Charitable activities							
· Support of members of the Congregation and their ministry	5	3,673,363	1,427	3,674,790	3,298,584	2,494	3,301,078
· Specific expenditure in relation to potential property disposals	6	436,422	—	436,422	717,717	—	717,717
· Programme related investments	7	81,170	—	81,170	81,170	—	81,170
· Grants and donations	8	3,133	4,602	7,735	1,220	5,784	7,004
Total expenditure		4,233,382	6,029	4,239,411	4,141,096	8,278	4,149,374
Net income (expenditure) before investment losses	11	308,168	2,982	311,150	(869,152)	(1,250)	(870,402)
Net losses on the revaluation and disposal of listed investments		(312,913)	—	(312,913)	(201,429)	—	(201,429)
Net (expenditure) income and net movement in funds		(4,745)	2,982	(1,763)	(1,070,581)	(1,250)	(1,071,831)
Reconciliation of funds:							
Fund balances brought forward at 1 September 2022		25,294,100	9,483	25,303,583	26,364,681	10,733	26,375,414
Fund balances carried forward at 31 August 2023		25,289,355	12,465	25,301,820	25,294,100	9,483	25,303,583

All recognised gains and losses are included in the above statement of financial activities.

All of the charity's activities derived from continuing operations during the above two financial periods.

Balance sheet 31 August 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	14		17,090,164		17,406,287
Investments					
. Listed investments	15		4,341,738		5,680,901
. Programme related investments	16		2,064,022		2,064,022
			23,495,924		25,151,210
Current assets					
Debtors	17	396,088		235,906	
Cash at bank and in hand		2,217,242		1,738,985	
		2,613,330		1,974,891	
Liabilities					
Creditors: amounts falling due within one year	18	(807,434)		(1,822,518)	
			1,805,896		152,373
Net current assets			1,805,896		152,373
Total net assets			25,301,820		25,303,583
The funds of the charity:					
Funds and reserves					
Restricted funds	19		12,465		9,483
Unrestricted funds					
. Tangible fixed assets fund	20	17,090,164		16,406,287	
. Programme related investment fund	21	2,064,022		2,064,022	
. Designated funds	22	4,750,000		4,750,000	
. General fund		1,385,169		2,073,791	
			25,289,355		25,294,100
			25,301,820		25,303,583

Approved by the trustees
and signed on their behalf by:

Sister Mary McClure

Trustee

Approved on: 21 March 2024

Statement of cash flows Year to 31 August 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(892,195)	(30,177)
Cash flows from investing activities:			
Investment income and interest received		231,985	250,954
Proceeds from the disposal of tangible fixed assets		1,482,970	827,652
Purchase of tangible fixed assets		(1,311,507)	(228,056)
Payments in respect of forthcoming property disposals		(59,246)	(41,528)
Proceeds from the disposal of listed investments		1,343,509	401,396
Purchase of listed investments		(321,150)	(377,451)
Net cash provided by investing activities		1,366,561	832,967
Change in cash and cash equivalents in the year		474,366	802,790
Cash and cash equivalents at 1 September 2022	B	1,749,394	946,604
Cash and cash equivalents at 31 August 2023	B	2,223,760	1,749,394

Notes to the statement of cash flows for the year to 31 August 2023

A Reconciliation of net movement in funds to net cash used in operating activities

	2023 £	2022 £
Net movement in funds (as per the statement of financial activities)	(1,763)	(1,071,831)
Adjustments for:		
Depreciation	235,479	237,327
Impairment of tangible fixed assets	215,500	518,300
Amortisation of programme related investments	16,667	16,667
Release of capital grant in respect to programme related investments	(16,667)	(16,667)
Losses on investments	312,913	201,429
Non-cash movement – conversion of loan to a donation (notes 1 and 18)	(1,000,000)	—
Investment income and interest receivable	(239,069)	(253,407)
Surplus on disposal of tangible fixed assets	(542,065)	(232,717)
Decrease in debtors	136,148	504,857
(Decrease) increase in creditors	(9,338)	65,865
Net cash used in operating activities	(892,195)	(30,177)

Statement of cash flows Year to 31 August 2023

B Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	Non-cash movements £	At 31 August 2023 £
Cash at bank and in hand	1,738,985	478,257	—	2,217,242
Cash held by stockbrokers for re-investment	10,409	(3,891)	—	6,518
	<u>1,749,394</u>	<u>474,366</u>	<u>—</u>	<u>2,223,760</u>
Debt due within one year				
· Loan from The Sisters of the Notre Dame De Namur Generalate	(1,000,000)	—	1,000,000	—
Totals	<u>749,394</u>	<u>474,366</u>	<u>1,000,000</u>	<u>2,223,760</u>

C Reconciliation of net cash flow to movement in net debt

	2023 £	2022 £
Increase in cash	474,366	802,790
Changes in net debt arising from non-cash flows	1,000,000	—
Movement in net debt in year	1,474,366	802,790
Net debt at 1 September 2022	<u>749,394</u>	(53,396)
Net debt at 31 August 2023	<u>2,223,760</u>	<u>749,394</u>

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

Basis of preparation

These accounts have been prepared for the year to 31 August 2023 with comparative information given in respect to the year to 31 August 2022.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with 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 (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and applicable Charities Accounts (Scotland) Regulations.

The charity constitutes a public benefit entity as defined by FRS 102.

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

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates.

The items in the accounts where such judgements and estimates have been made include:

- ◆ estimating the useful economic lives of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ determining the size of the sisters' retirement fund, in order to provide for the continuing care of the members;
- ◆ determining the allocation of salaries across expenditure headings based on the time spent on each activity by staff members;
- ◆ determining the apportionment of expenditure between governance and support costs and between support costs and the various categories of expenditure;
- ◆ assessing the probability of the receipt of legacy income;
- ◆ the determination of any impairment charge in respect to tangible fixed assets; and
- ◆ estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

The trustees acknowledge and recognise the residual impact of the Covid-19 pandemic and the current global issues on the charity and have concluded that there will continue to be some negative consequences such as the impact on investment income, difficulties in liquidating capital, difficulties in recruitment and the physical absence of key personnel. However, the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 August 2024, the most significant areas that affect the carrying value of the assets held by the charity are the performance of the investment and property markets (see the investment policy and the risk management sections of the trustees' report for more information).

The trustees have considered the impact of these issues on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount can be measured reliably, and it is probable that the income will be received.

Income comprises donations and legacies; investment income from listed investments and programme related investments; interest receivable; income from charitable activities; the surplus on disposal of tangible fixed assets and miscellaneous income.

Donations, including salaries and pensions of individual religious received under Gift Aid or deed of covenant, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Income recognition (continued)

Income from listed investments is recognised once the dividend has been declared and notification has been received of the dividend due. Income from programme related investments comprises rental income from properties used by voluntary aided schools and other registered charities for purposes consistent with the objects of the Institute of the Sisters of Notre Dame De Namur British Province, and is recognised when due under the lease arrangements with the entities. Income from all investments is accounted for only when the receipt of such income is probable, and the amount can be measured reliably.

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.

Income from charitable activities comprises income in respect to book royalties; income from the sale of calendars and other sundry income. Income in respect to book royalties is recognised on an accruals basis.

A surplus on the disposal of tangible fixed assets or on the disposal of programme related investments is defined as the difference between the sale proceeds and the net book value of the asset at the time of disposal and after deducting any costs associated with the disposal. Where legal completion takes place subsequent to the year end but an exchange of contracts has taken place prior to the year end, any surplus on disposal is accounted for in the year of exchange unless completion was conditional on certain acts being carried out by the charity between the year end and completion.

Miscellaneous income is measured at fair value and accounted for on an accruals basis.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses are allocated to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes stockbrokers' fees and an allocation of support costs as outlined in note 9.

Expenditure recognition (continued)

- ◆ 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 include:
 - ◇ Expenditure on the support of members of the Congregation and their ministry. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty and supporting the other charitable activities of members of the Congregation.
 - ◇ Specific expenditure in relation to potential property disposals including any necessary impairment against the carrying amount of such property, security costs, maintenance costs and other costs associated with the empty property.
 - ◇ Expenditure on programme related investments including any rent payable on leasehold assets and the amortisation.
 - ◇ Grants and donations to support the Congregation's own work overseas and to support other charitable organisations with objectives consistent with those of the charity.
 - ◇ Expenditure on readying properties for disposal together with any impairment in respect to the charity's tangible fixed assets.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

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

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Governance costs are apportioned using percentages based on the expenditure incurred on the activities of the charity.

The majority of expenditure on support and governance is allocated to the charitable activities of care of members of the Congregation and enabling their ministry, with a small proportion allocated to expenditure on raising funds.

Tangible fixed assets

All items of furniture and equipment or groups of such assets costing more than £5,000 and with an expected useful life exceeding one year are capitalised. Computers are capitalised regardless of cost.

Tangible fixed assets (continued)

◆ Freehold land and buildings

Freehold land and buildings are included in the accounts at their valuation as at 31 August 2014. This valuation has been deemed to be cost under the transitional arrangements set out in FRS 102 and will apply going forward with additions accounted for at cost. In years prior to 31 August 2014 freehold land and buildings were included in the accounts at a valuation based on existing use or depreciated replacement cost, depending on the nature of the property. Valuations were updated on a “rolling basis” with each property’s value being updated at least every five years.

Non-specialised buildings are those designed as, and used wholly or mainly for, private residential accommodation. They are stated at deemed cost at 31 August 2014 (see above) with additions since that date stated at cost. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, to confirm that their residual value is not materially less than their book value. When this is deemed to be the case, an impairment provision is made (see below).

Specialised buildings comprise large residential convents. They are stated net of depreciation at deemed cost 31 August 2014 (see above) with additions since that date stated at cost minus depreciation. Depreciation is provided at 2% per annum on a straight-line basis in order to write off the buildings over their estimated useful economic life to the charity.

◆ Improvements to property

Expenditure on improvements to property is capitalised and depreciated over a 20 year period on a straight line basis.

◆ Furniture and equipment

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a three or fifteen year period on a straight line basis for computers and fixtures and fittings respectively.

◆ Motor vehicles

Motor vehicles are capitalised and depreciated over a four-year period, on a straight line basis, in order to write off the cost of each vehicle over its estimated useful life.

An impairment review in respect to a particular class of asset is carried out if events, or changes in circumstances, indicate that the carrying amount of any tangible fixed asset may not be recoverable.

Fixed asset investments

◆ Listed investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if 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 investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

◆ Programme related investments

Programme related investments include buildings owned by the charity but used by other organisations for purposes consistent with the charity's objectives. The original cost of the buildings classified as programme related investments is not known. They are included on the balance sheet at a trustees' valuation determined in 1999 (the last valuation carried out prior to their classification as programme related investments) adjusted for any impairments in value. The valuations are stated net of grants received to develop the properties. The trustees' valuation was made, with professional assistance, in 1999 on the basis of replacement cost for existing use. The valuations have been updated subsequently for any impairment in value based on informal advice received from the trustees' professional advisers. Any gain or loss arising from disposal or any loss arising from impairment is credited or charged to the statement of financial activities.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Grants from the Department for Education

Grants received from the Department for Education and used to fund the development of the properties used by the voluntary aided schools have been credited against the valuation of the properties held as programme related investments and are shown in note 15.

In the event of the sale or disposal by other means, of any asset for which a capital grant was received, the charity is required to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State. If the value of the property falls below the amount of the grant received, then a proportion of the grant is released to the statement of financial activities as a credit against the revaluation.

Fund accounting

The reserves are used to fulfil the charity's missions. The reserves policy is set out in the trustees' report.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

The tangible fixed assets fund represents the net book value of those tangible fixed assets used for the support of the sisters and their ministry net of loans secured against such properties. A decision was made to separate this fund from the general fund in recognition of the fact that the assets are used in the day to day work of the charity, and the fund value would not be realisable easily if needed to meet future contingencies.

The programme related investments fund represents the value of the charity's programme related investments. These investments comprise land and buildings owned by the charity but used by other charitable and not-for-profit organisations with objectives consistent with those of the charity. It is the intention of the trustees that such assets should continue to be used for these purposes and as such their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

Fund accounting (continued)

The designated funds are monies or other assets set aside out of general funds and designated for specific purposes by the trustees.

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

Pension costs

In order to comply with the auto enrolment requirements introduced by the Pensions Act 2008, the charity offers its employees membership of a defined contribution pension scheme. Contributions to the scheme are debited to the statement of financial activities in the year in which they are payable to the scheme. The assets of the scheme are held independently of the charity.

Leased assets

Rentals payable under operating leases and interest under hire purchase arrangements are taken to the statement of financial activities on a straight line basis over the lease or hire purchase term.

Foreign currencies

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

Services provided by members of the Congregation

For the purpose of these accounts, no monetary value has been placed on the care, administrative or other services provided by members of the Congregation.

1 Income from: Donations and legacies

	2023			2022		
	Un-restricted funds £	Restricted funds £	Total £	Un-restricted funds £	Restricted funds £	Total £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	2,703,676	—	2,703,676	2,594,305	—	2,594,305
Legacies receivable	51,418	—	51,418	169,478	—	169,478
Loan from the Generalate of the Congregation converted to a donation (see below)	1,000,000	—	1,000,000	—	—	—
Other donations and gifts	3,251	4,647	7,898	3,988	7,028	11,016
Total funds	3,758,345	4,647	3,762,992	2,767,771	7,028	2,774,799

During the year a loan of £1 million advanced to the charity in prior years by the Generalate of the Congregation was forgiven and has been included above as a donation.

2 Income from: Investments and interest receivable

	Un-restricted funds £	Restricted funds £	Total 2023 £	Un-restricted funds £	Restricted funds £	Total 2022 £
Income from listed investments						
. UK fixed interest	13,588	—	13,588	1,578	—	1,578
. UK equities	72,929	—	72,929	119,306	—	119,306
. UK unit trusts	15,084	—	15,084	11,102	—	11,102
. Overseas unit trusts	6,184	—	6,184	1,307	—	1,307
. Overseas equities	26,919	—	26,919	37,949	—	37,949
	134,704	—	134,704	171,242	—	171,242
Interest earned on deposit accounts	23,195	—	23,195	995	—	995
Income from programme related investments						
. Rental income	81,170	—	81,170	81,170	—	81,170
Total funds	239,069	—	239,069	253,407	—	253,407

3 Income from: Other sources – Surplus on disposal of tangible fixed assets

The surplus on disposal of tangible fixed assets includes £507,774 arising from the disposal of land and buildings compared to £225,791 in 2022.

4 Expenditure on: Raising funds

	Un-restricted funds £	Restricted funds £	Total 2023 £	Un-restricted funds £	Restricted funds £	Total 2022 £
Stockbrokers' fees	26,886	—	26,886	31,113	—	31,113
Allocated support costs (note 9)	12,408	—	12,408	11,292	—	11,292
Total funds	39,294	—	39,294	42,405	—	42,405

5 Expenditure on: Support of members of the Congregation and their ministry

	Un-restricted funds £	Restricted funds £	Total 2023 £	Un-restricted funds £	Restricted funds £	Total 2022 £
Premises	436,547	45	436,592	325,236	1,517	326,753
Staff costs	1,522,383	—	1,522,383	1,390,990	—	1,390,990
Sisters' living and personal expenses	1,161,728	525	1,162,253	1,053,155	—	1,053,155
Education, training and spiritual renewal	12,104	772	12,876	5,010	875	5,885
Depreciation	235,479	—	235,479	237,327	—	237,327
Management costs (including allocated support costs of £235,571(2022 - £214,558) (note 9))	305,122	85	305,207	286,866	102	286,968
Total funds	3,673,363	1,427	3,674,790	3,298,584	2,494	3,301,078

6 Specific expenditure in relation to potential property disposals

	Un-restricted funds £	Restricted funds £	Total 2023 £	Un-restricted funds £	Restricted funds £	Total 2022 £
Impairment provision	215,500	—	215,500	518,300	—	518,300
Costs of security and running of the property (including staff costs of £17,122) (2022- £15,259)	220,922	—	220,922	199,417	—	199,417
Total funds	436,422	—	436,422	717,717	—	717,717

The contract for the sale of charity's property at Parbold, Lancashire was due to be agreed at the end of July 2021 but the buyers withdrew their offer before exchange of contracts. The property was re-marketed and is now under offer once again. In 2020, as explained in note 14 to these accounts, the trustees had been advised that the sale proceeds that might be achieved would be less than the net book value of the property and hence an impairment provision was deemed necessary during the year to 31 August 2020. As the new sale has progressed, further potential costs have been identified and further impairment provisions have been made.

The charity continues to incur expenditure in relation to security and other costs of maintaining the property. See post balance sheet events (note 28).

7 Expenditure on: Programme related investments

	Un-restricted funds £	Restricted funds £	Total 2023 £	Un-restricted funds £	Restricted funds £	Total 2022 £
Rent	81,170	—	81,170	81,170	—	81,170
Amortisation	16,667	—	16,667	16,667	—	16,667
Capital grant no longer repayable following disposal of property (see below)	(16,667)	—	(16,667)	(16,667)	—	(16,667)
Total funds	81,170	—	81,170	81,170	—	81,170

7 Expenditure on: Programme related investments (continued)

In the past, the charity had received capital grants from the Department for Education in respect to the property disposed of. However, as explained in note 15, the trustees are of the opinion that capital grants received from the Department for Education, recovered from the disposal proceeds of the original property and used subsequently to fund the purchase of a new building have been reinvested in buildings to be used for the provision of state education. As a consequence, they do not deem any such capital grants to be repayable at the current time. An amount equivalent to the amortisation of the leasehold property is eliminated from grants repayable to offset the annual amortisation charges.

8 Expenditure on: Grants and donations

	Un-restricted funds £	Restricted funds £	Total 2023 £	Un-restricted funds £	Restricted funds £	Total 2022 £
Grants in support of the overseas missionary work and ministry of Institute of The Sister of Notre Dame De Namur British Province	2,533	4,602	7,135	287	5,784	6,071
Other grants and donations	600	—	600	933	—	933
Total funds	3,133	4,602	7,735	1,220	5,784	7,004

9 Support costs

	Raising funds (note 4) £	Support of members and their ministry (note 5) £	2023 Total £	Raising funds (note 4) £	Support of members and their ministry (note 5) £	2022 Total £
Provincial administration						
. Staff costs	9,587	182,144	191,731	8,244	156,643	164,887
. Office costs	1,692	32,151	33,843	2,048	38,915	40,963
Governance costs (note 10)	1,129	21,456	22,585	1,000	19,000	20,000
	12,408	235,751	248,159	11,292	214,558	225,850

The charity allocates its support costs on a basis consistent with the use of resources.

10 Governance costs

	Un-restricted funds £	Restricted funds £	Total 2023 £	Un-restricted funds £	Restricted funds £	Total 2022 £
Professional fees	22,585	—	22,585	20,000	—	20,000

11 Net income (expenditure) before investment losses

This is stated after charging (crediting):

	Total 2023 £	Total 2022 £
Staff costs (note 12)	1,731,236	1,571,136
Auditor's remuneration		
. Statutory audit fee (including VAT) – current year	21,960	20,000
. Statutory audit fee (including VAT) – prior year	4,905	—
Depreciation	235,479	237,327
Rental income	(81,170)	(81,170)
Operating lease charges		
. Equipment	3,234	4,182
. Land and buildings	—	4,845

12 Staff costs, key management personnel and trustees' remuneration

Staff costs during the year were as follows:

	Total 2023 £	Total 2022 £
Wages and salaries	1,522,436	1,348,425
Social security costs	105,529	87,365
Pension costs	25,564	21,794
	1,653,529	1,457,584
Agency staff	64,764	88,169
Redundancy costs	12,943	25,383
	1,731,236	1,571,136

The average number of employees during the year expressed as both full time equivalent (FTE) and average numbers, analysed by function, was:

	2023 average	2022 average	2023 FTE	2022 FTE
Central administration and support	4	4	4	3
Support of members of the congregation and their ministry	96	86	56	53
	100	90	60	56

No employee earned £60,000 per annum or more (including taxable benefits) during the year (2022 – £nil).

The trustees consider that they together with the Business Manager and the Finance Manager comprise the key management personnel of the charity in charge of directing and controlling, running and operating the material charitable activities on a day-to-day basis. The total remuneration (including taxable benefits and employer's pensions contributions) of the Business Manager and the Finance Manager for the year was £112,082 (2022 - £96,825).

12 Staff costs, key management personnel and trustees' remuneration (continued)

As members of the Congregation, the trustees' living and personal expenses during the year were borne by the charity, but they received no remuneration or reimbursement of expenses in connection with their duties as trustees during the year (2022 - £nil).

13 Taxation

Institute of the Sisters of Notre Dame De Namur British Province is a registered charity and, therefore, is not liable to income tax or corporation tax on income on gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

14 Tangible fixed assets

	Land and buildings		Property Improvements £	Furniture and equipment £	Motor vehicles £	Total £
	Non- specialised £	Specialised £				
Cost or deemed cost						
At 1 September 2022	8,565,000	11,685,006	95,106	511,969	417,661	21,274,742
Additions	1,095,110	—	34,596	64,603	111,452	1,305,761
Disposals	(1,170,000)	—	—	(176,841)	(105,281)	(1,452,122)
At 31 August 2023	<u>8,490,110</u>	<u>11,685,006</u>	<u>129,702</u>	<u>399,731</u>	<u>423,832</u>	21,128,381
At cost	—	185,006	129,702	399,731	423,832	1,138,271
At deemed cost	<u>8,490,110</u>	<u>11,500,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	19,900,110
	<u>8,490,110</u>	<u>11,685,006</u>	<u>129,702</u>	<u>399,731</u>	<u>423,832</u>	21,128,381
Depreciation and impairment						
At 1 September 2022	328,168	2,782,561	1,010	394,871	361,845	3,868,455
Depreciation charge for the year	—	173,700	5,421	21,058	35,300	235,479
Impairment provision	—	215,500	—	—	—	215,500
On disposals	—	—	—	(176,841)	(104,376)	(281,217)
At 31 August 2023	<u>328,168</u>	<u>3,171,761</u>	<u>6,431</u>	<u>239,088</u>	<u>292,769</u>	4,038,217
Net book values						
At 31 August 2023	<u>8,161,942</u>	<u>8,513,245</u>	<u>123,271</u>	<u>160,643</u>	<u>131,063</u>	17,090,164
At 31 August 2022	<u>8,236,832</u>	<u>8,902,445</u>	<u>94,096</u>	<u>117,098</u>	<u>55,816</u>	17,406,287

As explained under principal accounting policies, freehold land and buildings are included in the accounts at their valuation as at 31 August 2014. This valuation has been deemed to be cost under the transitional arrangements set out in FRS 102 and will apply going forward with additions from 1 September 2014 or later accounted for at cost. The revaluations were part of a rolling programme that resulted in each property being revalued at least every five years. The reviews of the valuations were carried out every five years by Messrs Stanley Hicks, Chartered Surveyors, in accordance with guidelines set by the Royal Institution of Chartered Surveyors for accounts purposes in accordance with the Practice Statements and Guidance Notes set out in the eighth edition of the RICS Appraisal and Valuation Manual published by the Royal Institution of Chartered Surveyors (The Red Book). In the intervening years, the valuations were reviewed by the trustees for significant impairment and, if necessary, valuations were adjusted downwards.

The freehold land and buildings were acquired many years ago and precise figures for the historical cost of the properties are not available. However, it is known that the original purchase price on many of the properties was insignificant in today's terms.

14 Tangible fixed assets (continued)

Impairment

An impairment provision is included within the accounts where there are indications that the net realisable value of a property is less than its net book value. Indications that may give rise to this conclusion include:

- ◆ The post year end sale of a property results in net proceeds materially below the net book value of the property at the year end date; and
- ◆ Advice from a selling agent indicates that the net proceeds from the disposal of a property may be materially below the net book value of a property for the foreseeable future.

In such cases an impairment provision is included in order to reduce the net book value of the relevant property to equate to its actual or estimated net sale proceeds.

As explained in note 5, one of the charity's freehold properties situated in Parbold, Lancashire has been marketed for sale. In preparing for the disposal during the year to 31 August 2020, indications were that the sale proceeds that might be achieved would be less than the net book value of the property then stated in the accounts. Consequently, an impairment provision of £490,000 was made in the accounts for the year to 31 August 2020 in order to reduce the net book value to the selling agent's guide price less anticipated costs of disposal. This sale did not proceed and the property is now again under offer. Taking into account the offer and all associated potential costs, the trustees made a further impairment provision in the year to 31 August 2022 of £518,300. Having considered recent developments, the trustees have made another provision in the year to 31 August 2023 of £215,500. See post balance sheet events (note 28).

15 Listed investments

	2023 £	2022 £
Listed investments		
Market value at 1 September 2022	5,670,492	5,895,866
Additions at cost	321,150	377,451
Disposals at book value (see below)	(1,469,681)	(434,710)
Net unrealised investment losses	(186,741)	(168,115)
Market value at 31 August 2023	4,335,220	5,670,492
Cash held by stockbrokers for re-investment	6,518	10,409
	4,341,738	5,680,901
Cost of listed investments at 31 August 2023	2,904,854	3,424,250

Disposals at book value included above are made up of the following:

	2023 £	2022 £
Proceeds	1,343,509	401,396
Realised losses	126,172	33,314
	1,469,681	434,710

15 Listed investments (continued)

Listed investments held at 31 August 2023 comprised the following:

	2023 £	2022 £
UK fixed interest	144,993	295,145
UK equities	1,915,503	2,313,551
UK unit trusts	761,042	1,030,404
Overseas equities	1,431,424	1,796,736
Overseas unit trusts	82,258	234,656
	4,335,220	5,670,492

At 31 August 2023, listed investments included the following individual holdings deemed material when compared with the overall valuation of listed investments as at that date:

	Percentage %	Value £
Findlay Park American Fund	9.2	396,877
Caledonia Investments ordinary 5p	5.6	244,388

All listed investments were dealt in on a recognised stock exchange.

16 Programme related investments

Programme related investments include certain properties not used directly by the charity but which are used by other charitable and not-for-profit organisations for purposes consistent with the charity's objectives. In some cases, rents are received but in other cases no formal rental agreement is in place.

	2023 £	2022 £
At 1 September 2022	2,064,022	2,064,022
Lease amortisation	(16,667)	(16,667)
Capital grant released to offset amortisation (note 7)	16,667	16,667
At 31 August 2023	2,064,022	2,064,022

As explained under principal accounting policies, the above properties are included in the accounts at a valuation carried out initially in 1999. During 2012 the trustees carried out a review of these valuations in order to ascertain whether or not there has been any impairment to the values given the current economic climate, the nature of the properties and their locations. The review was carried out by the trustees but with professional assistance from their property advisers. Certain properties were found to be included in the accounts at a figure that was deemed to be in excess of their market value and as such, an impairment provision was included in the 2012 accounts.

16 Programme related investments (continued)

In the past, the charity had received capital grants from the Department for Education in respect to the property disposed of in 2015. The trustees are of the opinion that such grants, where recovered from the disposal proceeds of the original property, have been reinvested in new buildings to be used for the provision of state education. As a consequence, they do not deem any such capital grants to be repayable at the current time. During the year ended 31 August 2013 an amount was eliminated from the grants repayable figure to reflect the amount not recovered from the disposal of the original property. In subsequent years, an amount equivalent to the amortisation of the leasehold property has been eliminated from grants repayable to offset the annual amortisation charge.

Programme related investments comprise:

	2023	2022
	£	£
Voluntary aided schools	7,333,333	7,350,000
Less Grants received from Department for Education	(5,269,311)	(5,285,978)
	2,064,022	2,064,022

Further details in respect to the properties and their use are given below:

Voluntary aided schools

The Sisters of Notre Dame support the development and operation of three voluntary aided schools.

The school in Kirkdale, Liverpool is subject to a 30 year lease with the Council which commenced in September 2013. A premium of £500,000 was paid and rent of £81,170 per annum is payable. The charity, in turn, is renting the building to the school. As previously, no formal arrangement exists between the school and the charity for the occupation of the building. The school has undertaken to pay a rent to the charity of £81,170 per annum.

The land and buildings of the other two schools located in Woolton, Liverpool and Southwark, London are provided rent free. See post balance sheet events (note 28).

17 Debtors

	2023	2022
	£	£
Prepayments in respect to forthcoming property disposals	100,774	41,528
Other prepayments and accrued income	48,912	20,426
Legacies receivable	—	134,143
Miscellaneous debtors	16,392	39,809
Proceeds receivable in relation to property disposal	230,000	—
	396,088	235,906

18 Creditors: amounts falling due within one year

	2023 £	2022 £
Monies administered by the charity on behalf of individual members of the Institute of the Sisters of Notre Dame De Namur British Province (see below)	507,916	545,555
Loan from the Generalate of the Institute of the Sisters of Notre Dame De Namur - Sisters of Notre Dame De Namur, Inc. (see below)	—	1,000,000
Expense and other creditors	190,317	170,696
Deposit received for sale of property	50,000	50,000
Amounts payable in respect to tangible fixed asset additions	—	5,746
Accruals and deferred income	32,512	30,049
Taxes and social security costs	26,689	20,472
	807,434	1,822,518

Monies administered by the charity on behalf of individual members

The monies administered by the charity on behalf of individual members of the Institute represent funds introduced by sisters. As they are repayable on demand they are included as creditors repayable within one year. However, they would be repaid only if a sister were to leave the Congregation or be paid out in accordance with her Will should she die. If a sister were to leave the Congregation, this would require a certain amount of planning. On the death of a sister, her estate would take time to be administered and settled. In both situations, therefore, the charity would have time to prepare for sufficient liquid funds to be made available. Therefore, although the charity has net current liabilities it is not foreseen that this will give rise to cash flow difficulties.

Loan from the Generalate of the Institute of the Sisters of Notre Dame de Namur

	2023 £	2022 £
Loan balance at 1 September 2022	1,000,000	1,000,000
Loan converted to a donation receivable	(1,000,000)	—
Loan balance at 31 August 2023	—	1,000,000

On 19 September 2019, the Sisters of Notre Dame De Namur British Province entered into an agreement with The Congregational Mission Office of the Sisters of Notre Dame De Namur, Inc., the Generalate of the Congregation of the Sisters of Notre Dame, whereby the Generalate provided the charity with loan finance of up to £2,750,000. £1,000,000 was advanced to the charity during the year to 31 August 2020. No further advances were made.

Under the terms of the agreement the charity agreed to provide detailed financial information to the Generalate on a regular basis and agreed not to borrow any additional amounts from any third party without the express written approval of the Generalate, with the exception that the charity may use the agreed Barclays Bank overdraft facility of £250,000 while this is available. The charity was to inform the Generalate if the bank overdraft exceeded £100,000. The agreement did not require the payment of interest.

In the year to 31 August 2023, the Generalate declared its intention not to recover the loan. It has therefore been treated as a donation as shown in note 1 to these accounts.

19 Restricted funds

The income funds of the charity include restricted funds comprising the following donations and grants held on trusts and to be applied for specific purposes:

	At 1 September 2022 £	Income £	Expenditure £	At 31 August 2023 £
Sundry restricted funds	9,483	9,011	(6,029)	12,465

	At 1 September 2021 £	Income £	Expenditure £	At 31 August 2022 £
Sundry restricted funds	10,733	7,028	(8,278)	9,483

20 Tangible fixed assets fund

	2023 £	2022 £
At 1 September 2022	16,406,287	17,663,291
Net movement in year	683,877	(1,257,004)
At 31 August 2023	17,090,164	16,406,287

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets less the outstanding balance on the Congregational loan which is repayable on disposal of the charity's property.

A decision was made to separate this fund from the general fund and other designated funds of the charity in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

21 Programme related investment fund

	2023 £	2022 £
At 1 September 2022 and 31 August 2023	2,064,022	2,064,022

The programme related investment fund represents the value of the charity's programme related investments. As explained in note 16, these investments comprise land and buildings owned by the charity but used by other charitable and not-for-profit organisations with objectives consistent with those of the charity. It is the intention of the trustees that such assets should continue to be used for these purposes for as long as needed and as such their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

22 Designated funds

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds for a specific purpose.

Sisters' retirement fund	2023 £	2022 £
At 1 September 2022	4,750,000	4,500,000
Designated during the year	—	250,000
At 31 August 2023	4,750,000	4,750,000

The sisters' retirement fund represents monies set aside by the charity's trustees to provide for the future costs of providing nursing care to elderly sisters who have dedicated their working lives to the charity.

23 Analysis of net assets between funds

	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Sisters' retirement fund £	Restricted funds £	Total 2023 £
Fund balances at 31 August 2023 are represented by:						
Tangible fixed assets	—	17,090,164	—	—	—	17,090,164
Listed investments	—	—	—	4,341,738	—	4,341,738
Programme related investments	—	—	2,064,022	—	—	2,064,022
Net current assets	1,385,169	—	—	408,262	12,465	1,805,896
Total net assets	1,385,169	17,090,164	2,064,022	4,750,000	12,465	25,301,820

	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Sisters' retirement fund £	Restricted funds £	Total 2022 £
Fund balances at 31 August 2022 are represented by:						
Tangible fixed assets	—	17,406,287	—	—	—	17,406,287
Listed investments	930,901	—	—	4,750,000	—	5,680,901
Programme related investments	—	—	2,064,022	—	—	2,064,022
Net current (liabilities) assets	1,142,890	(1,000,000)	—	—	9,483	152,373
Total net assets	2,073,791	16,406,287	2,064,022	4,750,000	9,483	25,303,583

The total unrealised gains on listed investments as at 31 August 2023 constitute movements on revaluation and are as follows:

	2023 £	2022 £
Unrealised gains included above:		
On listed investments	1,430,366	2,246,242
Total unrealised gains at 31 August 2023	1,430,366	2,246,242
Reconciliation of movements in unrealised gains:		
Unrealised gains at 1 September 2022	2,246,242	2,532,023
Add: In respect to disposals in year	(629,135)	(117,666)
Add: net (losses) gains arising on revaluation in the year	(186,741)	(168,115)
Total unrealised gains at 31 August 2023	1,430,366	2,246,242

24 Department for Education grants and contingent liabilities

The original costs of the properties used by the voluntary aided schools have been funded by capital grants from the Department for Education. The total grants received are shown in note 15.

In the event of the sale or disposal by other means, of any asset for which a capital grant was received, the charity shall if it does not reinvest the proceeds, repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

25 Custodian funds

At 31 August 2023 the charity was holding £8,146 (2022 - £41,632) and £10,622 (2022 - £10,724) on behalf of the Generalate of the Congregation of the Sisters of Notre Dame and the Nigerian Province of the Congregation respectively. The movement on the funds held by the charity comprised monies received of £75,448 (2022 - £159,041) and monies paid of £109,036 (2022 - £155,055). These funds are not included in the accounts of the charity.

26 Related party transactions

The Congregation of the Sisters of Notre Dame de Namur is made up of all the sisters worldwide, including those of the British Province. The Congregational Leadership Team, or Generalate, is elected by and is accountable to the Congregation. The General Moderator, assisted by the rest of the Generalate, has the authority and the responsibility for the overall governance of the Congregation.

In the year to 31 August 2020 the Generalate of the Congregation made a loan of £1 million to the British Province. Details of this loan, movements thereon and the decision to convert the loan into a donation during the year to 31 August 2023 are shown in notes 1 and 18.

The charity owns the share capital of The Notre Dame Trustee Company Limited, a company incorporated in England and Wales. The Notre Dame Trustee Company Limited is also a trustee of the charity. The company has trust corporation status. Its main object is to act in the role of custodian trustee for the charity and as nominee of the charity in the holding of any trust assets and to do all such other things as are incidental or conducive to this main object. The trustee company holds as nominee the property and investments of the charity. The trustee company is otherwise dormant.

As members of the Congregation, none of the trustees have resources of their own, as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the trustees to the charity was £72,888 (2022 - £35,394).

There are no other related party transactions requiring disclosure (2022 – none).

27 Commitments under operating leases

At 31 August 2023, the charity had future commitments under non-cancellable operating leases as follows:

	Equipment	
	2023 £	2022 £
Amounts due within one year	3,234	3,234
Amounts due between two and five years	6,467	9,701
	9,701	12,935

28 Post balance sheet events

Programme related investments

The trustees are presently negotiating the transfer of Notre Dame Catholic College to a Multi Academy Trust. The intention is that the trustees will retain trusteeship of school but the lease with the Local Authority will be surrendered and a new lease is being discussed between the MAT and the Local Authority. The value of the current lease in respect to the voluntary aided school in the attached accounts (see note 16), included as part of programme related investments, is £333,333 offset by the same value of grants received from the Department for Education to give a net figure of zero. On surrender of the lease, the figure of £333,333 will be eliminated from both the gross figure for voluntary aided schools and the figure for grants received (see notes 16 and 24).

Tangible fixed assets

The charity has purchased three properties since the year end for an aggregate price of £551,000 before legal and professional fees and costs related to the purchases. Two properties are situated in Glasgow, one property is in Widnes.

Since the year end £1.8 million has been raised from the sale of three properties, before legal and professional fees and costs related to sale. The properties disposed of are included in these accounts at a net book value of £1.2million.

Since the year end the potential purchasers of the charity's freehold property situated in Parbold, Lancashire, which as noted in note 6 is being marketed for sale, have received outline planning permission, and as a result the sale of the property is proceeding. It is expected that the sale proceeds will equate approximately to the amortised book value of the property included within these accounts.

29 Capital commitments

At the year end the trustees had committed to expenditure of £160,000 (excluding VAT) to upgrade the facilities at one of the larger specialised buildings. No provision in respect to this expenditure is made in these accounts. There were no capital commitments at 31 August 2022.

30 Ultimate control

The charity, which is governed by a trust deed, was controlled throughout the period by the British Province of the Congregation of the Sisters of Notre Dame by virtue of the fact that the Provincial Moderator and the other members of the Provincial Team, are elected by the members of the Congregation. The Provincial Team are the trustees and the directors of the corporate trustee, The Notre Dame Trustee Company Limited. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the Province in Britain are vested in the trustees of the charity, who undertake all transactions entered into in the course of the Province's charitable activities.

THE SISTERS OF NOTRE DAME (OF NAMUR)

England & Wales - Charity number 232411

Accounts

**Institute of the Sisters of
Notre Dame De Namur
British Province**

Annual Report and Accounts

31 August 2022

Charity Registration Number
232411 (England and Wales)
SC038746 (Scotland)

Contents

Reports

Reference and administrative information	1
Trustees' report	3
Independent auditor's report	22

Accounts

Statement of financial activities	27
Balance sheet	28
Statement of cash flows	29
Principal accounting policies	31
Notes to the accounts	39

Trustees	The Notre Dame Trustee Co Limited Sister Mary McClure Sister Catherine Darby Sister Margaret Walsh Sister Elizabeth Brady (appointed 10 March 2022)
Directors of The Notre Dame Trustee Co Limited	Sister Mary McClure Sister Catherine Darby Sister Margaret Walsh
Provincial Moderator	Sister Mary McClure
Provincial office	The Provincialate 266 Woolton Road Liverpool L16 8NF
Telephone	0151 665 0600
Website	www.snduk.org
E-mail	ukprov@sndden.org
Charity registration numbers	232411 (England and Wales) SC038746 (Scotland)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	Barclays Bank plc Cumbria and Lancashire Business Banking Barclays Leicester LE87 2BB
Stockbrokers	J M Finn & Co Limited 25 Copthall Avenue London EC2R 7AH

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L2 3YL

McSparran McCormick
Waterloo Chambers
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G2 6AH

Property advisers and agents Carter Jonas
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Greenhalls Avenue
Warrington
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Property marketing agents CBRE Limited
One St Peter's Square
Manchester
M2 3DE

The trustees present their report together with the accounts of the Institute of the Sisters of Notre Dame De Namur British Province (the "charity") for the year ended 31 August 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 31 to 38 of the attached accounts and comply with the charity's trust deed, applicable laws and the requirements of 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).

Introduction

The Institute of the Sisters of Notre Dame De Namur (the "Congregation") is an international Roman Catholic religious congregation supporting 956 sisters worldwide. It was founded in 1804 in Amiens, France. Its Generalate is located in Rome.

The Congregation is organised into units called Provinces. A Province is a legal body and is usually defined geographically to facilitate the mission of the Congregation in national and local areas. Each Province has its own structure of governance which makes provision for a Provincial Superior, known in Great Britain as the Provincial Moderator, who together with a Provincial Leadership Team takes responsibility for the leadership and administration of the British Province.

The accounts accompanying this report are the accounts of the charitable trust on which the assets of the Congregation in Great Britain are held.

Mission

The Sisters of Notre Dame De Namur are a group of religious women whose main aim is to contribute to the advancement of the Roman Catholic religion by means of involvement in education, broadly conceived. By caring for individual members of the Congregation throughout their lives with the Congregation, the charity aims to enable and support the sisters to live out their faith and to live life to the full supported by the community of Sisters and to put that faith into practice through a wide variety of religious and other charitable works.

When setting the objectives and planning the work of the charity for the year, and when encouraging the work of individual sisters, the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

At their last General Chapter the sisters repeated their commitment to create a more just and loving world, continuing to choose Gospel imperatives as a way of life that "calls us to recommit to actions that lead to transformation within ourselves, society, Church and our Notre Dame Congregation". The sisters are committed to fulfilling their mission by ministering to the whole of creation, to our world and to one another. Every six years the Congregation reviews its life-in-mission, sets new directions, make policies and necessary changes to existing legislation in response to changing times.

Mission (continued)

The General Chapter is the highest authority in the Congregation of the Sisters of Notre Dame de Namur. Every Province in the Congregation is represented. As mentioned in our last trustees' report, the General Chapter of 2020 was postponed because of the Covid pandemic restrictions and as previously mentioned, the re-scheduled Chapter took place on Zoom. The delegates met as a whole body for three days each month from October 2021 through to December 2021. Work continued in delegates' committees between general sessions during these months. By the end of December a new Congregational Leadership Team had been elected and a way forward for the Congregation agreed.



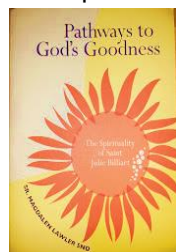
Every General Chapter has a theme or focus. Our recent chapter was entitled “Renew – Transform – Go”. The gathering of sisters from across five continents is a ‘sacred’ opportunity to be in communion with one another from North to South, East to West.

The works or ministries of the sisters of the Congregation fall into the following main areas:

◆ **Worship, prayer and spirituality**

The ‘religious’ life of the sisters is not an end in itself – it is the foundation and source of the Ministries that are undertaken by the sisters.

Members of the Congregation are given the opportunity for private worship and to continue to develop their knowledge and trust in Jesus and the Church through quiet prayer, study of the Gospel and spiritual development. In addition, members of the Congregation celebrate and pray with the wider community including people of all faiths and none. They do this through the provision of spiritual guidance, by presence and accompaniment, by availability, by listening in times of need



Sisters are involved in the giving of retreats (times when individuals seek time away or ‘time out’ from the normal demands of life) and the celebration of the Liturgy through prayer groups and church services. Some members of the Congregation write and/or edit books and publish their work in the area of spirituality, religious education, catechesis, ecology and interfaith.

As mentioned in our last trustees' report, Sister Magdalen Lawler continues in her ministry as a free-lance retreat and conference leader, facilitating retreats at home and abroad. She continues her work through Zoom. These included retreats sponsored by retreat centres in Ireland, Yorkshire and London as well as days of quiet reflection.

Sister Magdalen is also the author of five books on the subject of Art and Spirituality.

She has reviewed and republished her *Pathways to God's Goodness*, The Spirituality of Julie Billiart, originally published in 2001, this publication is now being used in schools and retreat centres around the country.

Mission (continued)

◆ **Worship, prayer and spirituality** (continued)

Sister Isabel Smyth continues to serve as the Secretary for Interreligious Dialogue for the Scottish Catholic Bishops. She plans, organises and manages dialogues with faith communities and participates in various interfaith events and dialogues. She works to promote Scottish Interfaith Week and encourage the need for good interfaith understanding as a way of peace both within the Catholic Church in Scotland and throughout our world.

Sister Kathleen McGhee continues with her ministry:

“The focus of my ministry is Pastoral Accompaniment. I accompany twenty people in any month: priests, deacons, religious sisters and lay people. It plays a supportive role in the lives of these people who are, in the main, holding responsible and often demanding roles in the Church. This accompaniment is also part of the initial and ongoing formation of the deacons in the Liverpool Archdiocese.

In addition, I accompany three religious communities, two active groups and one monastic. This includes the regular facilitation of a Provincial Team.

◆ **Education**

The Congregation's work of education continues through the involvement of members in teaching, educational support and administration in educational establishments as well as membership of school governing bodies. They also work with children and adults with learning disabilities, people with special needs, multiple impairments or both. Many sisters are actively engaged in religious education programmes and have pioneered programmes for families and those with special needs. Sisters who are now unable to be actively involved in this work continue to support schools, Hope University and other learning centres by attending special events and by their friendship, encouragement and prayer.

The Sisters of Notre Dame De Namur are trustees of three voluntary aided schools – Notre Dame Catholic College, Liverpool; St Julie's High School, Liverpool; and Notre Dame High School, Southwark, London. Some sisters serve on the governing bodies of these three schools and one sister serves as a governor for Notre Dame, Sheffield.

Sister Anne Marie Niblock is Headteacher at Notre Dame RC Girls' School in Southwark, London.

As mentioned in the last trustees' report, she kept the school open every day during lockdown, including holidays, in order to support key workers and vulnerable children. Since schools reopened fully, Sister Anne Marie has continued to reach out to local schools both in leading a Faith Partnership of Catholics schools in the Local Authority and as the Link Headteacher with the Diocese. The consequences of the aftermath of the Covid pandemic continue to be felt in the school community. Mental health issues continue to grow both as a post Covid reality and the increasing stresses of a society which places enormous pressures on parents and carers. The rising costs of living echo in the lives of pupils and staff and for many Notre Dame High School, Southwark, London, is a place of safety. A place of acceptance and a place to attain one's potential.

Mission (continued)

◆ **Education** (continued)

Sister Rosemary O'Callaghan continues to work as Counsellor Chaplain at Notre Dame High School, Southwark, London. Post Covid lockdown, she maintains the levels of contact and support for the vulnerable students. Since restrictions have lifted her workload has greatly increased since one of the effects of lockdown has been increased family tensions and mental health issues.

Sister Margaret Jenkins continues in her crucial supportive role with students in Notre Dame Catholic College, Liverpool. Her focus is with those who struggle in mainstream education. She provides opportunities for students to talk about their problems in a safe environment. Her office is a haven for those who cannot cope at lunchtime in the dining room. She works alongside pupils to help them complete difficult work projects and currently she has a particular care for pupils suffering the effects of Covid. Margaret works alongside the chaplain in extending a practical outreach to the families of students. She is a listening compassionate presence to students and staff alike.

Over the years the governance of many secondary schools was passed from the sisters to local dioceses or local education authorities. Many have retained Notre Dame in their name. Close links continue to grow and be strengthened through the "Notre Dame Schools and Colleges Network" supported by Sisters Catherine Darby and Anne Marie Niblock.

- ◆ Notre Dame Norwich
- ◆ Notre Dame Plymouth
- ◆ Notre Dame Southwark
- ◆ Notre Dame Sheffield
- ◆ Notre Dame Sixth Form College Leeds
- ◆ Notre Dame Catholic College Liverpool
- ◆ St Julie's High School Liverpool
- ◆ Notre Dame Glasgow
- ◆ Fernhill School Glasgow
- ◆ Our Lady and St. Patrick's High School Dumbarton



UK NOTRE DAME NETWORK OF SCHOOLS AND COLLEGES TODAY

This year's Annual Conference 2022 included representatives from each school along with their head teachers. The head teachers continue to meet monthly via Zoom facilitated by Sister Catherine Darby. This encounter has created a 'sacred space' for mutual support and reflection.

Mission (continued)

◆ **Education** (continued)



The trustees also support the head teacher of St Julie's Catholic High School and the Deputy Head of Notre Dame Catholic College, Liverpool, who have replaced the Notre Dame sisters on the University Council.

◆ **Social and pastoral work**

The charity enables and supports individual members of the Congregation in ministry and outreach work thereby furthering the message set out in the Gospel to love one another. In order to provide direct service to the materially poor, and since most sisters are of retirement age, many sisters freely give their services in diverse ministries.

Some work for social justice, in adult literacy programmes, on safeguarding boards, in hospices, with the elderly, as hospital chaplains, prison visitors, as well as with socially deprived women and children suffering from the stress of their situation. Others serve on a vast variety of groups in their neighbourhoods, parishes and dioceses. They are to be found in some of the poorest parishes in the land. Sisters are working with refugees and asylum seekers in various parts of the country. Sisters with training and experience in a number of disciplines give service to individuals and groups as counsellors, psychologists, facilitators and assessors. It is worth noting that the sisters go on participating in these ministries well into their senior years.

The repercussions from the Covid pandemic continue to take their toll as the majority of sisters were in the vulnerable age range. However, the sisters continue to be outgoing and aware of the needs of other people. Via Zoom, sisters participate in regional and international Zoom meetings as well as local gatherings. Through online conversations they formed new friendships with people they had never met. In response to *Laudato Si* (Pope Francis Encyclical which deals with the crises in our environment), they also continue their own learning. They have also provided reflection days on the 'cry of the earth' in Edinburgh, Glasgow, Liverpool and the Southwest of England particularly in relation to the environment and the climate crisis. Our involvement in education of ourselves and others remains a strong impetus to witness to the Gospel imperative to care for creation.

Some examples:

Psychotherapy

Sister Gail Taylor is an adult psychoanalytic psychotherapist. She has been recognised by the Institute of Psychoanalysis.

Mission (continued)

◆ **Social and pastoral work** (continued)

Caring for Survivors of abuse

Sister Agnes Szraga gives support to groups and individual survivors of in-care childhood abuse. She does so through listening, advising on current related legislation and informing them of where to seek assistance.

Sister Elizabeth Brady has recently become a member of the Scottish Children's Panel which make important legal decisions for the children who attend – keeping their views at the heart of every legal hearing.

Social deprivation

Sister Maureen McGuigan continues her work with a local credit union in a deprived area. She keeps in touch with families through offering telephone support, thus enabling people to access funding and avoid debt.

Our Canon Lawyers

Sister Rachel Harrington, who lives in London and Sister Ishbel Macpherson, who lives in Glasgow, have doctorates in Canon Law. They remain two of the very few women who are fully qualified canonists.

Both Rachel and Ishbel fulfil the role of Judge in a number of diocesan and regional tribunals in England, Wales and Northern Ireland. Rachel serves on an Inter-Diocesan Tribunal which serves seven dioceses in Ireland. Much of their work can be done from home.

◆ **Overseas: Mission and development**

The British Province assists in the education and formation processes for our sisters in Africa and South America in a variety of ways. It helps support sisters working in the world's poorest countries and with the most disadvantaged people – for example in Democratic Republic of Congo, Nigeria, Peru, Kenya, South Africa and Zimbabwe.

Two sisters from Britain still work in Nigeria giving service in healthcare and educational programmes, the promotion of justice and peace and the empowerment of the poor. Other sisters fundraise for overseas development work by making Birthday, Christmas and All Occasion cards, making jewellery and knitting blankets. Many sisters also keep in touch with the younger generation of sisters in other parts of the world letter-writing. This is found to be a valued means of sharing experience, and encouragement.

Mission (continued)

◆ **Other responsibilities: *Archives***

One of the duties of the Provincial Administration is to ensure that the archives are kept safely and that they are up to date.

The Sisters of Notre Dame were founded in the year 1804 and first came to England in 1845. The archives, therefore, cover the hundred years since the foundation of the British Province in 1920 and also include a large collection of documents relating to the life and work of the sisters who ministered in England and Scotland from 1845. The former dedicated archive building has been converted into accommodation for three sisters from the Childwall Community on the ground floor and the new reduced-size Provincialate on the first floor. Space is reserved on each floor for the archives storage and office. The work of the archives has been entrusted to a team of sisters. They receive and catalogue documents and respond to enquiries about the life and work of the sisters. These mainly come from research projects and family members.

Activities, specific objectives and relevant policies

◆ **Activities and specific objectives**

Through our developing understanding of 'Mission' we search anew in each time and place for ways to spread the Gospel and to take our stand with the poor of the earth. According to our tradition we value education as fundamental.

As well as reaching out to the poor and needy, we care for the individual members of our Province by enabling and supporting them in living out their vocation and putting it into practice through a wide variety of educational, social, pastoral and religious works.

Caring for members of the Congregation

The Sisters of Notre Dame De Namur are committed to the care of their aged, sick and infirm sisters. In Britain all of the sisters are over 60 years of age; with 21 in their 90s; 58 in their 80s; 27 in their 70s; and five in their 60s. The sisters aim to keep the elderly as active as possible for as long as possible and provide care which enhances life. Since the closure of our Parbold Convent last year, facilities are provided in two communities to meet the differing needs of an ageing group. As previously reported both properties were adapted last year to cater for increased numbers and needs.

It is of particular importance that a high standard of care is maintained. To ensure this the sisters employ lay managers who co-ordinate the staff, update their training and take responsibility for maintenance of the buildings. In this way, the sisters can be confident as employers that staffing legislation, health and safety requirements and general good practice are all in place. An extensive programme of staff training using external agencies has been provided over the past years. The training is largely continued and updated 'in house' with external support when required. There is also in place an on-going programme of staff training. Currently we employ 99 members of staff.

Activities, specific objectives and relevant policies (continued)

◆ **Activities and specific objectives (continued)**

Aftermath of Covid pandemic

As stated in last year's report, due to age and medical conditions most of the sisters, but in particular those who live in the large care communities, were considered vulnerable and remain so. A recent Covid outbreak in our Childwall Convent, Liverpool resulted in the imposition of safeguarding measures to contain the virus - limited contact with others. We continue to keep the procedures for the safety of staff and sisters under review, adapting as the situation changes.

◆ **Relevant policies**

Grants and donations policy

Whilst the trustees agree to support organisations whose work is within the objects of the charity, the charity does not regard itself as a grant making entity and applications for grants and donations are not invited.

Investment policy

Under the Trust Deed of the charity, the trustees may invest the charity's money, according to the law for the time being in force. The stockbrokers J M Finn and Co Limited offer their advice after taking account of the charity's ethical policy. The trustees, on the advice of the professional and lay advisers, review the policy annually. Catholic Social Teaching informs our investment policy. It also enhances the development of the charity and the achievement of its objectives. The requirements of the Charities Act, to seek out the best possible returns within acceptable levels of risk, are fulfilled. To achieve this we maintain a diversified investment portfolio.

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data; it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

Looking to the future

◆ **Caring for members of the Congregation**

In common with many religious congregations in Britain, the age profile of the members of the Province is increasing as existing members grow older and the number of new vocations decreases. At present the average age is 84.

Looking to the future (continued)

◆ **Caring for members of the Congregation** (continued)

The Province has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted a significant part of their lives to the work of education of the poor and marginalised in society. As the age profile of the Province increases so too does the need to provide care for the sisters. At present, 60 members of the Province are in need of varying levels of nursing care (2021:61). When hospitalisation is required, stays are kept to a minimum and sisters convalesce in one of the two large communities as they are able to give the care and support necessary.

Over the next decade, the trustees expect the proportion of sisters requiring care to increase. As a consequence, the trustees are giving careful consideration to the impact of this on the work of individual members of the Province, the property requirements of the Province and the financial implications.

Achievements and performances

◆ **Social and pastoral work**

Whilst only 2 (2021: 2) sisters are now in paid employment, the majority of able sisters perform some sort of voluntary, charitable or pastoral work.

Of the 99 staff employed by the Sisters of Notre Dame, most have vocational qualifications ranging from BTEC to the Registered Manager qualification. Staff members are well trained to take on additional responsibility either within our houses or within the wider community.

SPRED

The SPRED Religious Education program supported individuals with learning difficulties and volunteers during the year and the charity continues to expand and develop. There are groups serving parishes throughout Glasgow, Paisley and Motherwell where young people and adults with disability become full, active members of their parish community. The work was pioneered by two Sisters of Notre Dame who continue to take an active part in this work.

◆ **Education**

Every year sisters organise a residential conference for Notre Dame schools and colleges at which staff from the three schools for which we are still trustees gather with staff from the seven former Notre Dame schools and colleges to share experience and practice. An appropriate speaker is invited to introduce the key theme at each conference. It is greatly welcomed as a valuable resource at a challenging time for schools.

Financial review

Results for the year

A summary of the year's results can be found on page 27 of this report and accounts.

During 2022 total income amounted to £3,278,972 (2021: £3,999,184). £2,774,799 (2021: £3,401,744) was received by way of donations and legacies. This figure includes salaries and pensions of the sisters amounting to £2,594,305 (2021: £2,676,389) covenanted to the charity and legacy income of £169,478 (2021: £717,892). Investment income and interest receivable totalled £253,407 (2021: £219,700).

Income from disposal of tangible fixed assets totalled £232,717 compared to £359,399 in 2021. Further details are given in note 3 to the attached accounts.

Expenditure totalled £4,149,374 compared to £4,184,527 in 2021 with staff costs, although lower, continuing to represent a significant proportion of this and amounting to £1,571,136 (2021: £2,200,567).

Expenditure incurred on maintaining the members of the Province and supporting them in their pastoral work and ministry (excluding staff costs) amounted to £1,753,445 (2021: £1,863,251).

Specific expenditure in relation to potential property disposals includes an impairment provision of £518,300 made to reduce the value of one of the charity's properties as the market value of the property was considered to be less than its realisable value. Further details of the impairment are given in note 6 to the attached accounts. £199,417 has been expended on maintaining and securing the property while it is empty.

Expenditure on raising funds was £42,405 (2021: £41,506) and included fees paid to the charity's stockbrokers of £31,113 (2021: £29,846).

Net expenditure for the year before investment losses, therefore, was £870,402 (2021: before invest gains of £185,343). Investment losses amounted to £201,429 (2021: gains £737,456). Hence, there was a net decrease in funds for the year of £1,071,831 (2021: increase £552,113).

Investment performance

The stockbrokers continue to be guided by the trustees' investment policy set out earlier in this report and comply with the ethical guidelines given to them.

Due to current economic uncertainty the value of the portfolio decreased so it fell well short of its target of 10% growth. However, the income target of 3% was achieved. The trustees consider this reasonable at the current time. The investment performance is in line with investment performance generally and slightly exceeded the benchmark. Because of the relatively modest size of the portfolio, any variation away from that target has only a marginal effect on the viability of the charity. The charity's brokers are instructed to conduct the portfolio in a medium risk manner.

The trustees will continue to review performance but, given that they view their investments as being for the long term, they remain confident that the policy adopted is appropriate for the charity.

Financial review (continued)

Reserves policy and financial position

Reserves policy

The reader will discern from the foregoing that the charity carries out a diverse range of activities and is responsible for care and support of sisters whose average age is increasing and whose needs are changing. The trustees recognise the need to provide adequately for the maintenance of the sisters in their retirement.

Total restricted funds held at the end of the year are £9,483 (2021: £10,733) With the exception of these small restricted funds, all of the charity's assets are held as unrestricted funds.

Those unrestricted funds represented by tangible fixed assets are shown as a separate tangible fixed assets fund in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

Similarly, those properties held as programme related investments are held as a separate designated fund - the programme related investments fund. These investments comprise land and buildings owned by the charity but used by other charity and not-for-profit organisations with charitable objectives consistent with those of the charity. It is the intention of the trustees that such assets should continue to be used for these purposes for as long as needed and as such their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

The trustees have examined the need for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work and its commitments and the sources of its cash flows, the level of free reserves should be equal to at least six months' expenditure. The current level of reserves reaches this target.

The trustees endeavour to build on the rationalisation that took place last year to improve liquidity and build sufficient reserves to sustain the care of the elderly sisters to the end of their lives in the face of diminishing incomes and increasingly costly care needs.

In 2017, the trustees established a sisters' retirement fund to provide for the future costs of providing nursing care to elderly sisters who have dedicated their working lives to the charity. The amount currently designated is restricted to the funds available to the charity. Further sums will be designated as they become available.

The trustees review their reserves policy annually.

Financial review (continued)

Reserves policy and financial position (continued)

Financial position

The balance sheet shows total reserves of £25.3 million (2021: £26.4 million). Of this, £16.4 million (2021: £17.7 million) is represented by the net book value of properties and other tangible fixed assets essential for the support and work of the sisters whilst £2.1 million (2021: £2.1 million) comprises funds represented by properties classified as programme related investments.

As noted above, the trustees established a sisters' retirement fund in 2017. This amounts to £4.75 million (2021: £4.5 million), and is represented by investments. In the context of the total sum that will be needed in future years to provide for the sisters as they grow older, this amount is not large enough. However, it is hoped that further sums can be designated in future years as they become available following property disposals.

Funds available to support the work of the sisters in the future, in particular the support of the Province's ministry and its development and charitable work overseas, are shown as general funds on the balance sheet and amount to £2.1 million (2021 - £2.1 million). This figure needs to be considered in the light of annual expenditure of approximately £4 million, the increasing age profile of the sisters and the need for the charity to continue to support the work of the Congregation, both in this country and overseas. The sisters are also aware of the importance to the charity of the investment assets and the income generated therefrom. Given the continuing economic uncertainty, and the potentially continuing challenges of Covid, there is a real need to retain monies to enable the long term financial stability of the charity. As noted above, the trustees believe that the charity's free reserves are adequate, at the current time. As noted elsewhere in the trustees' report the trustees are developing plans to dispose of properties surplus to their needs to generate funds to meet the charity's ongoing financial needs.

Tax exemptions etc.

The beneficiaries of the work of the charity have the assurance that all of the income of the charity must be applied for charitable purposes in furtherance of the charity's object of furthering the Roman Catholic faith. The charity enjoys tax exemption on income from its activities and on its investment income and gains provided these are applied for its charitable aims. As a charity, it is also entitled to a reduction of 80% on business rates on the property it occupies for its charitable purposes, and a 50% reduction in Council Tax for its properties that are occupied by members of the Congregation. The financial benefits received as a result of these exemptions are all applied for the purposes of furthering the Roman Catholic faith by enabling and supporting the sisters to live out their vocation and to put it into practice through a wide variety of religious and other charitable works.

The nature of the charity's activities means that it is unable to reclaim VAT input tax on its costs as it is exempt for VAT purposes. The charity also pays tax as an employer through the national insurance contributions it makes.

Future plans

The charity is working with the Congregation to update its strategy to continue the mission of the Sisters of Notre Dame de Namur in all of the global areas in which it operates whilst balancing this against the need to care for the increasingly elderly sisters who have sustained this mission in years gone by. The strategy will determine where resources are targeted. The sisters are working to maximise those resources by seeking to obtain the optimum efficiencies in their operational costs and care provision. To achieve this the trustees are looking at their property portfolio with an aim to release capital to meet the charity's financial obligations. To this end the three large, care-giving convents were reduced to two last year, and the trustees are reviewing the accommodation in Scotland and its suitability for the current and future needs of the sisters.

Governance, structure and management

Governance

In terms of Canon law, the Congregation is governed at an international level by the General Moderator and her Congregational Leadership Team. They are elected every six years at a General Chapter which is a meeting of representatives of all provinces of the Congregation. The British Province is governed by the Provincial Moderator and her Provincial Leadership Team, who are elected by members of the Province in accordance with the Province's Government Plan. Appointments to the Provincial Leadership Team are ratified canonically by the Congregational Leadership Team.

The Congregational Leadership Team is accountable to the General Chapter which is the Supreme Legislative Authority in the Congregation. The most recent General Chapter took place in 2021.

In terms of Civil law, the British Province of the Congregation is an unincorporated body registered under the Charities Act, Charity Registration Number 232411, and governed by a Trust Deed dated 31 December 1953. The charity is also registered in Scotland with the Charity Registration Number SC038746.

The members of the Provincial Leadership Team are also the trustees and the directors of the corporate trustee, The Notre Dame Trustee Co Limited, which is registered as a trust corporation.

The members of the Provincial Leadership Team are chosen for their personal qualities, their understanding and experience of the ministries of the sisters throughout Britain and their ability to work with and lead the sisters of the Province.

As all trustees are members of the Congregation they have a detailed knowledge of the work of the charity and of its structure. On being appointed, new trustees are required to spend at least one full day with those trustees leaving office. They also meet with the Congregation's legal, accounting, investment and property advisers over the course of several days to obtain a full briefing of their responsibilities and the charity's position.

All trustees are members of the Congregation and as such their living and personal costs are borne by the charity. However, they receive no remuneration or expenses for their services as trustees.

Governance, structure and management (continued)

Governance (continued)

With one exception, the present trustees were appointed in May 2021 and took office on 15 August 2021. On appointment as trustees, the sisters participate in a detailed induction programme which is devised as part of the handover process and involves lay managers, consultants and professional advisers so as to explain their duties as trustees.

Trustees are encouraged to attend various relevant training sessions where appropriate such as: Conference of Religious conferences; safeguarding conferences; finance workshops; spiritual and theological development courses; and ICT training.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts and brief biographical details on each of the trustees in office is given below:

Sister Mary McClure

Sister Mary McClure was appointed as Provincial Moderator in August 2021. She previously served on the Provincial Leadership Team from 2009 to 2014 and has also served on the General Government Team between 1996 and 2000, where she worked with the units in the USA, South America and Africa. She has been involved at all levels of education: primary and secondary teaching; higher education as a senior lecturer in Theology and Post-Graduate Teacher Education, and has published in the field of Religious and Moral Education. Mary offers 'facilitation' for communities and schools and has worked as a chaplain/counsellor in a secondary school. She has held management roles in a number of organisations that educate, empower and safeguard women.

Sister Catherine Darby

Sister Catherine Darby was appointed to the Provincial Leadership Team in August 2021. She has served on two previous teams from 1999 to 2004 and from 2004 to 2009. Catherine's professional background is in education: her experience ranges from teaching in primary schools in Lancashire and London, ten years as adviser for primary schools in the Shrewsbury Diocese and her most recent ministry is in parish and adult faith formation. This latter ministry led to her being one of the two UK coordinators to initiate and liaise with the Institute of Pastoral Studies, Loyola University, Chicago and the northern dioceses a Certificate in Pastoral Ministry. She was also a collaborator in establishing an inter-diocesan certificate for a Diploma for Pastoral Leadership in Pastoral Ministry. Catherine was asked to be a member of the group setting up a pilot project for the formation of lay pastoral associates in the Liverpool Archdiocese.

Sister Margaret Walsh

Sister Margaret Walsh was appointed to the Provincial Team in August 2021. She has worked in both secondary and higher education. After teaching in secondary schools she moved into an advisory service for adult theological education. As an advisor she worked with teachers, clergy and laypeople. Later she was appointed to be the director of an ecumenical college where she taught degree courses for Manchester University to students who were preparing for ministry in the various Christian denominations. This work included working with leaders in the local Muslim community. After retiring from full-time teaching she served as chair of governors at St Julie's Catholic High School, Liverpool. She also worked with the Sisters of Notre Dame as co-ordinator of their International Heritage Centre in Namur, Belgium.

Governance, structure and management (continued)

Governance (continued)

Sister Elizabeth Brady

Sister Elizabeth Brady was a member of the Provincial Leadership Team from 15 August 2014 to 15 August 2021 she was reappointed as a trustee on 10 March 2022. She has worked in the field of primary education in both Scotland and England. She worked for 12 years in Liverpool first as Deputy Head Teacher and then Head Teacher for nine years in Saint Matthew's Junior School. She then returned to Scotland and was Head Teacher in St Michael's Primary School, West Dunbartonshire for 13 years. After qualifying as a play therapist she spent three years at the Notre Dame Centre in Glasgow. More recently she has worked as a panel member with Children's Hearings Scotland.

Key management personnel

The trustees consider that they are the key management personnel of the charity responsible for directing and controlling the charity and running and operating the charity on a day to day basis. In this they are advised and supported by the Business Manager and the Finance Manager who implement the trustees' decisions, as outlined below.

The pay of the Business Manager and the Finance Manager is reviewed annually by the trustees and normally increased in line with inflation. Consideration is given also to any changes in roles or responsibilities and pay is benchmarked against similar roles to ensure that it is in line with market rates and is fair.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review developments with regard to the charity or its activities and make any important decisions. They are assisted in this task by the Business Manager and the Finance Manager who deal with finance, resources and secretarial matters. The lay managers provide a link between successive Provincial Leadership Teams but possess no executive authority. They, together with external advisers, advise the trustees as to their legal and fiscal responsibilities and duties and provide training in these matters.

When necessary, the trustees seek advice and support from the charity's professional advisers including property consultants, investment brokers, solicitors and accountants.

The Provincial Moderator or a member of the Provincial Team is required to visit each sister regularly and throughout the year there is a system of accountability operational throughout the Province to ensure that the General Moderator and her Congregational Leadership Team are aware of the progress and development of the ministries carried out by the sisters of the Province. A visit by the General Moderator and Congregational Leadership Team is made to the British Province at least once every six years, the most recent having taken place in September and October 2016.

Governance, structure and management (continued)

Governance (continued)

The sisters are housed in a variety of communities and residences throughout Britain. Currently these are: two large communities with care provision; one community of seven sisters; three communities of two sisters; and 38 residences of individual sisters.

The two large communities are administered by local Moderators and they are assisted in this task by lay managers. In view of the age profile of our sisters we are exploring other models of pastoral care and management for the future.

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and accounts 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 and in Scotland requires the trustees to prepare accounts 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 year.

In preparing accounts giving a true and fair view, the trustees are required to:

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

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 accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's constitution. 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.

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 faces and have reviewed the measures already in place, or needing to be put in place, to deal with them.

Governance, structure and management (continued)

Risk management (continued)

Trustees and senior management are responsible for overseeing the risk assessment each year, focusing on internal and external risk factors.

The Covid pandemic had and continues to clearly present us with challenges and threats to the well-being of our charity and its activities which could not have been foreseen. The trustees recognise their responsibility for the management of risks faced by the charity and the sisters.

The five areas identified for particular attention within our risk management strategy are:

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

Governance and management looks at the risk of the Congregation, and hence the charity, suffering from a lack of direction, at the skills and training of its members and staff, and the good use of its resources. The main risk in this area is the diminishing numbers of sisters. The trustees are working with the rest of the Congregation on a strategy for the future that addresses this reality practically and financially.

Operational looks at the risks inherent in the charity's activities. These include:

- ◆ adequate insurance for our properties and regular evaluation of those properties;
- ◆ the provision of anti-virus software to protect our computing systems;
- ◆ regular fire inspections and renewal of firefighting equipment;
- ◆ mandatory training for staff in our nursing and care facilities in administration of medicines and safe manual handling, etc.

The pandemic has had a significant impact on the operation of the charity. The age profile of the sisters and the fact that the most elderly and vulnerable of them live in large communities has meant that it has had to operate differently to keep them and the staff caring for them safe. To do this they have followed Government guidance. It has been a challenging time for the sisters. Restrictions have been eased but remain under constant review.

Testing and especially the vaccine has eased the pressure on the convents but challenges remain in making sure there are sufficient staff to give the care that is needed. As ever the trustees are grateful for the loyalty and professionalism of our colleagues who have worked incredibly hard in difficult circumstances. Measures are in place to protect our most vulnerable sisters in the event of energy shortages.

Governance, structure and management (continued)

Risk management (continued)

Financial risks include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies, etc. The main source of income of the charity is donations of sisters' pensions and salaries which have not been affected by the current crisis. There have been some increases in costs, with wage pressure linked to staff shortages being a particular issue. The reduction of three large houses to two was delayed because Covid security measures meant delays to sisters moving. The main concern is the effect that the pandemic, the UK exit from the European Union, and the war in Ukraine will have on the economy generally, and on the property market in particular. The charity is dependent on property sales to support future activities.

With the Congregation we are involved in a strategic review to ensure our financial viability in the future and, as outlined in the accounts, they have provided funds to facilitate this.

The charity's assets comprise listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed with the help of reputable stockbrokers adhering to a policy agreed by the trustees. The trustees meet regularly with the stockbrokers and the performance of the portfolio is monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future.

We maintain communications with our investment managers and, whilst there are concerns over stability, we are long term investors, and trust we will continue to benefit from the portfolio in future.

Reputational looks at possible damage to the Congregation's, and hence the charity's, reputation.

The charity is working with the Conferences of Religious in England and Scotland to support their work on safeguarding issues and to ensure that the charity can fully co-operate in any enquiry, should it be required to. The care of the sisters is undertaken with reference to the charity's Child Protection and Vulnerable Adults policy under the guidance of the Province Protection Officers who are responsible for guiding, reporting and ensuring that the best practice in the care of all of the sisters is adhered to at all times.

Laws, regulations, external and environment looks at the effects of government policies, the consequences of non-compliance with laws and regulations and poor risk assessment in the charity's care facilities and elsewhere.

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' report 31 August 2022

Employees and members of the Congregation

The trustees wish to record their recognition of the professionalism and commitment of all their staff and the individual members of the Congregation. Their dedication and positive approach are very much appreciated.

Approved by the trustees and signed on their behalf by:

Margaret Walsh

Trustee

Approved by the trustees on: 20 February 2023

Independent auditor's report to the trustees of Institute of the Sisters of Notre Dame De Namur British Province

Opinion

We have audited the accounts of Institute of the Sisters of Notre Dame De Namur British Province (the 'charity') for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statements of cash flows principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31st August 2022 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements, that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts 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 and accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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:

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of the trustees and the review of minutes of meetings of the trustees.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ Making enquiries of the trustees as to where they considered there was susceptibility to fraud and their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud
(continued)

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Carried out substantive testing of expenditure including the authorisation thereof;
- ◆ Gained an understanding of the processes in place for the management of the charity's investments and confirmed the validity of investment movements; and
- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Reviewing the minutes of meetings of trustees;
- ◆ Enquiring of management as to actual and potential litigation and claims; and
- ◆ Agreeing accounts disclosures to underlying supporting documentation.

As a result of our procedures we did not identify any key audit matters relating to irregularities.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Independent auditor's report Year to 31 August 2022

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act and in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

24 March 2023

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

Statement of financial activities Year to 31 August 2022

	Notes	2022			2021		
		Un-restricted funds £	Restricted funds £	Total funds £	Un-restricted funds £	Restricted funds £	Total funds £
Income from:							
Donations and legacies	1	2,767,771	7,028	2,774,799	3,396,116	5,628	3,401,744
Investments and interest receivable	2	253,407	—	253,407	219,700	—	219,700
Charitable activities							
. Book royalties		432	—	432	755	—	755
. Other		17,617	—	17,617	17,586	—	17,586
Other sources							
. Surplus on disposal of tangible fixed assets	3	232,717	—	232,717	359,399	—	359,399
Total income		3,271,944	7,028	3,278,972	3,993,556	5,628	3,999,184
Expenditure on:							
Raising funds	4	42,405	—	42,405	41,506	—	41,506
Charitable activities							
. Support of members of the Congregation and their ministry	5	3,298,584	2,494	3,301,078	4,050,514	4,948	4,055,462
. Specific expenditure in relation to potential property disposals	6	717,717	—	717,717	—	—	—
. Programme related investments	7	81,170	—	81,170	81,170	—	81,170
. Grants and donations	8	1,220	5,784	7,004	720	5,669	6,389
Total expenditure		4,141,096	8,278	4,149,374	4,173,910	10,617	4,184,527
Net expenditure before investment (losses) gains	11	(869,152)	(1,250)	(870,402)	(180,354)	(4,989)	(185,343)
Net (losses) gains on the revaluation and disposal of listed investments		(201,429)	—	(201,429)	737,456	—	737,456
Net (expenditure) income and net movement in funds		(1,070,581)	(1,250)	(1,071,831)	557,102	(4,989)	552,113
Reconciliation of funds:							
Fund balances brought forward at 1 September 2021		26,364,681	10,733	26,375,414	25,807,579	15,722	25,823,301
Fund balances carried forward at 31 August 2022		25,294,100	9,483	25,303,583	26,364,681	10,733	26,375,414

All recognised gains and losses are included in the above statement of financial activities.

All of the charity's activities derived from continuing operations during the above two financial periods.

Balance sheet 31 August 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	13		17,406,287		18,663,291
Investments					
. Listed investments	14		5,680,901		5,899,162
. Programme related investments	15		2,064,022		2,064,022
			25,151,210		26,626,475
Current assets					
Debtors	16	235,906		696,782	
Cash at bank and in hand		1,738,985		943,308	
		1,974,891		1,640,090	
Liabilities					
Creditors: amounts falling due within one year	17	(1,822,518)		(1,891,151)	
Net current assets (liabilities)			152,373		(251,061)
Total net assets			25,303,583		26,375,414
The funds of the charity:					
Funds and reserves					
Restricted funds	18		9,483		10,733
Unrestricted funds					
. Tangible fixed assets fund	19	16,406,287		17,663,291	
. Programme related investment fund	20	2,064,022		2,064,022	
. Designated funds	21	4,750,000		4,500,000	
. General fund		2,073,791		2,137,368	
			25,294,100		26,364,681
			25,303,583		26,375,414

Approved by the trustees
and signed on their behalf
by:

Catherine Darby

Trustee
Approved on: 20 February 2023

Statement of cash flows Year to 31 August 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(71,705)	(1,063,806)
Cash flows from investing activities:			
Investment income and interest received		250,954	221,426
Proceeds from the disposal of tangible fixed assets		827,652	1,094,399
Purchase of tangible fixed assets		(228,056)	(137,577)
Proceeds from the disposal of listed investments		401,396	188,057
Purchase of listed investments		(377,451)	(165,181)
Net cash provided by investing activities		874,495	1,201,124
Change in cash and cash equivalents in the year		802,790	137,318
Cash and cash equivalents at 1 September 2021	B	946,604	809,286
Cash and cash equivalents at 31 August 2022	B	1,749,394	946,604

Notes to the statement of cash flows for the year to 31 August 2022

A Reconciliation of net movement in funds to net cash used in operating activities

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	(1,071,831)	552,113
Adjustments for:		
Depreciation	237,327	283,809
Impairment of tangible fixed assets	518,300	—
Amortisation of programme related investments	16,667	16,667
Release of capital grant in respect to programme related investments	(16,667)	(16,667)
Losses (gains) on investments	201,429	(737,456)
Investment income and interest receivable	(253,407)	(219,700)
Surplus on disposal of tangible fixed assets	(232,717)	(359,399)
Decrease (increase) in debtors	463,329	(515,092)
Increase (decrease) in creditors	65,865	(68,081)
Net cash used in operating activities	(71,705)	(1,063,806)

Statement of cash flows Year to 31 August 2022

B Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	Non-cash movements £	At 31 August 2022 £
Cash at bank and in hand	943,308	795,677	—	1,738,985
Cash held by stockbrokers for re-investment	3,296	7,113	—	10,409
	<u>946,604</u>	<u>802,790</u>	<u>—</u>	<u>1,749,394</u>
Debt due within one year				
. Loan from The Sisters of the Notre Dame De Namur Generalate	(1,000,000)	—	—	(1,000,000)
Totals	<u>(53,396)</u>	<u>802,790</u>	<u>—</u>	<u>749,394</u>

C Reconciliation of net cash flow to movement in net debt

	2022 £	2021 £
Increase in cash	802,790	137,318
Changes in net debt arising from cash flows	—	—
Movement in net debt in year	802,790	137,318
Net debt at 1 September 2021	(53,396)	(190,714)
Net debt at 31 August 2022	749,394	(53,396)

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

Basis of preparation

These accounts have been prepared for the year to 31 August 2022 with comparative information given in respect to the year to 31 August 2021.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with 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 (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and applicable Charities Accounts (Scotland) Regulations.

The charity constitutes a public benefit entity as defined by FRS 102.

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

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates.

The items in the accounts where such judgements and estimates have been made include:

- ◆ estimating the useful economic lives of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ determining the size of the sisters' retirement fund, in order to provide for the continuing care of the members;
- ◆ determining the allocation of salaries across expenditure headings based on the time spent on each activity by staff members;
- ◆ determining the apportionment of expenditure between governance and support costs and between support costs and the various categories of expenditure;
- ◆ assessing the probability of the receipt of legacy income;
- ◆ the determination of any impairment charge in respect to tangible fixed assets; and
- ◆ estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

The trustees acknowledge and recognise the residual impact of the Covid-19 pandemic and the current global issues on the charity and have concluded that there will continue to be some negative consequences such as the impact on investment income, difficulties in liquidating capital, difficulties in recruitment and the physical absence of key personnel. However, the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 August 2023, the most significant areas that affect the carrying value of the assets held by the charity are the performance of the investment and property markets (see the investment policy and the risk management sections of the trustees' report for more information).

In addition to the above, the long term impact following the emergence of the global Covid-19 pandemic, the Ukrainian war and associated energy crisis is still unknown. Therefore, it is not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, suppliers and the wider economy. Estimates used in the accounts are subject to a greater degree of uncertainty and volatility. Future income and expenditure flows have been estimated in order to assess the impact if any on going concern.

The trustees have considered the impact of these issues on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount can be measured reliably, and it is probable that the income will be received.

Income comprises donations and legacies; investment income from listed investments and programme related investments; interest receivable; income from charitable activities; the surplus on disposal of tangible fixed assets and miscellaneous income.

Donations, including salaries and pensions of individual religious received under Gift Aid or deed of covenant, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Income recognition (continued)

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Income from listed investments is recognised once the dividend has been declared and notification has been received of the dividend due. Income from programme related investments comprises rental income from properties used by voluntary aided schools and other registered charities for purposes consistent with the objects of the Institute of the Sisters of Notre Dame De Namur British Province, and is recognised when due under the lease arrangements with the entities. Income from all investments is accounted for only when the receipt of such income is probable, and the amount can be measured reliably.

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.

Income from charitable activities comprises income in respect to book royalties; income from the sale of calendars and other sundry income. Income in respect to book royalties is recognised on an accruals basis.

A surplus on the disposal of tangible fixed assets or on the disposal of programme related investments is defined as the difference between the sale proceeds and the net book value of the asset at the time of disposal and after deducting any costs associated with the disposal. Where legal completion takes place subsequent to the year end but an exchange of contracts has taken place prior to the year end, any surplus on disposal is accounted for in the year of exchange unless completion was conditional on certain acts being carried out by the charity between the year end and completion.

Miscellaneous income is measured at fair value and accounted for on an accruals basis.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses are allocated to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes stockbrokers' fees and an allocation of support costs as outlined in note 9.

Expenditure recognition (continued)

- ◆ 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 include:
 - ◇ Expenditure on the support of members of the Congregation and their ministry. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty and supporting the other charitable activities of members of the Congregation.
 - ◇ Specific expenditure in relation to potential property disposals including any necessary impairment against the carrying amount of such property, security costs, maintenance costs and other costs associated with the empty property.
 - ◇ Expenditure on programme related investments including any rent payable on leasehold assets and the amortisation.
 - ◇ Grants and donations to support the Congregation's own work overseas and to support other charitable organisations with objectives consistent with those of the charity.
 - ◇ Expenditure on readying properties for disposal together with any impairment in respect to the charity's tangible fixed assets.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

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

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Governance costs are apportioned using percentages based on the expenditure incurred on the activities of the charity.

The majority of expenditure on support and governance is allocated to the charitable activities of care of members of the Congregation and enabling their ministry, with a small proportion allocated to expenditure on raising funds.

Tangible fixed assets

All items of furniture and equipment or groups of such assets costing more than £5,000 and with an expected useful life exceeding one year are capitalised. Computers are capitalised regardless of cost.

Tangible fixed assets (continued)

◆ Freehold land and buildings

Freehold land and buildings are included in the accounts at their valuation as at 31 August 2014. This valuation has been deemed to be cost under the transitional arrangements set out in FRS 102 and will apply going forward with additions accounted for at cost. In years prior to 31 August 2014 freehold land and buildings were included in the accounts at a valuation based on existing use or depreciated replacement cost, depending on the nature of the property. Valuations were updated on a “rolling basis” with each property’s value being updated at least every five years.

Non-specialised buildings are those designed as, and used wholly or mainly for, private residential accommodation. They are stated at deemed cost at 31 August 2014 (see above) with additions since that date stated at cost. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, to confirm that their residual value is not materially less than their book value. When this is deemed to be the case, an impairment provision is made (see below).

Specialised buildings comprise large residential convents. They are stated net of depreciation at deemed cost 31 August 2014 (see above) with additions since that date stated at cost minus depreciation. Depreciation is provided at 2% per annum on a straight-line basis in order to write off the buildings over their estimated useful economic life to the charity.

◆ Improvements to property

Expenditure on improvements to property is capitalised and depreciated over a 20 year period on a straight line basis.

◆ Furniture and equipment

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a three or fifteen year period on a straight line basis for computers and fixtures and fittings respectively.

◆ Motor vehicles

Motor vehicles are capitalised and depreciated over a four-year period, on a straight line basis, in order to write off the cost of each vehicle over its estimated useful life.

An impairment review in respect to a particular class of asset is carried out if events, or changes in circumstances, indicate that the carrying amount of any tangible fixed asset may not be recoverable.

Fixed asset investments

◆ Listed investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if 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 investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

◆ Programme related investments

Programme related investments include buildings owned by the charity but used by other organisations for purposes consistent with the charity's objectives. The original cost of the buildings classified as programme related investments is not known. They are included on the balance sheet at a trustees' valuation determined in 1999 (the last valuation carried out prior to their classification as programme related investments) adjusted for any impairments in value. The valuations are stated net of grants received to develop the properties. The trustees' valuation was made, with professional assistance, in 1999 on the basis of replacement cost for existing use. The valuations have been updated subsequently for any impairment in value based on informal advice received from the trustees' professional advisers. Any gain or loss arising from disposal or any loss arising from impairment is credited or charged to the statement of financial activities.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Grants from the Department for Education

Grants received from the Department for Education and used to fund the development of the properties used by the voluntary aided schools have been credited against the valuation of the properties held as programme related investments and are shown in note 15.

In the event of the sale or disposal by other means, of any asset for which a capital grant was received, the charity is required to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State. If the value of the property falls below the amount of the grant received, then a proportion of the grant is released to the statement of financial activities as a credit against the revaluation.

Fund accounting

The reserves are used to fulfil the charity's missions. The reserves policy is set out in the trustees' report.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

The tangible fixed assets fund represents the net book value of those tangible fixed assets used for the support of the sisters and their ministry net of loans secured against such properties. A decision was made to separate this fund from the general fund in recognition of the fact that the assets are used in the day to day work of the charity, and the fund value would not be realisable easily if needed to meet future contingencies.

The programme related investments fund represents the value of the charity's programme related investments. These investments comprise land and buildings owned by the charity but used by other charitable and not-for-profit organisations with objectives consistent with those of the charity. It is the intention of the trustees that such assets should continue to be used for these purposes and as such their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

Fund accounting (continued)

The designated funds are monies or other assets set aside out of general funds and designated for specific purposes by the trustees.

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

Pension costs

In order to comply with the auto enrolment requirements introduced by the Pensions Act 2008, the charity offers its employees membership of a defined contribution pension scheme. Contributions to the scheme are debited to the statement of financial activities in the year in which they are payable to the scheme. The assets of the scheme are held independently of the charity.

Leased assets

Rentals payable under operating leases and interest under hire purchase arrangements are taken to the statement of financial activities on a straight line basis over the lease or hire purchase term.

Foreign currencies

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

Services provided by members of the Congregation

For the purpose of these accounts, no monetary value has been placed on the care, administrative or other services provided by members of the Congregation.

1 Income from: Donations and legacies

	2022			2021		
	Un-restricted funds £	Restricted funds £	Total £	Un-restricted funds £	Restricted funds £	Total £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	2,594,305	—	2,594,305	2,676,389	—	2,676,389
Legacies receivable	169,478	—	169,478	717,892	—	717,892
Other donations and gifts	3,988	7,028	11,016	1,835	5,628	7,463
Total funds	2,767,771	7,028	2,774,799	3,396,116	5,628	3,401,744

In 2021 legacies receivable included £650,928 from the estate of a member of the Congregation who died in 1924. The legacy arose following the distribution into that estate of proceeds from the sale of land held on trust for the benefit of the deceased.

2 Income from: Investments and interest receivable

	Un-restricted funds £	Restricted funds £	Total 2022 £	Un-restricted funds £	Restricted funds £	Total 2021 £
Income from listed investments						
. UK fixed interest	1,578	—	1,578	1,229	—	1,229
. UK equities	119,306	—	119,306	87,011	—	87,011
. UK unit trusts	11,102	—	11,102	34,502	—	34,502
. Overseas unit trusts	1,307	—	1,307	2,255	—	2,255
. Overseas equities	37,949	—	37,949	13,930	—	13,930
	171,242	—	171,242	138,927	—	138,927
Interest earned on deposit accounts	995	—	995	(397)	—	(397)
Income from programme related investments						
. Rental income	81,170	—	81,170	81,170	—	81,170
Total funds	253,407	—	253,407	219,700	—	219,700

3 Income from: Other sources – Surplus on disposal of tangible fixed assets

Surplus on disposal of tangible fixed assets includes £225,791 in respect to land and buildings compared to £353,344 in 2021.

In 2021 surplus on disposal of tangible fixed assets contained £193,179 in respect to the disposal of land situated at Cardross Road, Dumbarton. The charity had entered into an agreement with a Promoter under which the Promoter would apply for planning permission (including listed building consent regarding a derelict chapel on the site) and market the land for development during an agreed promotion period. Following the successful sale of the land for development, the Promoter was entitled to a defined proportion of the sale receipts with the charity being entitled to receive a minimum value of £500,000. The surplus of £193,179, therefore, is stated after deducting the amount payable to the Promoter under the agreement.

4 Expenditure on: Raising funds

	Un- restricted funds £	Restricted funds £	Total 2022 £	Un- restricted funds £	Restricted funds £	Total 2021 £
Stockbrokers' fees	31,113	—	31,113	29,846	—	29,846
Allocated support costs (note 9)	11,292	—	11,292	11,660	—	11,660
Total funds	42,405	—	42,405	41,506	—	41,506

5 Expenditure on: Support of members of the Congregation and their ministry

	Un- restricted funds £	Restricted funds £	Total 2022 £	Un- restricted funds £	Restricted funds £	Total 2021 £
Premises	325,236	1,517	326,753	401,010	3,327	404,337
Staff costs	1,390,990	—	1,390,990	2,033,453	—	2,033,453
Sisters' living and personal expenses	1,053,155	—	1,053,155	1,050,547	—	1,050,547
Education, training and spiritual renewal	5,010	875	5,885	1,876	1,543	3,419
Depreciation	237,327	—	237,327	283,809	—	283,809
Management costs (including allocated support costs of £214,558 (2021 - £221,537) (note 9))	286,866	102	286,968	279,819	78	279,897
Total funds	3,298,584	2,494	3,301,078	4,050,514	4,948	4,055,462

6 Specific expenditure in relation to potential property disposals

	Un- restricted funds £	Restricted funds £	Total 2022 £	Un- restricted funds £	Restricted funds £	Total 2021 £
Impairment Provision	518,300	—	518,300	—	—	—
Costs of security and running of the property (including staff costs of £15,259)	199,417	—	199,417	—	—	—
Total funds	717,717	—	717,717	—	—	—

As noted in the trustees' report, the contract for the sale of charity's property at Parbold, Lancashire was due to be agreed at the end of July 2021 but the buyers withdrew their offer before exchange of contracts. The property was re-marketed and is now under offer once again. In 2020, as explained in note 13 to these accounts, the trustees had been advised that the sale proceeds that might be achieved would be less than the net book value of the property and hence an impairment provision was deemed necessary during the year to 31 August 2020. As the new sale has progressed further potential costs have been identified and a further impairment provision has been made.

The charity continues to incur expenditure in relation to security and other costs of maintaining the property.

7 Expenditure on: Programme related investments

	Un-restricted funds £	Restricted funds £	Total 2022 £	Un-restricted funds £	Restricted funds £	Total 2021 £
Rent	81,170	—	81,170	81,170	—	81,170
Amortisation	16,667	—	16,667	16,667	—	16,667
Capital grant no longer repayable following disposal of property (see below)	(16,667)	—	(16,667)	(16,667)	—	(16,667)
Total funds	81,170	—	81,170	81,170	—	81,170

In the past, the charity had received capital grants from the Department for Education in respect to the property disposed of. However, as explained in note 15, the trustees are of the opinion that capital grants received from the Department for Education, recovered from the disposal proceeds of the original property and used subsequently to fund the purchase of a new building have been reinvested in buildings to be used for the provision of state education. As a consequence, they do not deem any such capital grants to be repayable at the current time. An amount equivalent to the amortisation of the leasehold property is eliminated from grants repayable to offset the annual amortisation charges.

8 Expenditure on: Grants and donations

	Un-restricted funds £	Restricted funds £	Total 2022 £	Un-restricted funds £	Restricted funds £	Total 2021 £
Grants in support of the overseas missionary work and ministry of Institute of The Sister of Notre Dame De Namur British Province	287	5,784	6,071	—	5,669	5,669
Other grants and donations	933	—	933	720	—	720
Total funds	1,220	5,784	7,004	720	5,669	6,389

9 Support costs

	Raising funds (note 4) £	Support of members and their ministry (note 5) £	2022 Total £	Raising funds (note 4) £	Support of members and their ministry (note 5) £	2021 Total £
Provincial administration						
. Staff costs	8,244	156,643	164,887	8,356	158,758	167,114
. Office costs	2,048	38,915	40,963	2,295	43,598	45,893
Governance costs (note 10)	1,000	19,000	20,000	1,009	19,181	20,190
	11,292	214,558	225,850	11,660	221,537	233,197

The charity allocates its support costs on a basis consistent with the use of resources.

10 Governance costs

	Un-restricted funds £	Restricted funds £	Total 2022 £	Un-restricted funds £	Restricted funds £	Total 2021 £
Professional fees	20,000	—	20,000	20,190	—	20,190

11 Net expenditure before investment (losses) gains

This is stated after charging (crediting):

	Total 2022 £	Total 2021 £
Staff costs (note 12)	1,571,136	2,200,567
Auditor's remuneration		
. Statutory audit fee (including VAT) – current year	20,000	18,840
. Statutory audit fee (including VAT) – prior year	—	5,160
Depreciation	237,327	283,809
Rental income	(81,170)	(81,170)
Operating lease charges		
. Equipment	4,182	4,418
. Land and buildings	4,845	8,590

12 Staff costs, key management personnel and trustees' remuneration

Staff costs during the year were as follows

	Total 2022 £	Total 2021 £
Wages and salaries	1,348,425	1,763,187
Social security costs	87,365	115,407
Pension costs	21,794	25,836
	1,457,584	1,904,430
Agency staff	88,169	27,413
Redundancy costs	25,383	268,724
	1,571,136	2,200,567

The average number of employees during the year expressed as both full time equivalent (FTE) and average numbers, analysed by function, was:

	2022 average	2021 average	2022 FTE	2021 FTE
Central administration and support	4	5	3	3
Support of members of the congregation and their ministry	86	121	53	73
	90	126	56	76

No employee earned £60,000 per annum or more (including taxable benefits) during the year (2021 – £nil).

11 Staff costs, key management personnel and trustees' remuneration (continued)

The trustees consider that they together with the Business Manager and the Finance Manager comprise the key management personnel of the charity in charge of directing and controlling, running and operating the material charitable activities on a day to day basis. The total remuneration (including taxable benefits and employer's pensions contributions) of the Business Manager and the Finance Manager for the year was £96,825 (2021 - £111,415).

As members of the Congregation, the trustees' living and personal expenses during the year were borne by the charity, but they received no remuneration or reimbursement of expenses in connection with their duties as trustees during the year (2021 - £nil).

12 Taxation

Institute of the Sisters of Notre Dame De Namur British Province is a registered charity and, therefore, is not liable to income tax or corporation tax on income on gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

13 Tangible fixed assets

	Land and buildings		Property Improve- ments £	Furniture and equipment £	Motor vehicles £	Total £
	Non- specialised £	Specialised £				
Cost or deemed cost						
At 1 September 2021	9,157,500	11,716,801	—	649,573	464,309	21,988,183
Reclassification	—	(31,795)	31,795	—	—	—
Additions	—	—	63,311	1,659	28,588	93,558
Disposals	(592,500)	—	—	(139,263)	(75,236)	(806,999)
At 31 August 2022	<u>8,565,000</u>	<u>11,685,006</u>	<u>95,106</u>	<u>511,969</u>	<u>417,661</u>	<u>21,274,742</u>
At cost	—	185,006	95,106	511,969	417,661	1,209,742
At deemed cost	<u>8,565,000</u>	<u>11,500,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>20,065,000</u>
	<u>8,565,000</u>	<u>11,685,006</u>	<u>95,106</u>	<u>511,969</u>	<u>417,661</u>	<u>21,274,742</u>
Depreciation and impairment						
At 1 September 2021	328,168	2,090,561	—	501,866	404,297	3,324,892
Depreciation charge for the year	—	173,700	1,010	32,268	30,349	237,327
Impairment provision	—	518,300	—	—	—	518,300
On disposals	—	—	—	(139,263)	(72,801)	(212,064)
At 31 August 2022	<u>328,168</u>	<u>2,782,561</u>	<u>1,010</u>	<u>394,871</u>	<u>361,845</u>	<u>3,868,455</u>
Net book values						
At 31 August 2022	<u>8,236,832</u>	<u>8,902,445</u>	<u>94,096</u>	<u>117,098</u>	<u>55,816</u>	<u>17,406,287</u>
At 31 August 2021	<u>8,829,332</u>	<u>9,626,240</u>	<u>—</u>	<u>147,707</u>	<u>60,012</u>	<u>18,663,291</u>

13 Tangible fixed assets (continued)

As explained under principal accounting policies, freehold land and buildings are included in the accounts at their valuation as at 31 August 2014. This valuation has been deemed to be cost under the transitional arrangements set out in FRS 102 and will apply going forward with additions from 1 September 2014 or later accounted for at cost. The revaluations were part of a rolling programme that resulted in each property being revalued at least every five years. The reviews of the valuations were carried out every five years by Messrs Stanley Hicks, Chartered Surveyors, in accordance with guidelines set by the Royal Institution of Chartered Surveyors for accounts purposes in accordance with the Practice Statements and Guidance Notes set out in the eighth edition of the RICS Appraisal and Valuation Manual published by the Royal Institution of Chartered Surveyors (The Red Book). In the intervening years, the valuations were reviewed by the trustees for significant impairment and, if necessary, valuations were adjusted downwards.

The freehold land and buildings were acquired many years ago and precise figures for the historical cost of the properties are not available. However, it is known that the original purchase price on many of the properties was insignificant in today's terms.

Barclays Bank plc holds a legal charge over a property with a market value of approximately £1 million.

Subsequent to the year end the trustees have committed to purchase eight flats in Glasgow to house members of the Congregation at an estimated total cost of approximately £960,000.

Impairment

An impairment provision is included within the accounts where there are indications that the net realisable value of a property is less than its net book value. Indications that may give rise to this conclusion include:

- ◆ The post year end sale of a property results in net proceeds materially below the net book value of the property at the year end date; and
- ◆ Advice from a selling agent indicates that the net proceeds from the disposal of a property may be materially below the net book value of a property for the foreseeable future.

In such cases an impairment provision is included in order to reduce the net book value of the relevant property to equate to its actual or estimated net sale proceeds.

As explained in note 5, one of the charity's freehold properties situated in Parbold, Lancashire has been marketed for sale. In preparing for the disposal during the year to 31 August 2020, indications were that the sale proceeds that might be achieved would be less than the net book value of the property then stated in the accounts. Consequently, an impairment provision of £490,000 was made in the accounts for the year to 31 August 2020 in order to reduce the net book value to the selling agent's guide price less anticipated costs of disposal. This sale did not proceed and the property is again under offer. Taking into account the offer and all associated potential costs the trustees believe that a further impairment provision of £518,300 is required.

14 Listed investments

	2022 £	2021 £
Listed investments		
Market value at 1 September 2021	5,895,866	5,181,286
Additions at cost	377,451	165,181
Disposals at book value (see below)	(434,710)	(175,065)
Net unrealised investment (losses) gains	(168,115)	724,464
Market value at 31 August 2022	<u>5,670,492</u>	<u>5,895,866</u>
Cash held by stockbrokers for re-investment	10,409	3,296
	<u>5,680,901</u>	<u>5,899,162</u>
Cost of listed investments at 31 August 2022	<u>3,424,250</u>	<u>3,363,843</u>

Disposals at book value included above are made up of the following:

	2022 £	2021 £
Proceeds	401,396	188,057
Realised losses (gains)	33,314	(12,992)
	<u>434,710</u>	<u>175,065</u>

Listed investments held at 31 August 2022 comprised the following:

	2022 £	2021 £
UK fixed interest	295,145	297,815
UK equities	2,313,551	2,673,708
UK unit trusts	1,030,404	1,074,502
Overseas equities	1,796,736	1,573,242
Overseas unit trusts	234,656	276,598
	<u>5,670,492</u>	<u>5,895,865</u>

At 31 August 2022, listed investments included the following individual holdings deemed material when compared with the overall valuation of listed investments as at that date:

	Percentage %	Value £
Findlay Park American Fund	9.4	535,574
Polar Capital Technology Trust ordinary 25p	4.7	267,650
Caledonia Investments ordinary 5p	4.6	262,395

All listed investments were dealt in on a recognised stock exchange.

15 Programme related investments

Programme related investments include certain properties not used directly by the charity but which are used by other charitable and not-for-profit organisations for purposes consistent with the charity's objectives. In some cases rents are received but in other cases no formal rental agreement is in place.

	2022 £	2021 £
At 1 September 2021	2,064,022	2,064,022
Lease amortisation	(16,667)	(16,667)
Capital grant released to offset amortisation (note 6)	16,667	16,667
At 31 August 2022	2,064,022	2,064,022

As explained under principal accounting policies, the above properties are included in the accounts at a valuation carried out initially in 1999. During 2012 the trustees carried out a review of these valuations in order to ascertain whether or not there has been any impairment to the values given the current economic climate, the nature of the properties and their locations. The review was carried out by the trustees but with professional assistance from their property advisers. Certain properties were found to be included in the accounts at a figure that was deemed to be in excess of their market value and as such, an impairment provision was included in the 2012 accounts.

In the past, the charity had received capital grants from the Department for Education in respect to the property disposed of in 2015. The trustees are of the opinion that such grants, where recovered from the disposal proceeds of the original property, have been reinvested in new buildings to be used for the provision of state education. As a consequence, they do not deem any such capital grants to be repayable at the current time. During the year ended 31 August 2013 an amount was eliminated from the grants repayable figure to reflect the amount not recovered from the disposal of the original property. In subsequent years, an amount equivalent to the amortisation of the leasehold property has been eliminated from grants repayable to offset the annual amortisation charge.

Programme related investments comprise:

	2022 £	2021 £
Voluntary aided schools	7,350,000	7,366,666
Less Grants received from Department for Education	(5,285,978)	(5,302,644)
	2,064,022	2,064,022

Further details in respect to the properties and their use are given below:

Voluntary aided schools

The Sisters of Notre Dame support the development and operation of three voluntary aided schools.

The school in Kirkdale, Liverpool is subject to a 30 year lease with the Council which commenced in September 2013. A premium of £500,000 was paid and rent of £81,170 per annum is payable. The charity, in turn, is renting the building to the school. As previously, no formal arrangement exists between the school and the charity for the occupation of the building. The school has undertaken to pay a rent to the charity of £81,170 per annum.

The land and buildings of the other two schools located in Woolton, Liverpool and Southwark, London are provided rent free.

16 Debtors

	2022 £	2021 £
Prepayments and accrued income	61,954	17,789
Legacies receivable	134,143	654,894
Miscellaneous debtors	39,809	24,099
	235,906	696,782

17 Creditors: amounts falling due within one year

	2022 £	2021 £
Monies administered by the charity on behalf of individual members of the Institute of the Sisters of Notre Dame De Namur British Province	545,555	570,470
Loan from the Generalate of the Institute of the Sisters of Notre Dame De Namur - Sisters of Notre Dame De Namur, Inc. (see below)	1,000,000	1,000,000
Expense and other creditors	170,696	129,703
Deposit received for sale of property	50,000	—
Amounts payable in respect to tangible fixed asset additions	5,746	140,244
Accruals and deferred income	30,049	30,352
Taxes and social security costs	20,472	20,382
	1,822,518	1,891,151

Monies administered by the charity on behalf of individual members

The monies administered by the charity on behalf of individual members of the Institute represent funds introduced by sisters. As they are repayable on demand they are included as creditors repayable within one year. However, they would be repaid only if a sister were to leave the Congregation or be paid out in accordance with her Will should she die. If a sister were to leave the Congregation, this would require a certain amount of planning. On the death of a sister, her estate would take time to be administered and settled. In both situations, therefore, the charity would have time to prepare for sufficient liquid funds to be made available. Therefore, although the charity has net current liabilities it is not foreseen that this will give rise to cash flow difficulties.

Loan from the Generalate of the Institute of the Sisters of Notre Dame de Namur

	2022 £	2021 £
Loan balance at 1 September 2021 and 31 August 2022	1,000,000	1,000,000

On 19 September 2019, the Sisters of Notre Dame De Namur British Province entered into an agreement with The Congregational Mission Office of the Sisters of Notre Dame De Namur, Inc., the Generalate of the Congregation of the Sisters of Notre Dame, whereby the Generalate will provide the charity with loan finance of up to £2,750,000. £1,000,000 was advanced to the charity during the year to 31 August 2020. No further advances have been made.

17 Creditors: amounts falling due within one year (continued)

Loan from the Generalate of the Institute of the Sisters of Notre Dame de Namur (continued)

The amount advanced was to be repaid from the sale proceeds of one of the charity's properties. Should the net proceeds received from the sale of the property be insufficient to repay the amount advanced, the charity's trustees will work with the Congregational Leadership Team to renegotiate the plan for repayment.

Under the terms of the agreement the charity has agreed to provide detailed financial information to the Generalate on a regular basis and has agreed not to borrow any additional amounts from any third party without the express written approval of the Generalate, with the exception that the charity may use the agreed Barclays Bank overdraft facility of £250,000 while this is available. The charity will inform the Generalate if the bank overdraft exceeds £100,000.

The agreement does not require the payment of interest.

Post balance sheet event

During the year the charity has been in negotiation with the Generalate regarding the funding of the future care needs of the elderly sisters. Subsequent to the year end it has been agreed that the Generalate will not require repayment of the loan and during the year to 31 August 2023 the loan is to be converted into a donation.

18 Restricted funds

The income funds of the charity include restricted funds comprising the following donations and grants held on trusts and to be applied for specific purposes:

	At 1 September 2021 £	Income £	Expenditure £	At 31 August 2022 £
Sundry restricted funds	10,733	7,028	(8,278)	9,483

	At 1 September 2020 £	Income £	Expenditure £	At 31 August 2021 £
Sundry restricted funds	15,722	5,628	(10,617)	10,733

19 Tangible fixed assets fund

	2022 £	2021 £
At 1 September 2021	17,663,291	18,404,279
Net movement in year	<u>(1,257,004)</u>	<u>(740,988)</u>
At 31 August 2022	<u>16,406,287</u>	<u>17,663,291</u>

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets less the outstanding balance on the Congregational loan which is repayable on disposal of the charity's property.

A decision was made to separate this fund from the general fund and other designated funds of the charity in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

20 Programme related investment fund

	2022 £	2021 £
At 1 September 2021 and 31 August 2022	<u>2,064,022</u>	<u>2,064,022</u>

The programme related investment fund represents the value of the charity's programme related investments. As explained in note 15, these investments comprise land and buildings owned by the charity but used by other charitable and not-for-profit organisations with objectives consistent with those of the charity. It is the intention of the trustees that such assets should continue to be used for these purposes for as long as needed and as such their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

21 Designated funds

The income funds of the charity includes the following designated fund which has been set aside out of unrestricted funds for a specific purpose.

Sisters' retirement fund	2022 £	2021 £
At 1 September 2021	4,500,000	3,150,000
Designated during the year	<u>250,000</u>	<u>1,350,000</u>
At 31 August 2022	<u>4,750,000</u>	<u>4,500,000</u>

The sisters' retirement fund represents monies set aside by the charity's trustees to provide for the future costs of providing nursing care to elderly sisters who have dedicated their working lives to the charity.

22 Analysis of net assets between funds

	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Sisters' retirement fund £	Restricted funds £	Total 2022 £
Fund balances at 31 August 2022 are represented by:						
Tangible fixed assets	—	17,406,287	—	—	—	17,406,287
Listed investments	930,901	—	—	4,750,000	—	5,680,901
Programme related investments	—	—	2,064,022	—	—	2,064,022
Net current (liabilities) assets	1,142,890	(1,000,000)	—	—	9,483	152,373
Total net assets	2,073,791	16,406,287	2,064,022	4,750,000	9,483	25,303,583

	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Sisters' retirement fund £	Restricted funds £	Total 2021 £
Fund balances at 31 August 2021 are represented by:						
Tangible fixed assets	—	18,663,291	—	—	—	18,663,291
Listed investments	1,399,162	—	—	4,500,000	—	5,899,162
Programme related investments	—	—	2,064,022	—	—	2,064,022
Net current (liabilities) assets	738,206	(1,000,000)	—	—	10,733	(251,061)
Total net assets	2,137,368	17,663,291	2,064,022	4,500,000	10,733	26,375,414

The total unrealised gains on listed investments as at 31 August 2022 constitute movements on revaluation and are as follows:

	2022 £	2021 £
Unrealised gains included above:		
On listed investments	2,246,242	2,532,023
Total unrealised gains at 31 August 2022	2,246,242	2,532,023
Reconciliation of movements in unrealised gains:		
Unrealised gains at 1 September 2021	2,532,023	1,832,956
Add: In respect to disposals in year	(117,666)	(25,397)
Add: net (losses) gains arising on revaluation in the year	(168,115)	724,464
Total unrealised gains at 31 August 2022	2,246,242	2,532,023

23 Department for Education grants and contingent liabilities

The original costs of the properties used by the voluntary aided schools have been funded by capital grants from the Department for Education. The total grants received are shown in note 15.

In the event of the sale or disposal by other means, of any asset for which a capital grant was received, the charity shall if it does not reinvest the proceeds, repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

24 Custodian funds

At 31 August 2022 the charity was holding £41,632 (2021 - £37,504) and £10,724 (2021 - £10,866) on behalf of the Generalate of the Congregation of the Sisters of Notre Dame and the Nigerian Province of the Congregation respectively. The movement on the funds held by the charity comprised monies received of £159,041 (2021 - £154,289) and monies paid of £155,055 (2021 - £148,086). These funds are not included in the accounts of the charity.

25 Related party transactions

The Congregation of the Sisters of Notre Dame de Namur is made up of all the sisters worldwide, including those of the British Province. The Congregational Leadership Team, or Generalate, is elected by and is accountable to the Congregation. The General Moderator, assisted by the rest of the Generalate, has the authority and the responsibility for the overall governance of the Congregation.

In the year to 31 August 2020 the Generalate of the Congregation made a loan of £1 million to the British Province. Details of this loan, movements thereon and the post year end decision to convert the loan into a donation are shown in note 17.

The charity owns the share capital of The Notre Dame Trustee Company Limited, a company incorporated in England and Wales. The Notre Dame Trustee Company Limited is also a trustee of the charity. The company has trust corporation status. Its main object is to act in the role of custodian trustee for the charity and as nominee of the charity in the holding of any trust assets and to do all such other things as are incidental or conducive to this main object. The trustee company holds as nominee the property and investments of the charity. The trustee company is otherwise dormant.

As members of the Congregation, none of the trustees have resources of their own, as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the trustees to the charity was £35,394 (2021 - £60,421).

There are no other related party transactions requiring disclosure (2021 – none).

26 Commitments under operating leases

At 31 August 2022, the charity had future commitments under non-cancellable operating leases as follows:

	Equipment		Land and buildings	
	2022 £	2021 £	2022 £	2021 £
Amounts due within one year	3,234	4,648	—	5,349
Amounts due between two and five years	9,701	12,127	—	10,698
	12,935	16,775	—	16,047

27 Ultimate control

The charity, which is governed by a trust deed, was controlled throughout the period by the British Province of the Congregation of the Sisters of Notre Dame by virtue of the fact that the Provincial Moderator and the other members of the Provincial Team, are elected by the members of the Congregation. The Provincial Team are the trustees and the directors of the corporate trustee, The Notre Dame Trustee Company Limited. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the Province in Britain are vested in the trustees of the charity, who undertake all transactions entered into in the course of the Province's charitable activities.

THE SISTERS OF NOTRE DAME (OF NAMUR)

England & Wales - Charity number 232411

Accounts

**Institute of the Sisters of
Notre Dame De Namur
British Province**

Annual Report and Accounts

31 August 2021

Charity Registration Number
232411 (England and Wales)
SC038746 (Scotland)

Contents

Reports

Reference and administrative information	1
Trustees' report	3
Independent auditor's report	23

Accounts

Statement of financial activities	28
Balance sheet	29
Statement of cash flows	30
Principal accounting policies	32
Notes to the accounts	40

Trustees	The Notre Dame Trustee Co Limited Sister Elizabeth Brady - resigned 15 August 2021 Sister Ann Byrne - resigned 15 August 2021 Sister Mary Josephine McCallum - resigned 15 August 2021 Sister Mary McClure – appointed 15 August 2021 Sister Catherine Darby – appointed 15 August 2021 Sister Margaret Walsh – appointed 15 August 2021
Directors of The Notre Dame Trustee Co Limited	Sister Mary McClure Sister Catherine Darby Sister Margaret Walsh
Provincial Moderator	Sister Mary McClure
Provincial office	The Provincialate 266 Woolton Road Liverpool L16 8NF
Telephone	0151 665 0600
Website	www.snduk.org
E-mail	ukprov@sndden.org
Charity registration numbers	232411 (England and Wales) SC038746 (Scotland)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	Barclays Bank plc North Manchester Business Banking Victoria House 6 Market Place Wigan WN1 1QS
Stockbrokers	J M Finn & Co Limited 25 Copthall Avenue London EC2R 7AH

Solicitors Brabners LLP
Horton House
Exchange Flags
Liverpool
L2 3YL

McSparran McCormick
Waterloo Chambers
19 Waterloo Street
Glasgow
G2 6AH

Property advisers and agents Carter Jonas
The White House
Greenhalls Avenue
Warrington
WA4 6HL

Property marketing agents CBRE Limited
One St Peter's Square
Manchester
M2 3DE

The trustees present their report together with the accounts of the Institute of the Sisters of Notre Dame De Namur British Province (the "charity") for the year ended 31 August 2021.

The accounts have been prepared in accordance with the accounting policies set out on pages 32 of the attached accounts and comply with the charity's trust deed, applicable laws and the requirements of 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).

Introduction

The Institute of the Sisters of Notre Dame De Namur (the "Congregation") is an international Roman Catholic religious congregation supporting 988 sisters worldwide. It was founded in 1804 in Amiens, France. Its Generalate is located in Rome.

The Congregation is organised into units called Provinces. A Province is a legal body and is usually defined geographically to facilitate the mission of the Congregation in national and local areas. Each Province has its own structure of governance which makes provision for a Provincial Superior, known in Great Britain as the Provincial Moderator, who together with a Provincial Leadership Team takes responsibility for the leadership and administration of the British Province.

The accounts accompanying this report are the accounts of the charitable trust on which the assets of the Congregation in Great Britain are held.

Mission

The Sisters of Notre Dame De Namur are a group of religious women whose main aim is to contribute to the advancement of the Roman Catholic religion by means of involvement in education, broadly conceived.

By caring for individual members of the Congregation throughout their lives with the Congregation, the charity aims to enable and support the sisters to live out their faith and to put that faith into practice through a wide variety of religious and other charitable works.

When setting the objectives and planning the work of the charity for the year, and when encouraging the work of individual sisters, the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

At their last General Chapter the sisters repeated their commitment to create a more just and loving world, continuing to choose Gospel imperatives as a way of life that "calls us to recommit to actions that lead to transformation within ourselves, society, Church and our Notre Dame Congregation". The sisters are committed to fulfilling their mission by ministering to the whole of creation, to our world and to one another. Every six years the Congregation reviews its life-in-mission, sets new directions, make policies and necessary changes to existing legislation in response to changing times.

Mission (continued)

The General Chapter planned for July 2020 was postponed because of the pandemic restrictions. The re-scheduled Chapter took place on Zoom. The delegates met as a whole body for three days each month from October 2021 through to December 2021. Work continued in delegates' committees between general sessions during these months. By the end of December a new Congregational Leadership Team had been elected and a way forward for the order agreed.



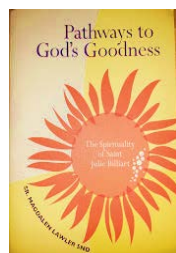
The theme of this Chapter is “Renew – Transform – Go”.

The works or ministries of the sisters of the Congregation fall into the following main areas:

◆ **Worship, prayer and spirituality**

Members of the Congregation are given the opportunity for private worship and to continue to develop their knowledge and trust in Jesus and the Church through quiet prayer, study of the Gospel and spiritual development. In addition, members of the Congregation celebrate and pray with the wider community including people of all faiths and none. They do this through the provision of spiritual guidance or by just being available to listen in times of need, through the giving of retreats and the celebration of the Liturgy through prayer groups and church services. Some members of the Congregation write and/or edit books and publish their work in the area of spirituality, religious education, catechesis, ecology and interfaith.

A current example of this is found in the work of Sister Magdalen Lawler who is a free-lance retreat and conference leader, facilitating retreats at home and abroad. During lockdown she was able to continue her work through Zoom. Many people tuned in to each event. These included retreats sponsored by retreat centres in Ireland, Yorkshire and London as well as days of prayer and a preparation for Holy week 2021.



Sister Magdalen is also the author of 5 books on the subject of Art and Spirituality. The quieter period of lockdown gave her the opportunity to review and republish *Pathways to God's Goodness*, *The Spirituality of Julie Billiart*, originally published in 2001 This publication is now being used in schools and retreat centres around the country.

Sister Isabel Smyth serves as the Secretary for Interreligious Dialogue for the Scottish Catholic Bishops. She plans, organises and manages dialogues with faith communities and participates in various interfaith events and dialogues. She works to promote Scottish Interfaith Week and encourage the need for good interfaith understanding as a way of peace both within the Catholic Church and throughout our world.

Sister Kathleen McGhee writes this about her ministry:

“The focus of my ministry is Pastoral Accompaniment. I accompany twenty people in any month: priests, deacons, religious sisters and lay people. It plays a supportive role in the lives of these people who are, in the main, holding responsible and often demanding roles in the Church. This accompaniment is also part of the initial and ongoing formation of the deacons in the Liverpool Archdiocese.

In addition, I accompany three religious communities, two active groups and one monastic. This includes the regular facilitation of a Provincial Team.

Mission (continued)

◆ **Worship, prayer and spirituality** (continued)

The Dympna Centre, of which I have been a trustee for many years, is winding up. As Chair of the Board this has meant giving a lot of time to communicating with lawyers and putting effort into ensuring a gracious ending to the charity.”

◆ **Education**

The Congregation's work of education continues through the involvement of members in teaching, educational support and administration in educational establishments as well as membership of school governing bodies. They also work with children and adults with learning disabilities, people with special needs, multiple impairments or both. Many sisters are actively engaged in religious education programmes and have pioneered programmes for families and those with special needs. Sisters who are now unable to be actively involved in this work continue to support schools, Hope University and other learning centres by attending special events and by their friendship, encouragement and prayer.

The Sisters of Notre Dame De Namur are trustees of three voluntary aided schools – Notre Dame Catholic College, Liverpool; St Julie's High School, Liverpool; and Notre Dame High School, London. Some sisters serve on the governing bodies of these three schools and one sister serves as a governor for Notre Dame, Sheffield.

During the most severe restrictions at St Julie's High School, Liverpool, sixth formers presented a weekly 'Julie Show'. This was made available online to every member of the school community as well as all the sisters in the province. The attached link shows something of their learning and their appreciation of the life and work of St Julie <https://www.youtube.com/watch?v=LIMnyfmWT3I>.

St Julie's staff nominated Sister Margaret Walsh for the Joe Symon Prize in September 2020. This prize is presented as a recognition of a person's total commitment to the School, in this case for “setting up excellent governance of our school, ensuring we remain faithful to St Julie and the Sisters of Notre Dame, seeing us through times of great change including the move into a new school building as well as turning up for event after event and meeting after meeting.”

Sister Anne Marie Niblock is Headteacher at Notre Dame RC Girls' School in Southwark, London. She kept the school open every day during lockdown, including holidays, in order to support key workers and vulnerable children. As well as providing laptops and internet access for disadvantaged students; breakfast and lunch for those in school; vouchers and food parcels for disadvantaged families; Sister Anne Marie reached out to several other schools in providing a “meals on wheels” lunch service. Since schools reopened fully, Sister Anne Marie has continued to reach out to local schools both in leading a Faith Partnership of Catholics schools in the Local Authority and as the Link Headteacher with the Diocese.

Mission (continued)

◆ **Education** (continued)

Sister Rosemary O'Callaghan works as Counsellor Chaplain at Notre Dame RC Girls' School in Southwark, London. During lockdown, she contacted every member of staff, supporting them as they tried to cope with online teaching and new ways of working. She then phoned students in Years 10 and 11 as well as vulnerable students. Since restrictions have lifted her workload has greatly increased since one of the effects of lockdown has been increased family tensions and mental health issues.

Sister Margaret Jenkins has a crucial supportive role with students in Notre Dame Catholic College, Liverpool particularly with those who struggle in mainstream education. She provides opportunities for students to talk about their problems and feelings in a safe environment. Her office is a haven for those who cannot cope at lunchtime in the dining room. She works alongside pupils to help them complete difficult work projects and currently she has a particular care for pupils suffering the effects of Covid. Margaret works alongside the chaplain in extending a practical outreach to the families of students. She is a listening compassionate presence to students and staff alike.

Over the years the governance of many secondary schools was passed from the sisters to local dioceses or local education authorities. Many have retained Notre Dame in their name. Close links continue to grow and be strengthened through the "Notre Dame Schools and Colleges Network" supported by Sisters Catherine Darby and Anne Marie Niblock.

- ◆ Notre Dame Norwich
- ◆ Notre Dame Plymouth
- ◆ Notre Dame Southwark
- ◆ Notre Dame Sheffield
- ◆ Notre Dame Sixth Form College Leeds
- ◆ Notre Dame Catholic College Liverpool
- ◆ St Julie's High School Liverpool
- ◆ Notre Dame Glasgow
- ◆ Fernhill School Glasgow
- ◆ Our Lady and St. Patrick's High School Dumbarton



UK NOTRE DAME NETWORK OF SCHOOLS AND COLLEGES TODAY

The Annual Conference 2020 for representatives from each school along with their head teachers took place via Zoom. In the face of the demands of Covid the head teachers asked to meet monthly via ZOOM facilitated by Sister Catherine Darby. This has created a 'sacred space' for mutual support and reflection.

Mission (continued)

◆ **Education** (continued)



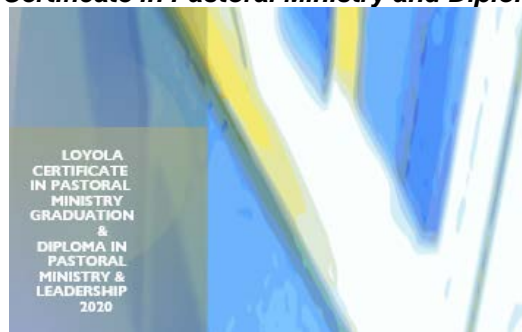
The link between Liverpool Hope University and the Province remains close. This is evidenced by the lease of a residence for two of the trustees on the university campus. The Vice Chancellor and staff have welcomed the presence of Sisters of Notre Dame as this enables continuing informal contact between

staff, students and sisters. The proximity of the campus to the new Provincialate offices also keeps open the communication between the University and the Province.

The trustees also support the head teacher of St Julie's Catholic High School and the Deputy Head of Notre Dame Catholic College, Liverpool, who have replaced the Notre Dame sisters on the University Council.

In addition, the university's library holdings have been strengthened by the donation of books by Sister Maura O'Carroll and Sister Mary Charles Murray. These now form a special collection called the Notre Dame Collection, which is available for staff and students.

Certificate in Pastoral Ministry and Diploma in Pastoral Leadership



The Modules offered will be...

YEAR ONE	YEAR TWO
• WHAT IS PASTORAL MINISTRY?	• HOLINESS AND WHOLESNESS: <i>How we grow as people of Faith</i>
• GOD WHO REVEALS: <i>Looking at the Old Testament</i>	• MAKING CONNECTIONS: <i>Catechesis as sharing Faith today</i>
• CHRIST AND HIS DISCIPLES: <i>Looking at the New Testament</i>	• BUILDING PARISH COMMUNITIES
• MISSIONARY DISCIPLES: <i>The Story of the Church in Britain</i>	• BUILDING A FAIRER WORLD: <i>Catholic Social Teaching</i>
• VISION OF THE CHURCH: <i>Vatican II</i>	• SERVING AND LEADING: <i>Skills and Strategies for Ministry</i>

INDUCTION SESSION INTEGRATION SESSION GRADUATION

Sister Catherine Darby together with Mrs Veronica Murphy were able to continue to coordinate and lead these opportunities for adult faith formation and training in leadership. This work is a collaboration between the Northern Province Dioceses of England and Wales in partnership with the Institute of Pastoral Studies, Loyola University Chicago.

Graduation was celebrated *via* Zoom in December 2020 as it wasn't possible for students to gather in person and mark their achievements as happened in the previous year. <https://youtu.be/BXSccs31ngY>.

◆ **Social and pastoral work**

The charity enables and supports individual members of the Congregation in ministry and outreach work thereby furthering the message set out in the Gospel to love one another. In order to provide direct service to the materially poor, and since most sisters are of retirement age, many sisters freely give their services in diverse ministries.

Mission (continued)

◆ Social and pastoral work (continued)

Some work for social justice, in adult literacy programmes, on safeguarding boards, in hospices, with the elderly, as hospital chaplains, prison visitors, as well as with socially deprived women and children suffering from the stress of their situation. Others serve on a vast variety of groups in their neighbourhoods, parishes and dioceses. They are to be found in some of the poorest parishes in the land. Sisters are working with refugees and asylum seekers in various parts of the country. Sisters with training and experience in a number of disciplines give service to individuals and groups as counsellors, psychologists, facilitators and assessors. It is worth noting that the sisters go on participating in these ministries well into their senior years.

During the social restrictions of the pandemic the majority of sisters were in the vulnerable age range. However, this did not prevent them continuing to be outgoing and aware of the needs of other people. Many became experts in new forms of communication. Everyone is now familiar with Zoom! Sisters participated in regional and international Zoom meetings as well as local gatherings. Through online conversations they formed new friendships with people they had never met. They also continued their own learning particularly in relation to the environment and the climate crisis.

Some examples:

Psychotherapy

Sister Gail Taylor, an adult psychoanalytic psychotherapist, found a way of continuing her work during the pandemic restrictions. She writes:

When the Covid epidemic changed our lives and lockdown was imposed, it had a very significant effect on all our lives. In my work of psychoanalysis, where I would normally see patients several times a week in my safe consulting room, this was not possible. I adapted to an online way of working, where I was able to continue to 'see' patients and allow their analysis to continue. For many, it would be a very anxious and distressing time and to suddenly stop treatment would have been very disruptive and frightening. While, online psychoanalysis is not ideal, it allowed something to continue while we observed the social restrictions.

Caring for Survivors of abuse



Sister Agnes Szraga gives support to groups and individual survivors of in-care childhood abuse. She does so through listening, advising on current related legislation and informing them of where they can find help.

Sister Mary McClure has set up a "Survivors of Abuse Panel" as part of her role working for the Bishops Conference, Scotland in order to provide pastoral support for the victims of abuse.

Sister Kate Mulligan is involved with an agency which assists disadvantaged people especially children, to access basic needs for survival.

Mission (continued)

◆ **Social and pastoral work** (continued)

Social deprivation

Sister Maureen McGuigan was able to continue her work with a local credit union in a deprived area. She kept in touch with families through offering telephone support, thus enabling people to access funding and avoid debt.

During the long months of lockdown sisters in the Childwall and Birkdale communities were busy raising funds for the homeless and disadvantaged families by making Birthday, Christmas and All Occasion cards, jewellery and knits as well as knitting bonnets and jackets for premature babies.



Asylum Seekers

Sister Kathleen Ashurst received the Queen's Award for Voluntary Service 2021 on behalf of the Volunteers of Asylum Link Merseyside. This national award, the equivalent of an MBE, was given for their service since 2001, especially during the Covid Lockdown.

Sister Kathleen writes:

Because I am the only remaining volunteer from the original group, the trustees asked me to receive the award from the Lord Lieutenant on behalf of all the Volunteers. It was a great honour. The applause when I received the crystal trophy developed into a standing ovation. It all contributed to the recognition of Asylum Seekers and Refugees. It was a tribute to people who have been through so much.

Our Canon Lawyers

Sister Rachel Harrington, who lives in London and Sister Ishbel Macpherson, who lives in Glasgow, have doctorates in Canon Law. They remain two of the very few women who are fully qualified canonists. Historically, canon law and tribunal work was in the hands of clergy and it was only in 1983 that lay men and women were able to be judges.

Both Rachel and Ishbel fulfil the role of Judge in a number of diocesan and regional tribunals in England, Wales and Northern Ireland. Rachel serves on an Inter-Diocesan Tribunal which serves seven dioceses in Ireland. Much of their work can be done from home so both sisters were able to continue throughout the months of lockdown.

Mission (continued)

◆ Oversees: Mission and development

The British Province assists in the education and formation processes for our sisters in Africa and South America in a variety of ways. It helps support sisters working in the world's poorest countries and with the most disadvantaged people – for example in Nigeria, Peru, Kenya, South Africa and Zimbabwe. Two sisters from Britain still work in Nigeria giving service in healthcare and educational programmes, the promotion of justice and peace and the empowerment of the poor. Other sisters fundraise for overseas development work by making Birthday, Christmas and All Occasion cards, making jewellery and knitting blankets. Many sisters also keep in touch with the younger generation of sisters in other parts of the world letter-writing. This is found to be a valued means of sharing experience, listening and offering encouragement.

◆ Other responsibilities

Archives

One of the duties of the Provincial Administration is to ensure that the archives are kept safely and that they are up to date.

The Sisters of Notre Dame were founded in the year 1804 and first came to England in 1845. The archives, therefore, cover the hundred years since the foundation of the British Province in 1920 and also include a large collection of documents relating to the life and work of the sisters who ministered in England and Scotland from 1845. The former dedicated archive building has been converted into accommodation for three sisters from the Childwall Community on the ground floor and the new reduced-size Provincialate on the first floor. Space is reserved on each floor for the archives storage and office. The work of the archives has been entrusted to a team of sisters. They receive and catalogue documents and respond to enquiries about the life and work of the sisters. These mainly come from research projects and family members.

Activities, specific objectives and relevant policies

◆ Activities and specific objectives

Through our developing understanding of 'Mission' we search anew in each time and place for ways to spread the Gospel and to take our stand with the poor of the earth. According to our tradition we value education as fundamental.

As well as reaching out to the poor and needy, we care for the individual members of our Province by enabling and supporting them in living out their vocation and putting it into practice through a wide variety of educational, social, pastoral and religious works.

Caring for members of the Congregation

The Sisters of Notre Dame De Namur are committed to the care of their aged, sick and infirm sisters. In Britain all of the sisters are over 60 years of age; with 23 in their 90s; 52 in their 80s; 40 in their 70s; and five in their 60s. The sisters aim to keep the elderly as active as possible for as long as possible and provide care which enhances life. There are facilities provided in two communities to meet the differing needs of an ageing group.

Activities, specific objectives and relevant policies (continued)

◆ **Activities and specific objectives** (continued)

Caring for members of the Congregation (continued)

After some years of consultation with all the sisters a decision was made to close Parbold due to reduced numbers of sisters as well as the cost of running three convents with care and nursing facilities. The first part of 2021 was spent preparing for this closure by arranging the transfer of sisters to either the Birkdale or Childwall communities. Both of these houses required adjustment and building in order to provide extra accommodation. The cost of these facilities, which includes long-term nursing and assisted living care, is set out in the attached accounts.

The sale of the Parbold property was due to be contracted at the end of July but the buyers withdrew their offer on the exchange date. Since then it has been re-marketed and is now under offer.

It is of particular importance that a high standard of care is maintained. To ensure this the sisters employ lay managers who co-ordinate the staff, update their training and take responsibility for maintenance of the buildings. In this way, the sisters can be confident as employers that staffing legislation, health and safety requirements and general good practice are all in place. An extensive programme of staff training using external agencies has been provided over the past years. The training is largely continued and updated 'in house' with external support when required. There is also in place an on-going programme of staff training. Currently we employ 83 members of staff.

Impact of Covid-19

Due to their age and medical conditions most of the sisters, but in particular those who live in the large care communities, were considered vulnerable. Leaving and visiting the convent took place for essential reasons only, for example limited medical treatment. Meetings and events were cancelled or postponed or took place online. Although the restrictions have altered, the sisters continue to limit contact with others. We continue to keep the procedures for the safety of staff and sisters under review, adapting as the situation changes.

◆ **Relevant policies**

Grants and donations policy

Whilst the trustees agree to support organisations whose work is within the objects of the charity, the charity does not regard itself as a grant making entity and applications for grants and donations are not invited.

Investment policy

Under the Trust Deed of the charity, the trustees may invest the charity's money, according to the law for the time being in force. The stockbrokers J M Finn and Co Limited offer their advice after taking account of the charity's ethical policy. The trustees, on the advice of the professional and lay advisers, review the policy annually. Catholic Social Teaching informs our investment policy. It also enhances the development of the charity and the achievement of its objectives. The requirements of the Charities Act, to seek out the best possible returns within acceptable levels of risk, are fulfilled. To achieve this we maintain a diversified investment portfolio.

Activities, specific objectives and relevant policies (continued)

◆ Relevant policies (continued)

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data; it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

Looking to the future

◆ Caring for members of the Congregation

In common with many religious congregations in Britain, the age profile of the members of the Province is increasing as existing members grow older and the number of new vocations decreases. At present the average age is 83.

The Province has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted a significant part of their lives to the work of education of the poor and marginalised in society. As the age profile of the Province increases so too does the need to provide care for the sisters. At present, 61 members of the Province are in need of varying levels of nursing care (2020: 61). When hospitalisation is required, stays are kept to a minimum and sisters convalesce in one of the two large communities as they are able to give the care and support necessary.

Over the next decade, the trustees expect the proportion of sisters requiring care to increase. As a consequence, the trustees are giving careful consideration to the impact of this on the work of individual members of the Province, the property requirements of the Province and the financial implications.

Achievements and performances

◆ Social and pastoral work

Whilst only 2 (2020: 3) sisters are now in paid employment, the majority of able sisters perform some sort of voluntary, charitable or pastoral work.

Of the 83 staff employed by the Sisters of Notre Dame, most have vocational qualifications ranging from BTEC to the Registered Manager qualification. Staff members are well trained to take on additional responsibility either within our houses or within the wider community.

Achievements and performances (continued)

◆ **Social and pastoral work** (continued)

SPRED

The SPRED Religious Education program supported individuals with learning difficulties and volunteers during the year and the charity continues to expand and develop. There are groups serving parishes throughout Glasgow, where young people and adults with disability become full, active members of their parish community. The work was pioneered by a Sister of Notre Dame who continues to take an active part in this work.

◆ **Education**

Every year sisters organise a residential conference for Notre Dame schools and colleges at which staff from the three schools for which we are still trustees gather with staff from the seven former Notre Dame schools and colleges to share experience and practice. An appropriate speaker is invited to introduce the key theme at each conference. A great deal of work and organisation enabled the conference to take place virtually in autumn of 2020. It was greatly welcomed as a valuable resource at a challenging time for schools.

Financial review

Results for the year

A summary of the year's results can be found on page 28 of this report and accounts.

During 2021 total income amounted to £3,999,184 (2020: £3,262,214). £3,401,744 (2020: £3,022,761) was received by way of donations and legacies. This figure includes salaries and pensions of the sisters amounting to £2,676,389 (2020: £2,818,825) covenanted to the charity and legacy income of £717,892 (2020: £177,763). Investment income and interest receivable totalled £219,700 (2020: £215,967).

Expenditure totalled £4,184,527 compared to £4,829,877 in 2020 with staff costs continuing to represent a significant proportion of this and amounting to £2,200,567 (2020: £2,224,493).

Expenditure incurred on maintaining the members of the Province and supporting them in their pastoral work and ministry (excluding staff costs) amounted to £1,863,251 (2020 £2,478,053). The 2020 costs include an impairment provision of £490,000 made to reduce the value of one of the charity's properties as the market value of the property was considered to be less than its book value. Further details of the impairment are given in note 5 to the attached accounts.

Expenditure on raising funds was £41,506 (2020: £39,328) and included fees paid to the charity's stockbrokers of £29,846 (2020: £27,962).

Net expenditure for the year before investment gains and losses, therefore, was £185,343 (2020: £1,567,663). Investment gains amounted to £737,456 (2020: losses £61,470). Hence, there was a net increase in funds for the year of £552,113 (2020: decrease £1,629,133).

Financial review (continued)

Investment performance

The stockbrokers continue to be guided by the trustees' investment policy set out earlier in this report and comply with the ethical guidelines given to them.

There was significant increase in the value of the portfolio in excess of our target of 10%. This was at the expense of our income which at 2.7% is below our expected 3%. The trustees consider this reasonable at the current time. Our investment performance is in line with investment performance generally and slightly exceeded our benchmark. Because of the relatively modest size of the portfolio, any variation away from that target has only a marginal effect on the viability of the charity. Our brokers are instructed to conduct the portfolio in a medium risk manner.

The trustees will continue to review performance but, given that they view their investments as being for the long term, they remain confident that the policy adopted is appropriate for the charity.

Reserves policy and financial position

Reserves policy

The reader will discern from the foregoing that the charity carries out a diverse range of activities and is responsible for care and support of sisters whose average age is increasing and whose needs are changing. The trustees recognise the need to provide adequately for the maintenance of the sisters in their retirement.

Total restricted funds held at the end of the year are £10,733 (2020: £15,722) With the exception of these small restricted funds, all of the charity's assets are held as unrestricted funds.

Those unrestricted funds represented by tangible fixed assets are shown as a separate tangible fixed assets fund in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

Similarly, those properties held as programme related investments are held as a separate designated fund - the programme related investments fund. These investments comprise land and buildings owned by the charity but used by other charity and not-for-profit organisations with charitable objectives consistent with those of the charity. It is the intention of the trustees that such assets should continue to be used for these purposes for as long as needed and as such their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

Financial review (continued)

Reserves policy and financial position (continued)

Reserves policy (continued)

The trustees have examined the need for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work and its commitments and the sources of its cash flows, the level of free reserves should be equal to at least six months' expenditure. The current level of reserves reaches this target.

The rationalisation that took place in the year will be consolidated to improve liquidity and build sufficient reserves to sustain the care of the elderly sisters to the end of their lives in the face of diminishing incomes and increasingly costly care needs.

In 2017, the trustees established a sisters' retirement fund to provide for the future costs of providing nursing care to elderly sisters who have dedicated their working lives to the charity. The amount currently designated is restricted to the funds available to the charity. Further sums will be designated as they become available.

The trustees review their reserves policy annually.

Financial position

The balance sheet shows total reserves of £26.4 million (2020: £25.8 million). Of this, £17.7 million (2020: £18.4 million) is represented by the net book value of properties and other tangible fixed assets essential for the support and work of the sisters whilst £2.1 million (2020: £2.1 million) comprises funds represented by properties classified as programme related investments.

As noted above, the trustees established a sisters' retirement fund in 2017. This amounts to £4.5 million (2020: £3.1 million), and is represented by investments. In the context of the total sum that will be needed in future years to provide for the sisters as they grow older, this amount is not large enough. However, it is hoped that further sums can be designated in future years as they become available following property disposals.

Funds available to support the work of the sisters in the future, in particular the support of the Province's ministry and its development and charitable work overseas, are shown as general funds on the balance sheet and amount to £2.1 million (2020 - £2.2 million). This figure needs to be considered in the light of annual expenditure of over £4 million, the increasing age profile of the sisters and the need for the charity to continue to support the work of the Congregation, both in this country and overseas. The sisters are also aware of the importance to the charity of the investment assets and the income generated therefrom. Given the continuing volatility in world stock markets, the low interest rates and the continuing challenges of Covid, there is a real need to retain monies to enable the long term financial stability of the charity. As noted above, the trustees believe that the charity's free reserves are adequate, at the current time. As noted elsewhere in the trustees' report the trustees are developing plans to dispose of properties surplus to their needs to generate funds to meet the charity's ongoing financial needs.

Financial review (continued)

Tax exemptions etc.

The beneficiaries of the work of the charity have the assurance that all of the income of the charity must be applied for charitable purposes in furtherance of the charity's object of furthering the Roman Catholic faith. The charity enjoys tax exemption on income from its activities and on its investment income and gains provided these are applied for its charitable aims. As a charity, it is also entitled to a reduction of 80% on business rates on the property it occupies for its charitable purposes, and a 50% reduction in Council Tax for its properties that are occupied by members of the Congregation. The financial benefits received as a result of these exemptions are all applied for the purposes of furthering the Roman Catholic faith by enabling and supporting the sisters to live out their vocation and to put it into practice through a wide variety of religious and other charitable works.

The nature of the charity's activities means that it is unable to reclaim VAT input tax on its costs as it is exempt for VAT purposes. The charity also pays tax as an employer through the national insurance contributions it makes.

Future plans

The charity is working with the Congregation to update its strategy to continue the mission of the Sisters of Notre Dame de Namur in all of the global areas in which it operates whilst balancing this against the need to care for the increasingly elderly sisters who have sustained this mission in years gone by. The strategy will determine where resources are targeted. The sisters are working to maximise those resources by seeking to obtain the optimum efficiencies in their operational costs and care provision. To achieve this the trustees are looking at their property portfolio with an aim to release capital to meet the charity's financial obligations. To this end the three large, care-giving convents were reduced to two during the year.

Governance, structure and management

Governance

In terms of Canon law, the Congregation is governed at an international level by the General Moderator and her Congregational Leadership Team. They are elected every six years at a General Chapter which is a meeting of representatives of all provinces of the Congregation. The British Province is governed by the Provincial Moderator and her Provincial Leadership Team, who are elected by members of the Province in accordance with the Province's Government Plan. Appointments to the Provincial Leadership Team are ratified canonically by the Congregational Leadership Team.

The Congregational Leadership Team is accountable to the General Chapter which is the Supreme Legislative Authority in the Congregation. The most recent General Chapter was postponed because of Covid but has just taken place.

In terms of Civil law, the British Province of the Congregation is an unincorporated body registered under the Charities Act, Charity Registration Number 232411, and governed by a Trust Deed dated 31 December 1953. The charity is also registered in Scotland with the Charity Registration Number SC038746.

Governance, structure and management (continued)

Governance (continued)

The members of the Provincial Leadership Team are also the trustees and the directors of the corporate trustee, The Notre Dame Trustee Co Limited, which is registered as a trust corporation.

The members of the Provincial Leadership Team are chosen for their personal qualities, their understanding and experience of the ministries of the sisters throughout Britain and their ability to work with and lead the sisters of the Province.

As all trustees are members of the Congregation they have a detailed knowledge of the work of the charity and of its structure. On being appointed, new trustees are required to spend at least one full day with those trustees leaving office. They also meet with the Congregation's legal, accounting, investment and property advisers over the course of several days to obtain a full briefing of their responsibilities and the charity's position.

All trustees are members of the Congregation and as such their living and personal costs are borne by the charity. However, they receive no remuneration or expenses for their services as trustees.

The present trustees were appointed in May 2021 and took office on 15 August 2021. On appointment as trustees, the sisters participate in a detailed induction programme which is devised as part of the handover process and involves lay managers, consultants and professional advisers so as to explain their duties as trustees.

Trustees are encouraged to attend various relevant training sessions where appropriate such as: Conference of Religious conferences; safeguarding conferences; finance workshops; spiritual and theological development courses; and ICT training.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts and brief biographical details on each of the trustees in office at 31 August 2021 is given below:

Sister Mary McClure

Sister Mary McClure was appointed as Provincial Moderator in August 2021. She previously served on the Provincial Leadership Team from 2009 to 2014 and has also served on the General Government Team between 1996 and 2000, where she worked with the units in the USA, South America and Africa. She has been involved at all levels of education: primary and secondary teaching; higher education as a senior lecturer in Theology and Post-Graduate Teacher Education, and has published in the field of Religious and Moral Education. Mary offers 'facilitation' for communities and schools and has worked as a chaplain/counsellor in a secondary school. She has held management roles in a number of organisations that educate, empower and safeguard women.

Governance, structure and management (continued)

Governance (continued)

Sister Catherine Darby

Sister Catherine Darby was appointed to the Provincial Leadership Team in August 2021. She has served on two previous teams from 1999 to 2004 and from 2004 to 2009. Catherine's professional background is in education: her experience ranges from teaching in primary schools in Lancashire and London, ten years as adviser for primary schools in the Shrewsbury Diocese and her most recent ministry is in parish and adult faith formation. This latter ministry led to her being one of the two UK coordinators to initiate and liaise with the Institute of Pastoral Studies, Loyola University, Chicago and the northern dioceses a Certificate in Pastoral Ministry. She was also a collaborator in establishing an inter-diocesan certificate for a Diploma for Pastoral Leadership in Pastoral Ministry. Catherine was asked to be a member of the group setting up a pilot project for the formation of lay pastoral associates in the Liverpool Archdiocese.

Sister Margaret Walsh

Sister Margaret Walsh was appointed to the Provincial Team in August 2021. She has worked in both secondary and higher education. After teaching in secondary schools she moved into an advisory service for adult theological education. As an advisor she worked with teachers, clergy and laypeople. Later she was appointed to be the director of an ecumenical college where she taught degree courses for Manchester University to students who were preparing for ministry in the various Christian denominations. This work included working with leaders in the local Muslim community. After retiring from full-time teaching she served as chair of governors at St Julie's Catholic High School, Liverpool. She also worked with the Sisters of Notre Dame as co-ordinator of their International Heritage Centre in Namur, Belgium.

Key management personnel

The trustees consider that they are the key management personnel of the charity responsible for directing and controlling the charity and running and operating the charity on a day to day basis. In this they are advised and supported by the Business Manager and the Finance Manager who implement the trustees' decisions, as outlined below.

The pay of the Business Manager and the Finance Manager is reviewed annually by the trustees and normally increased in line with inflation. Consideration is given also to any changes in roles or responsibilities and pay is benchmarked against similar roles to ensure that it is in line with market rates and is fair.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review developments with regard to the charity or its activities and make any important decisions. They are assisted in this task by the Business Manager and the Finance Manager who deal with finance, resources and secretarial matters. The lay managers provide a link between successive Provincial Leadership Teams but possess no executive authority. They, together with external advisers, advise the trustees as to their legal and fiscal responsibilities and duties and provide training in these matters.

Governance, structure and management (continued)

Structure and management reporting (continued)

When necessary, the trustees seek advice and support from the charity's professional advisers including property consultants, investment brokers, solicitors and accountants.

The Provincial Moderator or a member of the Provincial Team is required to visit each sister regularly and throughout the year there is a system of accountability operational throughout the Province to ensure that the General Moderator and her Congregational Leadership Team are aware of the progress and development of the ministries carried out by the sisters of the Province. A visit by the General Moderator and Congregational Leadership Team is made to the British Province at least once every six years, the most recent having taken place in September and October 2016.

The sisters are housed in a variety of communities and residences throughout Britain. Currently these are: two large communities with care provision; one community of seven sisters; three communities of two sisters; and 38 residences of individual sisters.

The two large communities are administered by local Moderators and they are assisted in this task by lay managers.

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and accounts 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 and in Scotland requires the trustees to prepare accounts 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 year. In preparing accounts giving a true and fair view, the trustees are required to:

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

Governance, structure and management (continued)

Statement of trustees' responsibilities (continued)

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 accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's constitution. 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.

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 faces and have reviewed the measures already in place, or needing to be put in place, to deal with them.

Trustees and senior management are responsible for overseeing the risk assessment each year, focusing on internal and external risk factors.

The Covid pandemic has clearly presented us with challenges and threats to the well-being of our charity and its activities which could not have been foreseen. The trustees recognise their responsibility for the management of risks faced by the charity and the sisters.

We note above the financial and operational effects of Covid. Over and above these, the five areas identified for particular attention within our risk management strategy are:

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

Governance and management looks at the risk of the Congregation, and hence the charity, suffering from a lack of direction, at the skills and training of its members and staff, and the good use of its resources. The main risk in this area is the diminishing numbers of sisters. The trustees are working with the rest of the Congregation on a strategy for the future that addresses this reality practically and financially.

Governance, structure and management (continued)

Risk management (continued)

Operational looks at the risks inherent in the charity's activities. These include:

- ◆ adequate insurance for our properties and regular evaluation of those properties;
- ◆ the provision of anti-virus software to protect our computing systems;
- ◆ regular fire inspections and renewal of firefighting equipment;
- ◆ mandatory training for staff in our nursing and care facilities in administration of medicines and safe manual handling, etc.

The pandemic has had a significant impact on the operation of the charity. The age profile of the sisters and the fact that the most elderly and vulnerable of them live in large communities has meant that it has had to operate differently to keep them and the staff caring for them safe. To do this they have followed Government guidance. It has been a challenging time for the sisters who, in common with so many, continue to observe restrictions for the protection of themselves and others.

Testing and especially the vaccine has eased the pressure on the convents and but challenges remain in making sure there are sufficient staff to give the care that is needed. As ever the trustees are grateful for the loyalty and professionalism of our colleagues who have worked incredibly hard in difficult circumstances.

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

Fortunately, the main source of income of the charity is donations of sisters' pensions and salaries which have not been affected by the current crisis. There have been some increases in costs, with wage pressure linked to staff shortages being a particular issue. The reduction of three large houses to two was delayed because Covid security measures meant delays to sisters moving. The main concern is the effect that the pandemic and the UK exit from the European Union will have on the economy generally, and on the property market in particular. The charity is dependent on property sales to support future activities. With the Congregation we are involved in a strategic review to ensure our financial viability in the future and, as outlined in the accounts, they have provided funds to facilitate this.

The charity's assets comprise listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed with the help of reputable stockbrokers adhering to a policy agreed by the trustees. The trustees meet regularly with the stockbrokers and the performance of the portfolio is monitored.

The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future.

During the pandemic, we have maintained communications with our investment managers and, whilst there are concerns over stability we are long term investors. We have benefited from a significant recovery, but will continue to keep a watching brief.

Governance, structure and management (continued)

Risk management (continued)

Reputational looks at possible damage to the Congregation's, and hence the charity's, reputation.

The charity is working with the Conferences of Religious in England and Scotland to support their work on safeguarding issues and to ensure that the charity can fully co-operate in any enquiry, should it be required to. The care of the sisters is undertaken with reference to the charity's Child Protection and Vulnerable Adults policy under the guidance of the Province Protection Officers who are responsible for guiding, reporting and ensuring that the best practice in the care of all of the sisters is adhered to at all times.

Laws, regulations, external and environment looks at the effects of government policies, the consequences of non-compliance with laws and regulations and poor risk assessment in the charity's care facilities and elsewhere.

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.

Employees and members of the Congregation

The trustees wish to record their recognition of the professionalism and commitment of all their staff and the individual members of the Congregation. Their dedication and positive approach are very much appreciated.

Approved by the trustees and signed on their behalf by:

Catherine Darby SND

Trustee

Approved by the trustees on: 20 April 2022

Independent auditor's report to the trustees of Institute of the Sisters of Notre Dame De Namur British Province

Opinion

We have audited the accounts of Institute of the Sisters of Notre Dame De Namur British Province (the 'charity') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statements of cash flows principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements, that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts 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 and accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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:

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of the trustees and the review of minutes of meetings of the trustees.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ Making enquiries of the trustees as to where they considered there was susceptibility to fraud and their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud (continued)

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Carried out substantive testing of expenditure including the authorisation thereof;
- ◆ Gained an understanding of the processes in place for the management of the charity's investments and confirmed the validity of investment movements; and
- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Reviewing the minutes of meetings of trustees;
- ◆ Enquiring of management as to actual and potential litigation and claims; and
- ◆ Agreeing accounts disclosures to underlying supporting documentation.

As a result of our procedures we did not identify any key audit matters relating to irregularities.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Independent auditor's report Year to 31 August 2021

Use of our report

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

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

26 April 2022

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

Statement of financial activities Year to 31 August 2021

	Notes	2021			2020		
		Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Income from:							
Donations and legacies	1	3,396,116	5,628	3,401,744	3,009,961	12,800	3,022,761
Investments and interest receivable	2	219,700	—	219,700	215,967	—	215,967
Charitable activities							
. Book royalties		755	—	755	154	—	154
. Other		17,586	—	17,586	17,837	—	17,837
Other sources							
. Surplus on disposal of tangible fixed assets	3	359,399	—	359,399	5,495	—	5,495
Total income		3,993,556	5,628	3,999,184	3,249,414	12,800	3,262,214
Expenditure on:							
Raising funds	4	41,506	—	41,506	39,328	—	39,328
Charitable activities							
. Support of members of the Congregation and their ministry	5	4,050,514	4,948	4,055,462	4,692,319	2,039	4,694,358
. Programme related investments	6	81,170	—	81,170	81,150	—	81,150
. Grants and donations	7	720	5,669	6,389	2,160	12,881	15,041
Total expenditure		4,173,910	10,617	4,184,527	4,814,957	14,920	4,829,877
Net expenditure before investment gains (losses)	10	(180,354)	(4,989)	(185,343)	(1,565,543)	(2,120)	(1,567,663)
Net gains (losses) on the revaluation and disposal of listed investments		737,456	—	737,456	(61,470)	—	(61,470)
Net income (expenditure) and net movement in funds		557,102	(4,989)	552,113	(1,627,013)	(2,120)	(1,629,133)
Reconciliation of funds:							
Fund balances brought forward at 1 September 2020		25,807,579	15,722	25,823,301	27,434,592	17,842	27,452,434
Fund balances carried forward at 31 August 2021		26,364,681	10,733	26,375,414	25,807,579	15,722	25,823,301

All recognised gains and losses are included in the above statement of financial activities.

All of the charity's activities derived from continuing operations during the above two financial periods.

Balance sheet 31 August 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	13		18,663,291		19,404,279
Investments					
. Listed investments	14		5,899,162		5,182,737
. Programme related investments	14		2,064,022		2,064,022
			26,626,475		26,651,038
Current assets					
Debtors	16	696,782		183,416	
Cash at bank and in hand		943,308		807,835	
		1,640,090		991,251	
Liabilities					
Creditors: amounts falling due within one year	17	(1,891,151)		(1,818,988)	
Net current liabilities			(251,061)		(827,737)
Total net assets			26,375,414		25,823,301
The funds of the charity:					
Funds and reserves					
Restricted funds	18		10,733		15,722
Unrestricted funds					
. Tangible fixed assets fund	19	17,663,291		18,404,279	
. Programme related investment fund	20	2,064,022		2,064,022	
. Designated funds	21	4,500,000		3,150,000	
. General fund		2,137,368		2,189,278	
			26,364,681		25,807,579
			26,375,414		25,823,301

Approved by the trustees
and signed on their behalf by:

Margaret Walsh SND

Trustee

Approved on: 20 April 2022

Statement of cash flows Year to 31 August 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(1,063,806)	(1,111,322)
Cash flows from investing activities:			
Investment income and interest received		221,426	213,509
Proceeds from the disposal of tangible fixed assets		1,094,399	190,495
Purchase of tangible fixed assets		(137,577)	(58,271)
Proceeds from the disposal of listed investments		188,057	167,410
Purchase of listed investments		(165,181)	(164,068)
Net cash provided by investing activities		1,201,124	349,075
Cash flows from financing activities:			
Loan received	B	—	1,000,000
Change in cash and cash equivalents in the year		137,318	237,753
Cash and cash equivalents at 1 September 2020	B	809,286	571,533
Cash and cash equivalents at 31 August 2021	B	946,604	809,286

Notes to the statement of cash flows for the year to 31 August 2021

A Reconciliation of net movement in funds to net cash used in operating activities

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	552,113	(1,629,133)
Adjustments for:		
Depreciation	283,809	301,990
Impairment of tangible fixed assets	—	490,000
Amortisation of programme related investments	16,667	16,666
Release of capital grant in respect to programme related investments	(16,667)	(16,666)
Gains (losses) on investments	(737,456)	61,470
Investment income and interest receivable	(219,700)	(215,967)
Surplus on disposal of tangible fixed assets	(359,399)	(5,495)
Increase in debtors	(515,092)	(126,900)
(Decrease) increase in creditors	(68,081)	12,713
Net cash used in operating activities	(1,063,806)	(1,111,322)

Statement of cash flows Year to 31 August 2021

B Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	Non-cash movements £	At 31 August 2021 £
Cash at bank and in hand	807,835	135,473	—	943,308
Cash held by stockbrokers for re-investment	1,451	1,845	—	3,296
	<u>809,286</u>	<u>137,318</u>	<u>—</u>	<u>946,604</u>
Debt due within one year				
. Loan from The Sisters of the Notre Dame De Namur Generalate	(1,000,000)	—	—	(1,000,000)
Totals	<u>(190,714)</u>	<u>137,318</u>	<u>—</u>	<u>(53,396)</u>

C Reconciliation of net cash flow to movement in net debt

	2021 £	2020 £
Increase in cash	137,318	237,753
Cash inflow - loan from The Sisters of the Notre Dame De Namur Generalate	—	(1,000,000)
Changes in net debt arising from cash flows	—	(1,000,000)
Movement in net debt in year	137,318	(762,247)
Net debt at 1 September 2020	(190,714)	571,533
Net debt at 31 August 2021	<u>(53,396)</u>	<u>(190,714)</u>

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

Basis of preparation

These accounts have been prepared for the year to 31 August 2021 with comparative information given in respect to the year to 31 August 2020.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with 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 (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and applicable Charities Accounts (Scotland) Regulations.

The charity constitutes a public benefit entity as defined by FRS 102.

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

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates.

The items in the accounts where such judgements and estimates have been made include:

- ◆ estimating the useful economic lives of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ determining the size of the sisters' retirement fund, in order to provide for the continuing care of the members;
- ◆ determining the allocation of salaries across expenditure headings based on the time spent on each activity by staff members;
- ◆ determining the apportionment of expenditure between governance and support costs and between support costs and the various categories of expenditure;
- ◆ assessing the probability of the receipt of legacy income;
- ◆ the determination of any impairment charge in respect to tangible fixed assets; and
- ◆ estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

The trustees acknowledge and recognise the continuing impact of the Covid-19 pandemic on the charity and have concluded that there will continue to be some negative consequences such as the impact on investment income, difficulties in liquidating capital, and the physical absence of key personnel. However, the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 August 2022, the most significant areas that affect the carrying value of the assets held by the charity are the performance of the investment and property markets (see the investment policy and the risk management sections of the trustees' report for more information).

In addition to the above, the long term impact following the emergence of the global Covid-19 pandemic is still unknown. Therefore, it is not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, suppliers and the wider economy. Estimates used in the accounts are subject to a greater degree of uncertainty and volatility. Future income and expenditure flows have been estimated in order to assess the impact if any on going concern.

The trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount can be measured reliably, and it is probable that the income will be received.

Income comprises donations and legacies; investment income from listed investments and programme related investments; interest receivable; income from charitable activities; the surplus on disposal of tangible fixed assets and miscellaneous income.

Donations, including salaries and pensions of individual religious received under Gift Aid or deed of covenant, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Income recognition (continued)

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Income from listed investments is recognised once the dividend has been declared and notification has been received of the dividend due. Income from programme related investments comprises rental income from properties used by voluntary aided schools and other registered charities for purposes consistent with the objects of the Institute of the Sisters of Notre Dame De Namur British Province, and is recognised when due under the lease arrangements with the entities. Income from all investments is accounted for only when the receipt of such income is probable and the amount can be measured reliably.

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.

Income from charitable activities comprises income in respect to book royalties; income from the sale of calendars and other sundry income. Income in respect to book royalties is recognised on an accruals basis.

A surplus on the disposal of tangible fixed assets or on the disposal of programme related investments is defined as the difference between the sale proceeds and the net book value of the asset at the time of disposal and after deducting any costs associated with the disposal. Where legal completion takes place subsequent to the year end but an exchange of contracts has taken place prior to the year end, any surplus on disposal is accounted for in the year of exchange unless completion was conditional on certain acts being carried out by the charity between the year end and completion.

Miscellaneous income is measured at fair value and accounted for on an accruals basis.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses are allocated to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes stockbrokers' fees and an allocation of support costs as outlined in note 8.
- ◆ 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 include:

Expenditure recognition (continued)

- ◇ Expenditure on the support of members of the Congregation and their ministry. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty and supporting the other charitable activities of members of the Congregation.
- ◇ Expenditure on programme related investments including any rent payable on leasehold assets and the amortisation.
- ◇ Grants and donations to support the Congregation's own work overseas and to support other charitable organisations with objectives consistent with those of the charity.
- ◇ Expenditure on readying properties for disposal together with any impairment in respect to the charity's tangible fixed assets.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

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

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Governance costs are apportioned using percentages based on the expenditure incurred on the activities of the charity.

The majority of expenditure on support and governance is allocated to the charitable activities of care of members of the Congregation and enabling their ministry, with a small proportion allocated to expenditure on raising funds.

Tangible fixed assets

All items of furniture and equipment or groups of such assets costing more than £5,000 and with an expected useful life exceeding one year are capitalised. Computers are capitalised regardless of cost.

- ◆ Freehold land and buildings
Freehold land and buildings are included in the accounts at their valuation as at 31 August 2014. This valuation has been deemed to be cost under the transitional arrangements set out in FRS 102 and will apply going forward with additions accounted for at cost. In years prior to 31 August 2014 freehold land and buildings were included in the accounts at a valuation based on existing use or depreciated replacement cost, depending on the nature of the property. Valuations were updated on a "rolling basis" with each property's value being updated at least every five years.

Tangible fixed assets (continued)

◆ Freehold land and buildings (continued)

Non-specialised buildings are those designed as, and used wholly or mainly for, private residential accommodation. They are stated at deemed cost at 31 August 2014 (see above) with additions since that date stated at cost. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, to confirm that their residual value is not materially less than their book value. When this is deemed to be the case, an impairment provision is made (see below).

Specialised buildings comprise large residential convents. They are stated net of depreciation at deemed cost 31 August 2014 (see above) with additions since that date stated at cost minus depreciation. Depreciation is provided at 2% per annum on a straight-line basis in order to write off the buildings over their estimated useful economic life to the charity.

◆ Furniture and equipment

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a three or fifteen year period on a straight line basis for computers and fixtures and fittings respectively.

◆ Motor vehicles

Motor vehicles are capitalised and depreciated over a four-year period, on a straight line basis, in order to write off the cost of each vehicle over its estimated useful life.

An impairment review in respect to a particular class of asset is carried out if events, or changes in circumstances, indicate that the carrying amount of any tangible fixed asset may not be recoverable.

Fixed asset investments

◆ Listed investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Fixed asset investments (continued)

- ◆ Listed investments (continued)

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if 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 investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.
- ◆ Programme related investments

Programme related investments include buildings owned by the charity but used by other organisations for purposes consistent with the charity's objectives. The original cost of the buildings classified as programme related investments is not known. They are included on the balance sheet at a trustees' valuation determined in 1999 (the last valuation carried out prior to their classification as programme related investments) adjusted for any impairments in value. The valuations are stated net of grants received to develop the properties. The trustees' valuation was made, with professional assistance, in 1999 on the basis of replacement cost for existing use. The valuations have been updated subsequently for any impairment in value based on informal advice received from the trustees' professional advisers. Any gain or loss arising from disposal or any loss arising from impairment is credited or charged to the statement of financial activities.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Grants from the Department for Education

Grants received from the Department for Education and used to fund the development of the properties used by the voluntary aided schools have been credited against the valuation of the properties held as programme related investments and are shown in note 15.

In the event of the sale or disposal by other means, of any asset for which a capital grant was received, the charity is required to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State. If the value of the property falls below the amount of the grant received, then a proportion of the grant is released to the statement of financial activities as a credit against the revaluation.

Fund accounting

The reserves are used to fulfil the charity's missions. The reserves policy is set out in the trustees' report.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

The tangible fixed assets fund represents the net book value of those tangible fixed assets used for the support of the sisters and their ministry net of loans secured against such properties. A decision was made to separate this fund from the general fund in recognition of the fact that the assets are used in the day to day work of the charity, and the fund value would not be realisable easily if needed to meet future contingencies.

The programme related investments fund represents the value of the charity's programme related investments. These investments comprise land and buildings owned by the charity but used by other charitable and not-for-profit organisations with objectives consistent with those of the charity. It is the intention of the trustees that such assets should continue to be used for these purposes and as such their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

The designated funds are monies or other assets set aside out of general funds and designated for specific purposes by the trustees.

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

Pension costs

In order to comply with the auto enrolment requirements introduced by the Pensions Act 2008, the charity offers its employees membership of a defined contribution pension scheme. Contributions to the scheme are debited to the statement of financial activities in the year in which they are payable to the scheme. The assets of the scheme are held independently of the charity.

Leased assets

Rentals payable under operating leases and interest under hire purchase arrangements are taken to the statement of financial activities on a straight line basis over the lease or hire purchase term.

Foreign currencies

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

Services provided by members of the Congregation

For the purpose of these accounts, no monetary value has been placed on the care, administrative or other services provided by members of the Congregation.

1 Income from: Donations and legacies

	2021			2020		
	Unrestricted funds £	Restricted funds £	Total £	Unrestricted funds £	Restricted funds £	Total £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	2,676,389	—	2,676,389	2,818,825	—	2,818,825
Legacies receivable	717,892	—	717,892	177,783	—	177,783
Other donations and gifts	1,835	5,628	7,463	13,353	12,800	26,153
Total funds	3,396,116	5,628	3,401,744	3,009,961	12,800	3,022,761

Legacies receivable include £650,928 from the estate of a member of the Congregation who died in 1924. The legacy arises following the distribution in to that estate of proceeds from the sale of land held on trust for the benefit of the deceased.

2 Income from: Investments and interest receivable

	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Income from listed investments						
. UK fixed interest	1,229	—	1,229	1,461	—	1,461
. UK equities	87,011	—	87,011	91,931	—	91,931
. UK unit trusts	34,502	—	34,502	19,849	—	19,849
. Overseas unit trusts	2,255	—	2,255	3,719	—	3,719
. Overseas equities	13,930	—	13,930	15,751	—	15,751
	138,927	—	138,927	132,711	—	132,711
Interest earned on deposit accounts	(397)	—	(397)	2,106	—	2,106
Income from programme related investments						
. Rental income	81,170	—	81,170	81,150	—	81,150
Total funds	219,700	—	219,700	215,967	—	215,967

3 Income from: Other sources – Surplus on disposal of tangible fixed assets

Included within surplus on disposal of tangible fixed assets is £193,179 in respect to the disposal of land situated at Cardross Road, Dumbarton. The charity had entered into an agreement with a Promoter under which the Promoter would apply for planning permission (including listed building consent regarding a derelict chapel on the site) and market the land for development during an agreed promotion period. Following the successful sale of the land for development, the Promoter was entitled to a defined proportion of the sale receipts with the charity being entitled to receive a minimum value of £500,000. The surplus of £193,179, therefore, is stated after deducting the amount payable to the Promoter under the agreement.

4 Expenditure on: Raising funds

	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Stockbrokers' fees	29,846	—	29,846	27,962	—	27,962
Allocated support costs (note 8)	11,660	—	11,660	11,366	—	11,366
Total funds	41,506	—	41,506	39,328	—	39,328

5 Expenditure on: Support of members of the Congregation and their ministry

	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Premises	386,205	3,327	389,532	315,815	—	315,815
Staff costs	2,033,453	—	2,033,453	2,060,728	—	2,060,728
Sisters' living and personal expenses	1,050,547	—	1,050,547	1,154,926	—	1,154,926
Education, training and spiritual renewal	1,876	1,543	3,419	3,178	2,022	5,200
Depreciation	283,809	—	283,809	301,990	—	301,990
Specific expenditure in relation to potential property disposals						
· Impairment of property	—	—	—	490,000	—	490,000
· Legal, professional and similar costs in relation disposal of property	14,805	—	14,805	86,102	—	86,102
Management costs (including allocated support costs of £221,537 (2020 - £215,951) (note 8))	279,819	78	279,897	279,580	17	279,597
Total funds	4,050,514	4,948	4,055,462	4,692,319	2,039	4,694,358

As noted in the trustees' report, the contract for the sale of charity's property at Parbold, Lancashire was due to be agreed at the end of July but the buyers withdrew their offer before exchange of contracts. Since then, the property has been re-marketed and is now under offer once again. The charity had incurred legal, professional and similar costs in relation to the aborted sale which have been written off during the year. In the prior period, as explained in note 13 to these accounts, the trustees had been advised that the sale proceeds that might be achieved would be less than the net book value of the property and hence an impairment provision was deemed necessary during the year to 31 August 2020. The impairment provision remains appropriate when assessed in relation to the new offer.

6 Expenditure on: Programme related investments

	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Rent	81,170	—	81,170	81,150	—	81,150
Maintenance	—	—	—	—	—	—
Amortisation	16,667	—	16,667	16,666	—	16,666
Capital grant no longer repayable following disposal of property (see below)	(16,667)	—	(16,667)	(16,666)	—	(16,666)
Total funds	81,170	—	81,170	81,150	—	81,150

In the past, the charity had received capital grants from the Department for Education in respect to the property disposed of. However, as explained in note 15, the trustees are of the opinion that capital grants received from the Department for Education, recovered from the disposal proceeds of the original property and used subsequently to fund the purchase of a new building have been reinvested in buildings to be used for the provision of state education. As a consequence, they do not deem any such capital grants to be repayable at the current time. An amount equivalent to the amortisation of the leasehold property is eliminated from grants repayable to offset the annual amortisation charges.

7 Expenditure on: Grants and donations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Grants in support of the missionary work and ministry of Institute of The Sister of Notre Dame De Namur British Province:						
. Overseas Notre Dame missions	—	5,669	5,669	1,000	12,881	13,881
Other grants and donations	720	—	720	1,160	—	1,160
Total funds	720	5,669	6,389	2,160	12,881	15,041

8 Support costs

	Raising funds (note 4) £	Support of members and their ministry (note 5) £	2021 Total £	Raising funds (note 4) £	Support of members and their ministry (note 5) £	2020 Total £
Provincial administration						
. Staff costs	8,356	158,758	167,114	8,188	155,577	163,765
. Office costs	2,295	43,598	45,893	2,244	42,626	44,870
Governance costs (note 9)	1,009	19,181	20,190	934	17,748	18,682
	11,660	221,537	233,197	11,366	215,951	227,317

The charity allocates its support costs on a basis consistent with the use of resources.

9 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Professional fees	20,190	—	20,190	18,682	—	18,682

10 Net expenditure before investment gains (losses)

This is stated after charging (crediting):

	Total 2021 £	Total 2020 £
Staff costs (note 11)	2,200,567	2,224,493
Auditor's remuneration		
. Statutory audit fee (including VAT) – current year	18,840	18,450
. Statutory audit fee (including VAT) – prior year	5,160	232
Depreciation	283,809	301,990
Impairment of tangible fixed assets (note 13)	—	490,000
Rental income	(81,170)	(81,150)
Operating lease charges		
. Equipment	4,418	4,418
. Land and buildings	8,590	8,472

11 Staff costs, key management personnel and trustees' remuneration

Staff costs during the year were as follows

	Total 2021 £	Total 2020 £
Wages and salaries	1,763,187	1,965,522
Social security costs	115,407	120,722
Pension costs	25,836	28,253
	1,904,430	2,114,497
Agency staff	27,413	38,003
Redundancy costs	268,724	71,993
	2,200,567	2,224,493

The average number of employees during the year expressed as both full time equivalent (FTE) and average numbers, analysed by function, was:

	2021 average	2020 average	2021 FTE	2020 FTE
Central administration and support	5	5	3	3
Support of members of the congregation and their ministry	121	139	73	82
	126	144	76	85

No employee earned £60,000 per annum or more (including taxable benefits) during the year (2020 – £nil).

11 Staff costs, key management personnel and trustees' remuneration (continued)

The trustees consider that they together with the Business Manager and the Finance Manager comprise the key management personnel of the charity in charge of directing and controlling, running and operating the material charitable activities on a day to day basis. The total remuneration (including taxable benefits and employer's pensions contributions) of the Business Manager and the Finance Manager for the year was £111,415 (2020 - £111,531).

As members of the Congregation, the trustees' living and personal expenses during the year were borne by the charity, but they received no remuneration or reimbursement of expenses in connection with their duties as trustees during the year (2020 - £nil).

12 Taxation

Institute of the Sisters of Notre Dame De Namur British Province is a registered charity and, therefore, is not liable to income tax or corporation tax on income on gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

13 Tangible fixed assets

	Land and buildings		Furniture and equipment £	Motor vehicles £	Total £
	Non-specialised £	Specialised £			
Cost or deemed cost					
At 1 September 2020	9,892,500	11,500,001	734,121	482,245	22,608,867
Additions	—	216,800	31,625	29,396	277,821
Disposals	(735,000)	—	(116,173)	(47,332)	(898,505)
At 31 August 2021	<u>9,157,500</u>	<u>11,716,801</u>	<u>649,573</u>	<u>464,309</u>	21,988,183
At cost	—	—	649,573	464,309	1,113,882
At deemed cost	<u>9,157,500</u>	<u>11,716,801</u>	—	—	20,874,301
	<u>9,157,500</u>	<u>11,716,801</u>	<u>649,573</u>	<u>464,309</u>	21,988,183
Depreciation and impairment					
At 1 September 2020	328,168	1,870,000	579,192	427,228	3,204,588
Depreciation charge for the year	—	220,561	38,847	24,401	283,809
On disposals	—	—	(116,173)	(47,332)	(163,505)
At 31 August 2021	<u>328,168</u>	<u>2,090,561</u>	<u>501,866</u>	<u>404,297</u>	3,324,892
Net book values					
At 31 August 2021	<u>8,829,332</u>	<u>9,626,240</u>	<u>147,707</u>	<u>60,012</u>	18,663,291
At 31 August 2020	<u>9,564,332</u>	<u>9,630,001</u>	<u>154,929</u>	<u>55,017</u>	19,404,279

13 Tangible fixed assets (continued)

As explained under principal accounting policies, freehold land and buildings are included in the accounts at their valuation as at 31 August 2014. This valuation has been deemed to be cost under the transitional arrangements set out in FRS 102 and will apply going forward with additions from 1 September 2014 or later accounted for at cost. The revaluations were part of a rolling programme that resulted in each property being revalued at least every five years. The reviews of the valuations were carried out every five years by Messrs Stanley Hicks, Chartered Surveyors, in accordance with guidelines set by the Royal Institution of Chartered Surveyors for accounts purposes in accordance with the Practice Statements and Guidance Notes set out in the eighth edition of the RICS Appraisal and Valuation Manual published by the Royal Institution of Chartered Surveyors (The Red Book). In the intervening years, the valuations were reviewed by the trustees for significant impairment and, if necessary, valuations were adjusted downwards.

The freehold land and buildings were acquired many years ago and precise figures for the historical cost of the properties are not available. However, it is known that the original purchase price on many of the properties was insignificant in today's terms.

Barclays Bank plc holds a legal charge over a property with a market value of approximately £1 million.

Impairment

An impairment provision is included within the accounts where there are indications that the net realisable value of a property is less than its net book value. Indications that may give rise to this conclusion include:

- ◆ The post year end sale of a property results in net proceeds materially below the net book value of the property at the year end date; and
- ◆ Advice from a selling agent indicates that the net proceeds from the disposal of a property may be materially below the net book value of a property for the foreseeable future.

In such cases an impairment provision is included in order to reduce the net book value of the relevant property to equate to its actual or estimated net sale proceeds.

As explained in note 5, one of the charity's freehold properties situated in Parbold, Lancashire has been marketed for sale. In preparing for the disposal during the year to 31 August 2020, indications were that the sale proceeds that might be achieved would be less than the net book value of the property then stated in the accounts. Consequently, an impairment provision of £490,000 was made in the accounts for the year to 31 August 2020 in order to reduce the net book value to the selling agent's guide price less anticipated costs of disposal. The impairment provision was included within support of members of the Congregation and their ministry as specific expenditure in respect to potential property disposals and is explained further in note 5 above.

14 Listed investments

	2021 £	2020 £
Listed investments		
Market value at 1 September 2020	5,181,286	5,246,098
Additions at cost	165,181	164,068
Disposals at book value (see below)	(175,065)	(165,655)
Net unrealised investment (losses) gains	724,464	(63,225)
Market value at 31 August 2021	5,895,866	5,181,286
Cash held by stockbrokers for re-investment	3,296	1,451
	5,899,162	5,182,737
Cost of listed investments at 31 August 2021	3,363,843	3,348,330

Disposals at book value included above are made up of the following:

	2021 £	2020 £
Proceeds	188,057	167,410
Realised (gains) losses	(12,992)	(1,755)
	175,065	165,655

Listed investments held at 31 August 2021 comprised the following:

	2021 £	2020 £
UK fixed interest	297,815	294,737
UK equities	2,673,708	2,240,284
UK unit trusts	1,074,502	1,035,652
Overseas equities	1,573,242	1,376,047
Overseas unit trusts	276,598	234,566
	5,895,865	5,181,286

At 31 August 2021, listed investments included the following individual holdings deemed material when compared with the overall valuation of listed investments as at that date:

	Percentage %	Value £
Findlay Park American Fund	8.9	526,265
Polar Capital Technology Trust ordinary 25p	7.7	451,840

All listed investments were dealt in on a recognised stock exchange.

15 Programme related investments

Programme related investments include certain properties not used directly by the charity but which are used by other charitable and not-for-profit organisations for purposes consistent with the charity's objectives. In some cases rents are received but in other cases no formal rental agreement is in place.

	2021 £	2020 £
At 1 September 2020	2,064,022	2,064,022
Lease amortisation	(16,667)	(16,666)
Capital grant released to offset amortisation (note 6)	16,667	16,666
At 31 August 2021	2,064,022	2,064,022

As explained under principal accounting policies, the above properties are included in the accounts at a valuation carried out initially in 1999. During 2012 the trustees carried out a review of these valuations in order to ascertain whether or not there has been any impairment to the values given the current economic climate, the nature of the properties and their locations. The review was carried out by the trustees but with professional assistance from their property advisers. Certain properties were found to be included in the accounts at a figure that was deemed to be in excess of their market value and as such, an impairment provision was included in the 2012 accounts.

In the past, the charity had received capital grants from the Department for Education in respect to the property disposed of in 2015. The trustees are of the opinion that such grants, where recovered from the disposal proceeds of the original property, have been reinvested in new buildings to be used for the provision of state education. As a consequence, they do not deem any such capital grants to be repayable at the current time. During the year ended 31 August 2013 an amount was eliminated from the grants repayable figure to reflect the amount not recovered from the disposal of the original property. In subsequent years, an amount equivalent to the amortisation of the leasehold property has been eliminated from grants repayable to offset the annual amortisation charge.

Programme related investments comprise:

	2021 £	2020 £
Voluntary aided schools	7,366,666	7,383,333
Less Grants received from Department for Education	(5,302,644)	(5,319,311)
	2,064,022	2,064,022

Further details in respect to the properties and their use are given below:

15 Programme related investments (continued)

Voluntary aided schools

The Sisters of Notre Dame support the development and operation of three voluntary aided schools.

The school in Kirkdale, Liverpool is subject to a 30 year lease with the Council which commenced in September 2013. A premium of £500,000 was paid and rent of £81,170 per annum is payable. The charity, in turn, is renting the building to the school. As previously, no formal arrangement exists between the school and the charity for the occupation of the building. The school has undertaken to pay a rent to the charity of £81,170 per annum.

The land and buildings of the other two schools located in Woolton, Liverpool and Southwark, London are provided rent free.

16 Debtors

	2021 £	2020 £
Prepayments and accrued income	17,789	34,330
Legacies receivable	654,894	130,000
Miscellaneous debtors	24,099	19,086
	696,782	183,416

17 Creditors: amounts falling due within one year

	2021 £	2020 £
Monies administered by the charity on behalf of individual members of the Institute of the Sisters of Notre Dame De Namur British Province	570,470	638,368
Loan from the Generalate of the Institute of the Sisters of Notre Dame De Namur - Sisters of Notre Dame De Namur, Inc. (see below)	1,000,000	1,000,000
Expense and other creditors	129,703	121,904
Amounts payable in respect to tangible fixed asset additions	140,244	—
Accruals and deferred income	30,352	32,147
Taxes and social security costs	20,382	26,569
	1,891,151	1,818,988

Monies administered by the charity on behalf of individual members

The monies administered by the charity on behalf of individual members of the Institute represent funds introduced by sisters. As they are repayable on demand they are included as creditors repayable within one year. However, they would be repaid only if a sister were to leave the Congregation or be paid out in accordance with her Will should she die. If a sister were to leave the Congregation, this would require a certain amount of planning. On the death of a sister, her estate would take time to be administered and settled. In both situations, therefore, the charity would have time to prepare for sufficient liquid funds to be made available. Therefore, although the charity has net current liabilities it is not foreseen that this will give rise to cash flow difficulties.

17 Creditors: amounts falling due within one year (continued)

Loan from the Generalate of the Institute of the Sisters of Notre Dame de Namur

	2021 £	2020 £
Loan balance at 1 September 2020	1,000,000	—
Advances during the year	—	1,000,000
Loan balance at 31 August 2021	1,000,000	1,000,000

On 19 September 2019, the Sisters of Notre Dame De Namur British Province entered into an agreement with The Congregational Mission Office of the Sisters of Notre Dame De Namur, Inc., the Generalate of the Congregation of the Sisters of Notre Dame, whereby the Generalate will provide the charity with loan finance of up to £2,750,000. £1,000,000 was advanced to the charity during the year to 31 August 2020. No further advances have been made.

The amount advanced will be repaid from the sale proceeds of one of the charity's properties. Should the net proceeds received from the sale of the property be insufficient to repay the amount advanced, the charity's trustees will work with the Congregational Leadership Team to renegotiate the plan for repayment.

Under the terms of the agreement the charity has agreed to provide detailed financial information to the Generalate on a regular basis and has agreed not to borrow any additional amounts from any third party without the express written approval of the Generalate, with the exception that the charity may use the agreed Barclays Bank overdraft facility of £250,000 while this is available. The charity will inform the Generalate if the bank overdraft exceeds £100,000.

The agreement does not require the payment of interest.

18 Restricted funds

The income funds of the charity include restricted funds comprising the following donations and grants held on trusts and to be applied for specific purposes:

	At 1 September 2020 £	Income £	Expenditure £	At 31 August 2021 £
Sundry restricted funds	15,722	5,628	(10,617)	10,733

	At 1 September 2019 £	Income £	Expenditure £	At 31 August 2020 £
Sundry restricted funds	17,842	12,800	(14,920)	15,722

19 Tangible fixed assets fund

	2021 £	2020 £
At 1 September 2020	18,404,279	20,322,998
Net movement in year	(740,988)	(1,918,719)
At 31 August 2021	<u>17,663,291</u>	<u>18,404,279</u>

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets less the outstanding balance on the Congregational loan which is repayable on disposal of the charity's property.

A decision was made to separate this fund from the general fund and other designated funds of the charity in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

20 Programme related investment fund

	2021 £	2020 £
At 1 September 2020 and 31 August 2021	<u>2,064,022</u>	<u>2,064,022</u>

The programme related investment fund represents the value of the charity's programme related investments. As explained in note 15, these investments comprise land and buildings owned by the charity but used by other charitable and not-for-profit organisations with objectives consistent with those of the charity. It is the intention of the trustees that such assets should continue to be used for these purposes for as long as needed and as such their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

21 Designated funds

The income funds of the charity includes the following designated fund which has been set aside out of unrestricted funds for a specific purpose.

Sisters' retirement fund	2021 £	2020 £
At 1 September 2020	3,150,000	3,150,000
Designated during the year	1,350,000	—
At 31 August 2021	<u>4,500,000</u>	<u>3,150,000</u>

The sisters' retirement fund represents monies set aside by the charity's trustees to provide for the future costs of providing nursing care to elderly sisters who have dedicated their working lives to the charity.

22 Analysis of net assets between funds

	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Sisters' retirement fund £	Restricted funds £	Total 2021 £
Fund balances at 31 August 2021 are represented by:						
Tangible fixed assets	—	18,663,291	—	—	—	18,663,291
Listed investments	1,399,162	—	—	4,500,000	—	5,899,162
Programme related investments	—	—	2,064,022	—	—	2,064,022
Net current (liabilities) assets	738,206	(1,000,000)	—	—	10,733	(251,061)
Total net assets	2,137,368	17,663,291	2,064,022	4,500,000	10,733	26,375,414

	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Sisters' retirement fund £	Restricted funds £	Total 2020 £
Fund balances at 31 August 2020 are represented by:						
Tangible fixed assets	—	19,404,279	—	—	—	19,404,279
Listed investments	2,032,737	—	—	3,150,000	—	5,182,737
Programme related investments	—	—	2,064,022	—	—	2,064,022
Net current (liabilities) assets	156,541	(1,000,000)	—	—	15,722	(827,737)
Total net assets	2,189,278	18,404,279	2,064,022	3,150,000	15,722	25,823,301

The total unrealised gains on listed investments as at 31 August 2021 constitute movements on revaluation and are as follows:

	2021 £	2020 £
Unrealised gains included above:		
On listed investments	2,532,023	1,832,956
Total unrealised gains at 31 August 2021	2,532,023	1,832,956
Reconciliation of movements in unrealised gains:		
Unrealised gains at 1 September 2020	1,832,956	1,874,692
Add: In respect to disposals in year	(25,397)	21,489
Add: net (losses) gains arising on revaluation in the year	724,464	(63,225)
Total unrealised gains at 31 August 2021	2,532,023	1,832,956

23 Department for Education grants and contingent liabilities

The original costs of the properties used by the voluntary aided schools have been funded by capital grants from the Department for Education. The total grants received are shown in note 15.

In the event of the sale or disposal by other means, of any asset for which a capital grant was received, the charity shall if it does not reinvest the proceeds, repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

24 Custodian funds

At 31 August 2021 the charity was holding £37,504 (2020 - £21,848) and £10,866 (2020 - £10,976) on behalf of the Generalate of the Congregation of the Sisters of Notre Dame and the Nigerian Province of the Congregation respectively. The movement on the funds held by the charity comprised monies received of £154,289 (2020 - £147,990) and monies paid of £148,086 (2020 - £154,334). These funds are not included in the accounts of the charity.

25 Related party transactions

The Congregation of the Sisters of Notre Dame de Namur is made up of all the sisters worldwide, including those of the British Province. The Congregational Leadership Team, or Generalate, is elected by and is accountable to the Congregation. The General Moderator, assisted by the rest of the Generalate, has the authority and the responsibility for the overall governance of the Congregation.

In the year to 31 August 2020 the Generalate of the Congregation made a loan of £1 million to the British Province. Details of this loan and movements thereon are shown in note 17.

The charity owns the share capital of The Notre Dame Trustee Company Limited, a company incorporated in England and Wales. The Notre Dame Trustee Company Limited is also a trustee of the charity. The company has trust corporation status. Its main object is to act in the role of custodian trustee for the charity and as nominee of the charity in the holding of any trust assets and to do all such other things as are incidental or conducive to this main object. The trustee company holds as nominee the property and investments of the charity. The trustee company is otherwise dormant.

As members of the Congregation, none of the trustees have resources of their own, as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the trustees to the charity was £60,421 (2020 - £61,402).

There are no other related party transactions requiring disclosure (2020 – none).

26 Commitments under operating leases

At 31 August 2021, the charity had future commitments under non-cancellable operating leases as follows:

	Equipment		Land and buildings	
	2021 £	2020 £	2021 £	2020 £
Amounts due within one year	4,648	4,418	5,349	8,472
Amounts due between two and five years	12,127	5,495	10,698	21,179
	16,775	9,913	16,047	29,651

27 Ultimate control

The charity, which is governed by a trust deed, was controlled throughout the period by the British Province of the Congregation of the Sisters of Notre Dame by virtue of the fact that the Provincial Moderator and the other members of the Provincial Team, are elected by the members of the Congregation. The Provincial Team are the trustees and the directors of the corporate trustee, The Notre Dame Trustee Company Limited. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the Province in Britain are vested in the trustees of the charity, who undertake all transactions entered into in the course of the Province's charitable activities.

THE SISTERS OF NOTRE DAME (OF NAMUR)

England & Wales - Charity number 232411

Accounts

**Institute of the Sisters of
Notre Dame De Namur
British Province**

Annual Report and Accounts

31 August 2020

Charity Registration Number
232411 (England and Wales)
SC038746 (Scotland)

Contents

Reports

Reference and administrative information	1
Trustees' report	3
Independent auditor's report	37

Accounts

Statement of financial activities	40
Balance sheet	41
Statement of cash flows	42
Principal accounting policies	44
Notes to the accounts	52

Trustees	The Notre Dame Trustee Co Limited Sister Elizabeth Brady Sister Ann Byrne Sister Mary Josephine McCallum
Directors of The Notre Dame Trustee Co Limited	Sister Elizabeth Brady Sister Ann Byrne Sister Mary Josephine McCallum
Provincial Moderator	Sister Elizabeth Brady
Provincial office	The Provinciate 4 Lancaster Court Lancaster Lane Parbold WN8 7HS
Telephone	01257 465000
Website	www.snduk.org
E-mail	ukprov@sndden.org
Charity registration numbers	232411 (England and Wales) SC038746 (Scotland)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	Barclays Bank plc North Manchester Business Banking Victoria House 6 Market Place Wigan WN1 1QS
Stockbrokers	J M Finn & Co Limited 4 Coleman Street London EC2R 5TA

Solicitors

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Waterloo Chambers
19 Waterloo Street
Glasgow
G2 6AH

The trustees present their report together with the accounts of the Institute of The Sisters of Notre Dame De Namur British Province (the "charity") for the year ended 31 August 2020.

The accounts have been prepared in accordance with the accounting policies set out on pages 44 to 51 of the attached accounts and comply with the charity's trust deed, applicable laws and the requirements of 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).

Introduction

The Institute of the Sisters of Notre Dame De Namur (the "Congregation") is an international Roman Catholic religious congregation supporting 1,036 sisters worldwide. It was founded in 1804 in Amiens, France. Its Generalate is located in Rome.

The Congregation is organised into units called Provinces. A Province is a legal body and is usually defined geographically to facilitate the mission of the Congregation in national and local areas. Each Province has its own structure of governance which makes provision for a Provincial Superior, known in Great Britain as the Provincial Moderator, who together with a Provincial Leadership Team takes responsibility for the leadership and administration of the British Province.

The accounts accompanying this report are the accounts of the charitable trust on which the assets of the Congregation in Great Britain are held.

Mission

The Sisters of Notre Dame De Namur is a group of religious women whose main aim is to contribute to the advancement of the Roman Catholic religion by means of involvement in education, broadly conceived.

By caring for individual members of the Congregation throughout their lives with the Congregation, the charity aims to enable and support the sisters to live out their faith and to put that faith into practice through a wide variety of religious and other charitable works.

When setting the objectives and planning the work of the charity for the year, and when encouraging the work of individual sisters, the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

At their most recent General Chapter, the sisters repeated their commitment to create a more just and loving world, continuing to choose Gospel imperatives as a way of life that "calls us to recommit to actions that lead to transformation within ourselves, society, Church and our Notre Dame Congregation". The sisters are committed to fulfilling their mission by ministering to the whole of creation, to our world and to one another.

Mission (continued)

Every six years the Congregation reviews its life-in-mission, sets new directions, make policies and necessary changes to existing legislation in response to changing times.

The next General Chapter was to have taken place in July 2020 in Nairobi, Kenya. This had to be postponed because of restrictions in place due to the pandemic. The re-scheduled date is under review.



The theme of this Chapter is “Renew – Transform – Go”.

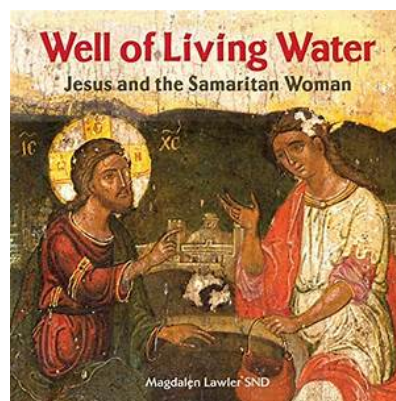
The works or ministries of the sisters of the Congregation fall into the following main areas:

◆ **Worship and prayer**

Members of the Congregation are given the opportunity for private worship and to continue to develop their knowledge and trust in Jesus and the Church through quiet prayer, study of the Gospel and spiritual development. In addition, members of the Congregation celebrate and pray with the wider community including people of all faiths and none. They do this through the provision of spiritual guidance or by just being available to listen in times of need, through the giving of retreats and the celebration of the Liturgy through prayer groups and church services. Some members of the Congregation write and/or edit books and publish their work in the area of spirituality, religious education, catechesis, ecology and interfaith.

London

Well of Living Water is Sister Magdalen Lawler’s latest book. An inspirational icon of the Samaritan ‘women at the well’ belonging to the Jesuits in Britain inspired this new book.



Magdalen discovered it many years ago and has used it ever since as the inspiration for innumerable retreats and conferences.

Its appeal to her is that it seems to span the traditions of West and East with its lyrical beauty and its deep theology. The icon has encouraged Magdalen to study the gospel passage in detail and to research many accounts of life in first century Palestine. Now her research and retreats are brought together in this beautifully illustrated series of reflections on the Samaritan Woman at the Well.

A regular contribution to Sister Magdalen’s Icon-themed retreats is the accompaniment of a song, *Touching the Water* by Tom McGuinness SJ. Father Tom says that he took his inspiration for the lyrics of the song from the passage “So Jesus, worn out from the journey, sat, just like that, on the well.”

Mission (continued)

◆ **Worship and prayer** (continued)

London (continued)

An interview which Father Tom and Magdalen gave, lasting about 20 minutes, to the Irish Jesuit website about 'Well of Living Water' can be found via

<https://www.jesuit.ie/news/featured-news/reading-the-woman-at-the-well/>

◆ **Education**

The Congregation's work in education continues through the involvement of members in teaching, educational support and administration in educational establishments as well as involvement in governing bodies at school and university level.



Until the end of this academic year 2019-2020 the link between Liverpool Hope University and the Province has been close. This was evidenced by Sister Mary Charles Murray's residence on the university estate and the university's request for her cooperation in smooth running of the establishment.

She was a member of the Council and sat on three committees, one of which she chaired as the University Council's representative. She also served on the appointing and promotions committees of the university

Sister Maureen McKnight was a member of the University's Governing Council. She also attended the university's events and celebrations to be a Notre Dame 'presence'.

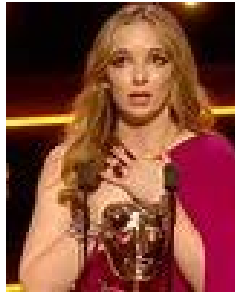
Both completed their terms of office in August.

In addition, the university's library holdings have been strengthened by the donation of books by Sister Maura O'Carroll and Sister Mary Charles Murray. These now form a special collection called the Notre Dame Collection, which is available for staff and students.

Mission (continued)

◆ **Education** (continued)

St Julie's High School, Liverpool



Congratulations to former student Jodie Comer. BAFTA have honoured her with a third nomination for 'Best Actress'. Jodie's nomination this year is for her return to the role of Villanelle for a second series of 'Killing Eve'. Jodie won an Emmy Award for Outstanding Lead Actress and a BFTA for her portrayal of Villanelle in the first series of 'Killing Eve'

St Julie's received the Liverpool School Sports Partnership recognition award for their support of the School Games Programme during the autumn and Spring Terms. The programme has long been a highlight in the calendar of our sports ambassadors who work hard to support the event.



St Julie's award winning Now Festival performance

The NOW Festival provides a platform from which to raise awareness, challenge stigma, and explore ways of building resilience and improving mental health. It takes place during children and young people's mental health week and gives young people the opportunity to discuss, learn and explore mental health whilst gaining an amazing amount of experience.

The festival incorporates the main message that the CAMHs partnership share across the city, that 'Mental Health is Everybody's Business'. Any school or youth group is welcome to take part. Each group is required to create a 15 minute or less piece of devised drama, music, film or dance all based around mental health and the NOW theme. Each year the theme is chosen by the team and young people's steering group.

In February, St Julie's Drama Company tackled this year's theme 'Belonging', across the 4 night Festival in which 22 schools delivered powerful messages about where they belong and what belonging means to them.

St Julie's were brave enough to tackle a real story. Erin proudly told her story of having scoliosis and how physical health can link to mental health. There were some excellent moments of humour, raw emotion and even some audience participation that concluded with the whole audience up on their feet for a standing ovation.



You can watch as Erin questions "Where do I belong?" on YouTube Festival Liverpool 2020 St. Julie's

Mission (continued)

◆ **Social and pastoral work**

Many members of the Congregation are involved in various forms of social or pastoral work throughout the country. These include working for social justice, in adult literacy programmes, with the elderly, as hospital and airport chaplains, as well as with socially deprived women and children suffering from the stress of their situation.

The sisters aim to help, in particular, the poor and marginalised in society regardless of their personal background, faith, gender or individual circumstances. Some sisters work directly with organisations which assist refugees and asylum seekers. All sisters are committed to the promotion of Justice and Peace at home and abroad.

Glasgow

For the Love of Creation Project

In 2018 Sister Mary Isabel Kilpatrick participated in a Sabbatical course on the new Cosmology and Spirituality in the Dominican Spirituality Centre in Wicklow, Ireland. Inspired by the content and touched by the urgency of the climate crises she has worked with a friend with similar interests, Liz Snodgrass, to prepare a number of presentations/ reflections based on the materials from the course.

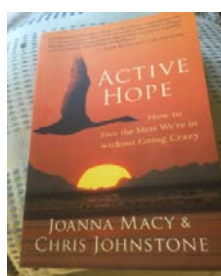


They have chosen three themes as an introduction for parish/Community groups.

- 1) Who do you think you are? This focuses on how we are part of the earth's journey and our interconnectedness with all creation. As in each of the presentations there are videos and /or slides, poetry, and time for reflection and prayer.
- 2) Where do you think we come from? The focus here is the story of evolution again with time for reflection, visualization, work with clay and prayer.
- 3) Where do you think we are going? The theme here is Transformation. They use one of a series of Presentations by Mark O'Donnell called "Jesus, the Eucharist and the Powers of the Universe."

They have also prepared other shorter reflections based on this series. .

Their aim is to get people to reflect on the wonder and beauty of creation and so be motivated to action for climate justice out of concern and love rather than fear of impending doom.



In their presentations they also use aspects of the "Work that Reconnects" process from "Active Hope" by Joanna Macy and Chris Johnstone. The authors advise that we journey in this book with others and have empowering conversations that lead to action. The slogan for our next General Chapter 'Renew, Transform, Go' is embedded within the text.

Mission (continued)

◆ **Social and pastoral work** (continued)

Glasgow (continued)

For the Love of Creation Project (continued)

Through the Scottish International Aid Fund (SCIAF) they will be offering a Webinar presentation on 4 October as part of their work for climate justice during The Season of Creation.



London

Notre Dame RC Girl's School St. Julie's Day 2020

After the welcome by Sister Anne Marie Niblock and the invitation to pray "Longing for Light" a reflection on Our Heritage was enabled by watching the video "Angel of the Amazon" i.e. Sister Dorothy Stang. Dorothy began her ministry in Brazil in 1966, in Coroatá, Maranhão.

She dedicated her life to defending the Brazilian rainforest from depletion from agriculture. She worked as an advocate for the rural poor beginning in the early 1970s, helping peasants make a living by farming small plots and extracting forest products without deforestation. She also sought to protect peasants from criminal gangs working on behalf of ranchers who were after their plots. She is often pictured wearing a T-shirt with the slogan, "A Morte da floresta é o fim da nossa vida" which is Portuguese for "The Death of the Forest is the End of Our Lives".



Drama and dance by the students led us to reflect on our care for the planet. This very moving experience was followed by an enthusiastic singing of "We are standing on the shoulders of the ones who went before us".

The sisters present renewed their vows and the students and all who serve the school community as Governors, members of staff of friends renewed their promises. Then through prayer, song and testimony we were invited to think about our mission and our legacy and to have "Hearts as wide as the world"

Asylum Link Merseyside during Lockdown

Many sisters have worked as volunteers for this charitable group in Liverpool over the years and the congregation has generously provided financial help as well as donating goods.

Sister Kathleen Ashurst, who served as a trustee until 2018 writes:

"One of the joys for the Refugees and Asylum Seekers who have been coming to our Centre in Liverpool 8 since 2001 is getting together, feeling welcome and connected with other folk in the same dire situation. Contact is a key part of what we provide, as well as advice, English teaching, food, meals, bikes, outings, clothes etc. Being alone away from home is a painful nightmare.

Mission (continued)

◆ **Social and pastoral work** (continued)

London (continued)

Asylum Link Merseyside during Lockdown (continued)

Then, 2020 dawned and with it Covid-19 and Lockdown. Contact in every shape and form was forbidden and dangerous. This ripped the heart out of what we offer people. No more coming to our Centre. Our whole place asked the question we have so often heard from Refugees and Asylum Seekers: WHAT TO DO?

Impossible situations, however, striving against all the odds, are the essence of the struggle our people cope with. So...the ingenuity, sheer cussedness and amazing generosity of everyone: Manager, Staff, Volunteers and clients have kept us serving our now even needier people in new ways. To start from scratch in such a Covid situation would have been nigh impossible but we already had an organization, Staff and Volunteers. We have managed to offer the same services in a variety of different ways, mainly through IT.

A WhatsApp group was set up so that everyone could keep in touch and share news,. There are 26 English teachers teaching 60 beginners and 50 intermediate students.

Through the continuing generosity of donors large and small, we have been able to buy more equipment, which has enabled more of the caseworkers to provide support from home. Some calls have been desperate and initially we struggled to get people housed and safe. We had some incredible help from the City Council, Councilors and MP's to escalate cases and get people off the street.



During Covid we have continued to be marvelously helped by firms who already supported us: Fareshare, Costco, Tesco, Jack's and many individuals like the West Kirby Food Fairies. All this is supplemented by fresh food from our allotments, thanks to all the diggers and delvers. What we provide has changed as suppliers' ability to help has changed as the weeks go by.

There is a team of dedicated Volunteers and Staff who have gone on running services, come hail, rain or shine. Thanks and more thanks to all who make it work."

Mission (continued)

◆ **Social and pastoral work** (continued)

Parbold

Pastoral Accompaniment

As for many of us this year has been a year of two halves for Kathleen McGhee. From September to March she was seeing twenty people for pastoral accompaniment every four to six weeks. They comprised mainly priests, lay people holding significant pastoral and educational roles in the life of the Church and religious sisters in senior positions in their congregations. Among the twenty there were three men in training for the permanent diaconate in the Liverpool diocese and two deacons who continued after ordination as part of their on-going formation.

As well as work with individuals, Kathleen was accompanying a monastery of monks, a community of enclosed nuns and three communities of apostolic women religious.

In March all that changed with the arrival of Covid-19. The group work was cancelled or postponed till next year.

Some of the individuals wanted to continue on Face Time or Zoom or simply by phone.



That was particularly important for the men preparing for ordination in 2020 or 2021. Others are patiently waiting the moment of a safe return.

For many years Kathleen has also been a trustee of the Dympna Centre – a centre for accompaniment particularly of priests. The AGM was due in May. It was decided to go ahead on Zoom, giving her an opportunity as current chairperson of learning to chair a virtual meeting.

During this time the Pastoral Formation Department of the Liverpool Diocese invited her to take part in a weekly on-line Gospel reflection with an emphasis on the audio for the visually impaired. For four weeks she simply read the Sunday Gospel and for a further four weeks she wrote and recorded a reflection on the Sunday Gospel.

Glasgow

Psychoanalytic Psychotherapy

After her initial psychology training at the Tavistock Clinic and while working at the Notre Dame Child Guidance Clinic in Glasgow, Sister Gail Taylor trained as an adult psychoanalytic psychotherapist.

Mission (continued)

◆ **Social and pastoral work** (continued)

Glasgow (continued)

Psychoanalytic Psychotherapy (continued)

Patients are referred to Gail by other colleagues and also through her contacts with psychiatry and psychotherapy in the NHS. She currently sits on the Scottish Training Psychoanalytic Psychotherapy Committee as a training therapist, which involves:

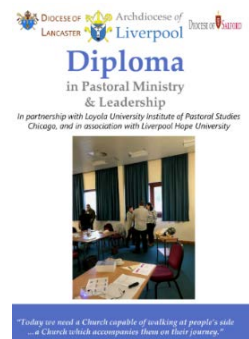
- ◆ Providing psychoanalysis for those training in psychoanalytic psychotherapy.
- ◆ Teaching seminars on a wide range of topics covered in the four-year curriculum.
- ◆ Weekly supervision of the trainees' clinical work when they begin to see their intensive patients three times a week.

The recent Covid-19 pandemic has changed how Gail's work can take place. It is difficult for patients to experience any change to the framework of psychoanalysis and a lot of preparation is given for usual breaks in the work e.g. summer breaks, so for an unplanned change to occur can be experienced as very disturbing to patients and put them in touch with powerful feelings of abandonment, trauma and loss. During the pandemic Gail has changed to working remotely either by Zoom or telephone. This has been difficult, as many people, do not have a safe, uninterrupted space that feels confidential to have psychoanalysis from. However, to stop working would also be experienced as very difficult so providing a way of continuing seems preferable.

Liverpool

Certificate in Pastoral Ministry and Diploma in Pastoral Leadership

It's just four years since Dr Brian Schmisek, the then Dean of the Institute of Pastoral Studies invited adult formation leaders from the diocese of Liverpool. Salford, Lancaster Hexham and Newcastle, Middlesborough, Leeds and Hallam (the Northern Province of the Catholic dioceses of England and Wales) to a meeting in Hinsley Hall Leeds to consider the Institutes' offer to provide a two year customised online course.



Sister Catherine Darby and Mrs Veronica Murphy were invited to be the UK Coordinators for the programme. This role has involved liaising with the Institute of Pastoral Studies Loyola Chicago and representatives from each of the dioceses involved.

Mission (continued)

◆ **Social and pastoral work** (continued)

Liverpool (continued)

Certificate in Pastoral Ministry and Diploma in Pastoral Leadership (continued)

Last December they gathered for a fitting celebration of two year's hard work completing ten on-line modules in Pastoral Ministry. Representatives from every diocese in the Northern Province and from Wrexham gathered in the Liverpool Hope University Chapel in thanksgiving for the 48 students who were presented with their certificates from the *Institute of Pastoral Studies at Loyola University Chicago* following a Mass of Thanksgiving. It was a joy to see all the different roles and ministries celebrating a course which provided opportunities for lay people, 14 of whom are preparing for the Permanent Diaconate. Dr Mariana Miller represented Loyola and gave a stirring address before Mass. She praised the commitment and quality of the students' engagement during this pilot course and spoke of the importance of e-learning for adult formation: providing opportunities for a much broader group of people to access excellent resources and tuition in this developing theology.



Recruitment is underway for a fourth cohort of students!

Another exciting development for Veronica and Sister Catherine is the development of a Diploma in Pastoral Leadership rooted in local dioceses that students live and serve in.

Archives

One of the duties of the Provincial Administration is to ensure that the archives are kept safely and that they are up to date. At present in this Province we are fortunate to have a purpose-built building to house and service the archives. The Sisters of Notre Dame were founded in the year 1804 and first came to England in 1845. The archives, therefore, cover the hundred years since the foundation of the British Province in 1920 and also include a large collection of documents relating to the life and work of the sisters who ministered in England and Scotland from 1845.

Mission (continued)

◆ **Social and pastoral work** (continued)

Liverpool (continued)

Archives (continued)

The work of the archives has been entrusted to a team of sisters – now four in number, since the recent retirement of the eldest member. Two live in Liverpool whilst the other two are in London and Glasgow. In normal times these sisters expect to come to work in the actual archives three times a year. They receive and catalogue documents and respond to enquiries about the life and work of the sisters. These mainly come from research projects and family members.



◆ **Overseas missionary work**

The charity also helps support sisters working in the world's poorest countries and with the most disadvantaged people – for example in Nigeria, Peru, Kenya, South Africa and Zimbabwe. The sisters offer support and accommodation to sisters from overseas who come to study in Britain.

The sisters also help to support the 'Power of the Sun Project' in the democratic Republic of Congo and Nigeria. Through the 3-fold provision of electrical power, portable water and a computer network, the field ministries of health care and education are supported in these two African countries.

Power of the Sun on Vimeo

<https://vimeo.com/75093268>

This video tells the story of the **Sisters of Notre Dame** and their project in Africa.

Activities, specific objectives and relevant policies

◆ **Activities and specific objectives**

Through our developing understanding of 'Mission' we search anew in each time and place for ways to spread the Gospel and to take our stand with the poor of the earth. According to our tradition we value education as fundamental.

As well as reaching out to the poor and needy, we care for the individual members of our Province by enabling and supporting them in living out their vocation and putting it into practice through a wide variety of educational, social, pastoral and religious works.

Activities, specific objectives and relevant policies (continued)

◆ **Activities and specific objectives** (continued)

Caring for members of the Congregation

The Sisters of Notre Dame De Namur are committed to the care of their aged, sick and infirm sisters. In Britain all of the sisters are over 60 years of age; with 27 in their 90s; 53 in their 80s; 42 in their 70s; and 5 in their 60s. The sisters aim to keep the aged as active as possible for as long as possible and provide care which enhances life. There are facilities provided in three communities to meet the differing needs of an ageing group. The cost of these facilities, which includes long-term nursing and assisted living care, is set out in the attached accounts.

It is of particular importance that a high standard of care is maintained. To ensure this the sisters employ lay managers who co-ordinate the staff, update their training and take responsibility for maintenance of the buildings. In this way, the sisters can be confident as employers that staffing legislation, health and safety requirements and general good practice are all in place. An extensive programme of staff training using external agencies has been provided over the past years. The training is largely continued and updated 'in house' with external support when required. There is also in place an on-going programme of staff training. Currently we employ 144 members of staff.

Spiritual formation

The religious and charitable works of individual members of the Congregation can be divided into four principal areas: education, social and pastoral work of the sisters, spiritual formation and the support of overseas development work.

We aim to put faith into action by:

- ◆ Promoting the values and vision set out in the Gospel including the promotion of human dignity, teaching respect of different cultures and religions, working for a society based on justice and peace and encouraging care and respect for all creation;
- ◆ Offering support for personal retreat opportunities and periods of contemplation and reflection which help people cope with the stresses of life;
- ◆ Assisting others to pray and discover the gospel message by being an active presence in parish communities;
- ◆ Visiting with those who are housebound, sick, or dying;
- ◆ Contributing to religious education and spiritual formation both in formal educational establishments and local parishes; and
- ◆ Writing, editing and publishing books and articles about spirituality, religious education, catechesis and ecological issues.
- ◆ Taking an active part in supporting local charitable events.

Activities, specific objectives and relevant policies (continued)

◆ **Activities and specific objectives (continued)**

Spiritual formation (continued)

Glasgow

Isabel Smyth serves as the Secretary for Interreligious Dialogue for the Scottish Catholic Bishops. She plans, organises and manages dialogues with faith community and participates in various interfaith events and dialogues. She works to promote Scottish Interfaith Week and encourage the need for good interfaith understanding as a way of peace both within the Catholic Church and throughout our world.



London

Sister Magdalen Lawler provides Spirituality Support in ND School, Southwark; she gives Professional leadership days for Staff and students and 'twilight' sessions for Staff.

She is also the Educational resource person in Southwark RC Schools, leading days on 'Using Pictures for Children's Catechesis' at Sacred Heart School, Roehampton, London.

Magdalen is the author of 5 books on the subject of Art and Spirituality (Pauline Media UK and Messenger)

She is a free-lance retreat and conference leader, facilitating retreats and retreat days in Jesuit Centres in London, Scotland and Ireland as well as other centres in the UK and Ireland, She specialises in the use of images in prayer.

During national lockdown Magdalen provided Covid-19 support in her local parish and produced short videos for the parish website and used other technology to remotely provide retreats and spiritual direction in the UK and abroad.

Magdalen is the Conference of Religious (COR) representative on Committee of Catholic Spirituality Network, one of the denominational member groups of The Retreat Association. She is a resource person for conferences sponsored by the above. This year's conference entitled 'Come to the Waters' was deferred to November 2020 due to Covid-19.



Activities, specific objectives and relevant policies (continued)

◆ **Activities and specific objectives** (continued)

Spiritual formation (continued)

Glasgow

Sister Eileen Cassidy has been employed since 2007 by the Ignatian Spirituality Centre in Glasgow (ISC), a facility run by the Society of Jesus (Jesuits), but staffed by an ecumenical team.

The main aim of the work of the ISC is to encourage prayer and discernment in Christian communities in Scotland and beyond and to give participants the skills to make life choices in line with their Christian faith. The centre offers adult faith formation courses from the popular or foundation to university level in the spirituality of St Ignatius Loyola, in theology and scripture.

It makes available retreat opportunities, from half day non-residential courses through to 30-day residential.

In addition, the ISC has collaborated with the Church of Scotland in a Scottish Government funded programme to address sectarianism in Scotland. Sister Eileen felt it was a privilege to see the serious engagement of school and community groups in this project, to observe the effects on participants, to offer a Scripture-based course to a small group from different traditions who were committed to the project, and to see them emerge with a deeper understanding of 'the other' and of what they hold in common, and more committed than ever to continue with their efforts, even when funding was withdrawn.

Birkdale

Sister Joan Brown was asked by our Heritage Centre in Namur to research and upgrade material for children, on St Julie Billiart, the foundress of the Sisters of Notre Dame de Namur. A book that she has been working on for some time; a Life of St. Julie for children, is now almost finished.

The text has been translated into Spanish by Sister Mary Kavanagh and into French by Sister Christiane Houet.

The story is written from the point of view of the six cats that figured in Julie's life.



Glasgow Barlanark

Sister Eileen Cassidy has been picking up Adult Faith Formation work in the parish and deanery over the past three or four years. In the parish she offers courses to parents so that they can support their children as they prepare for the sacraments of initiation. Working with Sisters Patricia Cassidy and Maureen Coyle, the other two sisters in her community, their aim is to have an ongoing parish programme for parents and children throughout the primary years, based on the R.E. curriculum. This will take time to develop.

Activities, specific objectives and relevant policies (continued)

◆ **Activities and specific objectives** (continued)

Spiritual formation (continued)

Glasgow Barlanark (continued)

In the deanery she has been involved in running a 7-week post-Easter programme and in supporting parishioners to take responsibility for this work. This past year it had been hoped to prepare deanery parishioners for parish realignment and to encourage them to take responsibility for parish life across the deanery, once realignment is in place and according to a shared vision. This is now on hold until normal parish life resumes.

Education

The Sisters of Notre Dame De Namur continue to be involved in centres of learning in a variety of educational establishments at primary, secondary and tertiary level. They also work with children and adults with learning disabilities, people with special needs, multiple impairments or both.

The sisters are actively engaged in religious education programmes and have pioneered programmes for families and those with special needs. The Sisters of Notre Dame De Namur are trustees of three voluntary aided schools – Notre Dame Catholic College, Liverpool; St Julie's High School, Liverpool; and Notre Dame High School, London.

Some sisters serve on the governing bodies of these three schools; other sisters serve as governors for Notre Dame, Sheffield and Hope University, Liverpool, and as members of Hope University Council.

Over the years many secondary schools have had their governance passed by the sisters to local dioceses or local education authorities and many have retained Notre Dame in their name. Close links are being forged between present and former Notre Dame Schools. The "Notre Dame Schools and Colleges Network" comprises:

- ◆ Notre Dame Norwich
- ◆ Notre Dame Plymouth
- ◆ Notre Dame Southwark
- ◆ Notre Dame Sheffield
- ◆ Notre Dame Sixth Form College Leeds
- ◆ Notre Dame Catholic College Liverpool
- ◆ St Julie's High School Liverpool
- ◆ Notre Dame Glasgow
- ◆ Fernhill School Glasgow
- ◆ Our Lady And St. Patrick's High School Dumbarton



Activities, specific objectives and relevant policies (continued)

◆ **Activities and specific objectives** (continued)

Education (continued)

Each year in October members of senior leadership and others from their school communities gather for ND UK Schools and Colleges Conference. The conference is organised and facilitated by Sisters Catherine Darby and Anne Marie Niblock. It was first initiated at the time of Jubilee 2004; two hundred years since the foundation of the Sisters of Notre Dame. The purpose was, and still is, to bring together head teachers and staff from high schools and colleges who share a Notre Dame foundation and ethos. They have an important role in keeping alive the vision and mission of education today.

Plans were being laid at the 2019 conference to bring together student leaders in Glasgow for the UN Climate Change Summit, which of course, did not take place because of Covid-19.

These schools also participate in the Notre Dame Virtual School which enables schools in Britain to undertake projects with schools in North and South America, Africa and Japan via the internet.

Schools have faced a particularly difficult time during the pandemic. We are proud of the work that London Notre Dame Southwark, Notre Dame Catholic College Liverpool and St Julie's High School Liverpool did to support their students, staff and communities. The schools have stayed open for children of keyworkers and vulnerable children including in some cases during holidays. They coordinated and facilitated the provision of the vouchers that replaced free school meals and variously provided meals, food bank services and other support in their local areas. Staff often went beyond what was required of them to help students and their families.

Throughout the year, despite the difficulties caused by the pandemic, they have served as a witness to the Catholic faith within the tradition of the Sisters of Notre Dame de Namur, through their education of young people, enabling them to proclaim the goodness of God by their lives.

Social and pastoral work

The charity enables and supports individual members of the Congregation in ministry and outreach work thereby furthering the message set out in the Gospel to love one another.

In order to provide direct service to the materially poor, and since most sisters are of retirement age, many sisters freely give their services in diverse ministries. Some work for social justice, in adult literacy programmes, on safeguarding boards, in hospices, with the elderly, as hospital chaplains, prison visitors, as well as with socially deprived women and children suffering from the stress of their situation. Others serve on a vast variety of groups in their neighbourhoods, parishes and dioceses. They are to be found in some of the poorest parishes in the land. Sisters are working with refugees and asylum seekers in various parts of the country. Sisters with training and experience in a number of disciplines give service to individuals and groups as counsellors, psychologists, facilitators and assessors. It is worth noting that the sisters go on participating in these ministries well into their senior years.

Activities, specific objectives and relevant policies (continued)

◆ **Activities and specific objectives** (continued)

Social and pastoral work (continued)

London and Glasgow

Because the British Province funded their studies, Sister Rachel Harrington, who lives in London and Sister Ishbel Macpherson, who lives in Glasgow, were able to obtain doctorates in Canon Law. They remain two of the very few women or even laymen who are fully qualified canonists. Historically, canon law and tribunal work was in the hands of clergy and it was only in 1983 that lay people were able to be judges.

Both Rachel and Ishbel fulfil the role of Judge in a number of diocesan and regional tribunals in England, Wales and Northern Ireland. Rachel serves on an Inter-diocesan Tribunal which serves seven dioceses in Ireland.



Sister Ishbel chairing a conference in Armagh for tribunal personnel with the judicial vicar Father Joseph Rooney and Father Frank Morrissey who was our speaker.

Sister Ishbel celebrated her 87th birthday this year and is grateful that even at this age she can still make a contribution to the Church and to society.

Protecting Scotland, Renewing Scotland

The Programme for Government is published every year at the beginning of September and sets out the actions which will be taken in the coming year and beyond. It includes the legislative programme for the next parliamentary year to drive forward change across all levels of society.



In planning the way forward after Covid-19 the Scottish Government set up two committees: a Just Transition Board to consider climate change and a Social Renewal Board to consider the lessons of the lockdown and future policies. There are 21 people on this Board, one of whom is the Director of Interfaith Scotland. She was interested to know what faith communities thought so contacted Sister Isabel Smyth, Scotland (Sister Isabel is the founding director of Interfaith Scotland) who engaged the Glasgow Notre Dame book group in conversation about Social Renewal and then sent their thoughts to Interfaith Scotland.

Activities, specific objectives and relevant policies (continued)

◆ **Activities and specific objectives** (continued)

Social and pastoral work (continued)

Childwall

During the long months of lockdown sisters in the Childwall Community in Liverpool were busy raising funds for the homeless in Liverpool and less advantaged families for education in Nigeria by making Birthday, Christmas and All Occasion cards, jewellery and knits; knitting bonnets and jackets for premature babies at Whiston Hospital and Women's Hospital, Liverpool; knee rugs for Marie Curie Hospice and blankets for the homeless



Glasgow

Drop-in Centre

Parents, Etc. is a "drop-in" centre in Glasgow for parents of children and young people with behavioural problems. It is directed by Sister Mary Ross.

Activities, specific objectives and relevant policies (continued)

◆ **Activities and specific objectives** (continued)

Social and pastoral work (continued)

SPRED

SPRED is a religious and spiritual programme for children, teenagers, young adults and adults who have a learning disability.

SPRED assists local communities to develop their own SPRED centre locally by the provision of training and resources.

Sister Agnes Nelson works with two groups on Tuesday and Thursday evenings each week



Overseas development work

The British Province assists in the education and formation processes for our sisters in Africa and South America in a variety of ways.

One sister from Britain still works in Nigeria giving service in healthcare and educational programmes, the promotion of justice and peace and the enablement of the poor.

Other sisters fundraise for overseas development work.

The Province also supports the 'Power of the Sun Project' in the Democratic Republic of Congo and Nigeria.

Our Heritage Centre in Namur provides enriching educational experiences for staff and students in our schools and Hope University. Members of the British Federation of Notre Dame Associates also visit the Heritage Centre and benefit from the opportunities provided.

British sisters direct retreats at the Centre and are involved in providing formation experiences there for sisters from around the Congregation.



Activities, specific objectives and relevant policies (continued)

◆ Grants and donations policy

Whilst the trustees agree to support organisations whose work is within the objects of the charity, the charity does not regard itself as a grant making entity and applications for grants and donations are not invited.

◆ Investment policy

Under the Trust Deed of the charity, the trustees may invest the charity's money, according to the law for the time being in force. The stockbrokers J M Finn and Co Limited offer their advice after taking account of the charity's ethical policy. The trustees, on the advice of the professional and lay advisers, review the policy annually. Catholic Social Teaching informs our investment policy. It also enhances the development of the charity and the achievement of its objectives. The requirements of the Charities Act, to seek out the best possible returns within acceptable levels of risk, are fulfilled. To achieve this we maintain a diversified investment portfolio.

◆ Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data; it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

Achievements and performance

◆ Caring for members of the Congregation

In common with many religious congregations in Britain, the age profile of the members of the Province is increasing as existing members grow older and the number of new vocations decreases. At present the average age is 82.

The Province has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted a significant part of their lives to the work of education of the poor and marginalised in society. As the age profile of the Province increases so too does the need to provide care for the sisters. At present, 61 members of the Province are in need of varying levels of nursing care (2019: 63). When hospitalisation is required, stays are kept to a minimum and sisters convalesce in one of the three large communities as they are able to give the care and support necessary.

Achievements and performance (continued)

◆ **Caring for members of the Congregation (continued)**

Over the next decade, the trustees expect the proportion of sisters requiring care to increase. As a consequence the trustees are giving careful consideration to the impact of this on the work of individual members of the Province, the property requirements of the Province and the financial implications.

◆ **Impact of Covid-19**

This year (September 2019 – August 2020) has been a challenging one due to the emergence of Covid-19 in early 2020. Due to their age and medical conditions most of the sisters, but in particular those that live in the large care communities, were considered vulnerable or extremely vulnerable. It was therefore decided that all sisters in these communities would shield for their own protection and that of others. Leaving and visiting the convent took place for essential reasons only, for example limited medical treatment. Meetings and events were cancelled or postponed or took place digitally. Some sisters were moved to larger communities where they could be better supported. On the limited occasions where sisters did move between convents they isolated from the rest of the community for 14 days to limit any risk to the new community. Although the restrictions have altered the sisters continue to limit contact with others.

Because we rely on our staff for care the majority of them have continued to work throughout. A small number of staff were furloughed for their own safety because of their extra vulnerability. We continue to keep the procedures for the safety of staff and sisters under review, adapting as the situation changes.

◆ **Social and pastoral work**

Whilst only 3 (2019: 3) sisters are now in paid employment, the majority of able sisters perform some sort of voluntary, charitable or pastoral work.

Of the 144 staff employed by the Sisters of Notre Dame, most have vocational qualifications ranging from BTEC to the Registered Manager qualification. Staff members are well trained to take on additional responsibility either within our houses or within the wider community.

◆ **Education**

St Julie's Catholic High School in Liverpool moved into their new school building in September 2017. The building was built by Liverpool City Council on land belonging to the sisters. The sisters have entered into an arrangement with the Council to make a contribution to the cost of the building out of future income streams. The school occupies the building rent free.

Every year sisters organise a residential conference for Notre Dame Schools and Colleges at which staff from three schools for which we are still trustees gather with staff from seven former Notre Dame Schools and Colleges to share experience and practice. An appropriate speaker is invited to introduce the key theme at each conference.

Achievements and performance (continued)

◆ Education (continued)

Glasgow - Special Olympics



Special Olympics is the fourth member of the Olympic Family. It offers year round coaching and competition at local, regional, national and international level for athletes with an intellectual impairment (learning disability).

Sister Denise Dunn has been involved with the organisation for the last 27 years and for the last 10 years has been the chairperson for the Scotland West Region.

As chairperson she is main contact with Special Olympics Great Britain and a member of the Special Olympic Scotland committee. This enables her to keep the region up to date with all that is happening within Special Olympics.

Denise is one of the assistant heads of delegation for the 2021 National Summer Games in Liverpool. Scotland West were planning to take a team of around 350 at a cost of £550 per person. They had also hoped to put athletes forward for the World Winter Games in Sweden in 2021 and Denise would have been engaged in the selection process for this.

Sadly, due to Covid-19 the games have been postponed. The hope is that that they will be rescheduled for 2022.

The British Federation of Notre Dame de Namur Associations

This was founded to “... bring into communication with one another the former pupils of the Notre Dame de Namur Schools of Great Britain through their organised Associations”. Sisters support the Federation which, among other activities, raises funds every year for our overseas development work. Sister Josephine Threfall was appointed last year as the Province link with the Associations.

This September the Federation held their AGM by Zoom. As always there was great enthusiasm about raising funds for their educational project. For the past year they have been finding creative ways to raise money for the building of the new Notre Dame Academy in Ogwa, Edo State Nigeria. If Covid-19 had not disrupted plans Sister Julie Ambrose Atkinson would have been present to give a progress report on the building of this school at the AGM at Hinsley Hall, Leeds in September.

Achievements and performance (continued)

◆ Education (continued)

The British Federation of Notre Dame de Namur Associations (continued)

The local Catholic Community of Ogwa Parish, who are mostly farmers, started clearing the land late last year.

At the same time plans were drawn for the first block of 6 Classrooms



This photograph shows the first set of future pupils of Notre Dame Academy, Ogwa. These children are now in the last class of their Primary Education.

Sister Evelyn Igbafe SND the Headmistress is on the left of the picture while Sister Uche Agbo SND, the younger sister and Bursar for the School is on the right.



The final words from Sister Edith on that day were:

“Thanks for your concern and care for the SND Nigeria Unit. I give you every assurance that the money contributed by the British Federation of Notre Dame Associations was well received and is kept safely pending the time it will be judiciously utilised for the purpose for which it was collected.”

The link below is for a short video made by students at Notre Dame girls Academy, Amoyo, Nigeria, about the importance of the education of girls

<https://bit.ly/2QA6qbu>

◆ Social and pastoral work

SPRED

The SPRED Religious Education program supported individuals with learning difficulties and volunteers during the year and the charity continues to expand and develop. There are groups serving parishes throughout Glasgow, where young people and adults with disability become full, active members of their parish community. The work was pioneered by a Sister of Notre Dame who was until recently a director. She continues to take an active part in this work.

Achievements and performance (continued)

◆ Support of overseas development work

Sisters in the Province continue to raise funds for our Missions in Africa and South America. As well as this, whenever our missionary sisters return on holiday, they are warmly welcomed and encouraged to benefit from a time of rest in our convents and know that they can share our resources freely.



The leadership teams in Europe and Japan normally meet annually to provide mutual support in the way they endeavor to further the work of the Congregation. Unfortunately, due to restrictions in place because of Covid-19 no meeting has taken place this year.

Financial review

◆ Results for the year

A summary of the year's results can be found on page 40 of this report and accounts.

During 2020 total income amounted to £3,262,214 (2019: £3,368,038). £3,022,761 (2019: £3,134,270) was received by way of donations and legacies and includes salaries and pensions of the sisters amounting to £2,818,825 (2019: £2,969,008) covenanted to the charity. Investment income and interest receivable totalled £215,967 (2019: £230,752).

Expenditure totalled £4,829,877 compared to £4,314,700 in 2019 with staff costs continuing to represent a significant proportion of this and amounting to £2,224,493 (2019: £2,113,623).

Expenditure incurred on maintaining the members of the Province and supporting them in their pastoral work and ministry (excluding staff costs) amounted to £2,478,053 (2019 £2,074,843). These costs include an impairment provision of £490,000 made to reduce the value of one of the charity's properties as the market value of the property was considered to be less than its book value. This is shown as a separate expense category together with legal, professional and similar costs to ready the site for disposal. Further details of these costs are given in note 4 to the accounts.

Expenditure on raising funds was £39,328 (2019: £39,031) and included fees paid to the charity's stockbrokers of £27,962 (2019: £27,747).

Net expenditure for the year before investment gains and losses, therefore, was £1,567,663 (2019: £946,662). Investment losses amounted to £61,470 (2019: gains £23,148). Hence, there was a net decrease in funds for the year of £1,629,133 (2019: £923,514).

Financial review (continued)

◆ **Investment performance**

The stockbrokers continue to be guided by the trustees' investment policy set out earlier in this report and comply with the ethical guidelines given to them.

The income return on the investments was 2.6%. There was a slight decrease in value. These results are below the targets set of 3% and 10% respectively but are considered reasonable for our portfolio in this time of market volatility. Our investment performance is in line with investment performance generally and slightly exceeded our bench mark. The targets we set need to be challenging but realistic, and are currently under review. Because of the relatively modest size of the portfolio, any variation away from that target has only a marginal effect on the viability of the charity. Our brokers are instructed to conduct the portfolio in a medium risk manner.

The trustees will continue to review performance but, given that they view their investments as being for the long term, they remain confident that the policy adopted is appropriate for the charity.

◆ **Reserves policy and financial position**

Reserves policy

The reader will discern from the foregoing that the charity carries out a diverse range of activities and is responsible for care and support of sisters whose average age is increasing and whose needs are changing. The trustees recognise the need to provide adequately for the maintenance of the sisters in their retirement.

Total restricted funds held at the end of the year are £15,722 (2019 - £17,842) With the exception of these small restricted funds, all of the charity's assets are held as unrestricted funds.

Those unrestricted funds represented by tangible fixed assets are shown as a separate tangible fixed assets fund in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

Similarly, those properties held as programme related investments are held as a separate designated fund - the programme related investments fund. These investments comprise land and buildings owned by the charity but used by other charity and not-for-profit organisations with charitable objectives consistent with those of the charity. It is the intention of the trustees that such assets should continue to be used for these purposes for as long as needed and as such their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

Financial review (continued)

◆ **Reserves policy and financial position** (continued)

Reserves policy

The trustees have examined the need for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work and its commitments and the sources of its cash flows, the level of free reserves should be equal to at least six months' expenditure. After allowing for the property impairment the current level of reserves reach this target. The trustees are continuing their programme of financial stabilisation and property rationalisation to improve liquidity and build sufficient reserves to sustain the care of the elderly sisters to the end of their lives in the face of diminishing incomes and increasingly costly care needs. As noted elsewhere in the trustees' report, the trustees have secured financing in the short term to assist them with this project.

In 2017, the trustees established a sisters' retirement fund to provide for the future costs of providing nursing care to elderly sisters who have dedicated their working lives to the charity. The amount currently designated is restricted to the funds available to the charity. Further sums will be designated as they become available.

The trustees review their reserves policy annually.

Financial position

As stated in note 17 to the attached accounts, in prior years certain funds received by the charity on behalf of sisters in respect to superannuation lump sums were classified as funds administered by the trustees on behalf of individual members of the Congregation and were included within creditors. During the year it has been clarified that under Canon law and the constitution of the charity, these funds should be recognised as income when received. The trustees have concluded, therefore, that a prior year adjustment should be made to reflect these sums as income in the accounts for the year they were remitted to the charity.

This has resulted in funds as at 1 September 2019 increasing by £2.3 million from £25.1 million to £27.4 million. The trustees have designated the additional funds available by adding them to the sisters' retirement fund.

The balance sheet shows total reserves of £25.8 million (2019 £27.4 million). Of this, £18.4 million (2019: £20.3 million) is represented by the net book value of properties and other tangible fixed assets essential for the support and work of the sisters whilst £2.1 million (2019 - £2.1 million) comprises funds represented by properties classified as programme related investments.

As noted above, the trustees established a sisters' retirement fund in 2017. This amounts to £3.1 million (2019: £3.1 million), and is represented by investments. In the context of the total sum that will be needed in future years to provide for the sisters as they grow older, this amount is not large enough. However, it is hoped that further sums can be designated in future years as they become available following property disposals.

Financial review (continued)

◆ Reserves policy and financial position (continued)

Financial position (continued)

Funds available to support the work of the sisters in the future, in particular the support of the Province's ministry and its development and charitable work overseas, are shown as general funds on the balance sheet and amount to £2.2 million (2019 - £1.9 million). This figure needs to be considered in the light of annual expenditure of over £4 million, the increasing age profile of the sisters and the need for the charity to continue to support the work of the Congregation, both in this country and overseas. The sisters are also aware of the importance to the charity of the investment assets and the income generated therefrom. Given the continuing volatility in world stock markets, the low interest rates and the challenges of Covid-19, there is a real need to retain monies to enable the long term financial stability of the charity. As noted above, the trustees believe that the charity's free reserves are adequate, at the current time but acknowledge that they are not in line with the charity's reserves policy. As noted elsewhere in the trustees' report the trustees are developing plans to dispose properties surplus to their needs to generate funds to meet the charity's ongoing financial needs.

◆ Tax exemptions etc.

The beneficiaries of the work of the charity have the assurance that all of the income of the charity must be applied for charitable purposes in furtherance of the charity's object of furthering the Roman Catholic faith. The charity enjoys tax exemption on income from its activities and on its investment income and gains provided these are applied for its charitable aims. As a charity, it is also entitled to a reduction of 80% on business rates on the property it occupies for its charitable purposes, and a 50% reduction in Council Tax for its properties that are occupied by members of the Congregation. The financial benefits received as a result of these exemptions are all applied for the purposes of furthering the Roman Catholic faith by enabling and supporting the sisters to live out their vocation and to put it into practice through a wide variety of religious and other charitable works.

The nature of the charity's activities means that it is unable to reclaim VAT input tax on its costs as it is exempt for VAT purposes. The charity also pays tax as an employer through the national insurance contributions it makes.

Future plans

The charity is working with the Congregation to update its strategy to continue the mission of the Sisters of Notre Dame de Namur in all of the global areas in which it operates whilst balancing this against the need to care for the increasingly elderly sisters who have sustained this mission in years gone by.

A Province Resources Group assists the Provincial Leadership Team in developing the Congregation's strategic plan and also works with the sisters in the British Province towards a viable future in mission.

Future plans (continued)

The strategy will determine where resources are targeted. The sisters are working to maximise those resources by seeking to obtain the optimum efficiencies in their operational costs and care provision. To achieve this Group and the Leadership Team are looking at their property portfolio with an aim to release capital to meet the charity's financial obligations. A scheme to rationalise the care of the sisters is underway.

Governance, structure and management

◆ **Governance**

In terms of Canon law, the Congregation is governed at an international level by the General Moderator and her Congregational Leadership Team. They are elected every six years at a General Chapter which is a meeting of representatives of all provinces of the Congregation. The British Province is governed by the Provincial Moderator and her Provincial Leadership Team, who are elected by members of the Province in accordance with the Province's Government Plan. Appointments to the Provincial Leadership Team are ratified canonically by the Congregational Leadership Team.

The Congregational Leadership Team is accountable to the General Chapter which is the Supreme Legislative Authority in the Congregation. The most recent General Chapter was in July 2014. The next would have taken place in July 2020 but has been postponed because of Covid-19.

In terms of Civil law, the British Province of the Congregation is an unincorporated body registered under the Charities Act, Charity Registration Number 232411, and governed by a Trust Deed dated 31 December 1953. The charity is also registered in Scotland with the Charity Registration Number SC038746.

The members of the Provincial Leadership Team are also the trustees and the directors of the corporate trustee, The Notre Dame Trustee Co Limited, which is registered as a trust corporation.

The members of the Provincial Leadership Team are chosen for their personal qualities, their understanding and experience of the ministries of the sisters throughout Britain and their ability to work with and lead the sisters of the Province.

As all trustees are members of the Congregation they have a detailed knowledge of the work of the charity and of its structure. On being appointed, new trustees are required to spend at least one full day with those trustees leaving office. They also meet with the Congregation's legal, accounting, investment and property advisers over the course of several days to obtain a full briefing of their responsibilities and the charity's position.

Governance, structure and management (continued)

◆ **Governance (continued)**

All trustees are members of the Congregation and as such their living and personal costs are borne by the charity. However, they receive no remuneration or expenses for their services as trustees.

Two of the present trustees were appointed in May 2014 and took office on 15 August 2014. The third was appointed and took office on 15 August 2017. On appointment as trustees, the sisters participate in a detailed induction programme which is devised as part of the handover process and involves lay managers, consultants and professional advisers so as to explain their duties as trustees.

Trustees are encouraged to attend various relevant training sessions where appropriate such as: Conference of Religious conferences; safeguarding conferences; finance workshops; spiritual and theological development courses; and ICT training.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts and brief biographical details on each of the trustees in office at 31 August 2020 is given below:

Sister Elizabeth Brady (Provincial Moderator)

Sister Elizabeth Brady has been a member of the Provincial Leadership Team since 15 August 2014 and has worked in the field of primary education in both Scotland and England. She worked for 12 years in Liverpool first as Deputy Head Teacher and then Head Teacher for nine years in Saint Matthew's Junior School. She then returned to Scotland and was Head Teacher in St Michael's Primary School, West Dunbartonshire for 13 years. After qualifying as a play therapist she spent three years at the Notre Dame Centre in Glasgow.

Sister Ann Byrne

Sister Ann Byrne has been involved at all levels in education. She worked as a primary teacher in both England and Scotland before moving to the advisory service. As an advisor in religious education her work included teacher in-service in England and Wales and advisory assistance in schools. She took part in OFSTED inspections. As part of her work for both Liverpool Archdiocese and the Bishop's Conference in England and Wales she designed and led consultation processes which involved teachers, parents, clergy and bishops. She has published in the field of religious and moral education. In the secondary school sector she served on a governing body for over 20 years and also worked for some time as a school chaplain.

Governance, structure and management (continued)

◆ **Governance** (continued)

Sister Mary Josephine McCallum

Sister Mary Josephine McCallum was appointed to the Provincial Team in August 2017 and has worked in primary and secondary education in Scotland and England and in the training of teachers for primary and secondary schools. As training and development manager for an innovative youth training project she was responsible for organisational development and evaluation, staff training and certification, development of learning and teaching strategies for unemployed young people and adults and for liaison with government, business and community agencies. During this time she was a Consultant Assessor for the City and Guilds of London Institute.

Sister Mary Josephine has served on the governing bodies of primary and secondary schools and a 6th Form College in North West England and was also a trustee governor of the former Liverpool Institute of Higher Education, now Liverpool Hope University. She has previously served a six year term as a trustee of the Institute of the Sisters of Notre Dame De Namur British Province.

◆ **Key management personnel**

The trustees consider that they are the key management personnel of the charity responsible for directing and controlling the charity and running and operating the charity on a day to day basis. In this they are advised and supported by the Business Manager and the Finance Manager who implement the trustees' decisions, as outlined below.

The pay of the Business Manager and the Finance Manager is reviewed annually by the trustees and normally increased in line with inflation. Consideration is given also to any changes in roles or responsibilities and pay is benchmarked against similar roles to ensure that it is in line with market rates and is fair.

◆ **Structure and management reporting**

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review developments with regard to the charity or its activities and make any important decisions. They are assisted in this task by the Business Manager and the Finance Manager who deal with finance, resources and secretarial matters. The lay managers provide a link between successive Provincial Leadership Teams but possess no executive authority. They, together with external advisers, advise the trustees as to their legal and fiscal responsibilities and duties and provide training in these matters.

When necessary, the trustees seek advice and support from the charity's professional advisers including property consultants, investment brokers, solicitors and accountants.

Governance, structure and management (continued)

◆ **Structure and management reporting** (continued)

The Provincial Moderator or a member of the Provincial Team is required to visit each sister regularly and throughout the year there is a system of accountability operational throughout the Province to ensure that the General Moderator and her Congregational Leadership Team are aware of the progress and development of the ministries carried out by the sisters of the Province. A visit by the General Moderator and Congregational Leadership Team is made to the British Province at least once every six years, the most recent having taken place in September and October 2016.

The sisters are housed in a variety of communities/residences throughout Britain. Currently these are: three large communities with nursing and/or care provision; one community of seven sisters; six communities of two sisters; and 36 residences of individual sisters.

The three large communities are administered by local Moderators and they are assisted in this task by lay managers.

◆ **Statement of trustees' responsibilities**

The trustees are responsible for preparing the trustees' report and accounts 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 and in Scotland requires the trustees to prepare accounts 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 year. In preparing accounts giving a true and fair view, the trustees are required to:

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

Governance, structure and management (continued)

◆ **Statement of trustees' responsibilities** (continued)

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 accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's constitution. 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.

◆ **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 faces and have reviewed the measures already in place, or needing to be put in place, to deal with them.

Trustees and senior management are responsible for overseeing the risk assessment each year, focusing on internal and external risk factors.

The outbreak of the Covid-19 pandemic has clearly presented us with challenges and threats to the well-being of our charity and its activities which could not have been foreseen. The trustees recognise their responsibility for the management of risks faced by the charity and the sisters.

We note above the financial and operational effects of Covid-19. Over and above these, the five areas identified for particular attention within our risk management strategy are:

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

Governance and management looks at the risk of the Congregation, and hence the charity, suffering from a lack of direction, at the skills and training of its members and staff, and the good use of its resources. The main risk in this area is the diminishing numbers of sisters. The trustees are working with the rest of the Congregation on a strategy for the future that addresses this reality practically and financially.

Governance, structure and management (continued)

◆ **Risk management** (continued)

Operational looks at the risks inherent in the charity's activities. These include:

- ◆ adequate insurance for our properties and regular evaluation of those properties;
- ◆ the provision of anti-virus software to protect our computing systems;
- ◆ regular fire inspections and renewal of firefighting equipment;
- ◆ mandatory training for staff in our nursing and care facilities in administration of medicines and safe manual handling, etc.

The pandemic has had a significant impact on the operation of the charity. The age profile of the sisters and the fact that the most elderly and vulnerable of them live in large communities has meant that it has had to operate differently to keep them and the staff caring for them safe. To do this they have followed Government guidance. It has been a challenging time for the sisters who, in common with so many, have spent many months shielding and isolating for the protection of themselves and others.

The charity began preparations as soon as it became clear that the risks were increasing. Although it had not planned for an event on this scale the previous risk and disaster planning that had been undertaken was useful. In the early stages there were issues with sourcing PPE, food and testing. Other than the obvious efforts to limit the sisters exposure to the virus, the main concern was, and remains, making sure there are sufficient staff to give the care that is needed. This has been difficult at times but it is hoped that the roll out of the vaccine and testing in the coming months will rectify this. Now more than ever the trustees are grateful for the loyalty and professionalism of our colleagues who have worked incredibly hard in difficult circumstances to deliver care to the sisters.

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

Fortunately the main source of income of the charity is donations of sisters' pensions and salaries which have not been affected by the current crisis. There have been some increase in costs, particularly for PPE, but this is manageable. The reduction of three large houses to two has been delayed because Covid security measures meant delays to sisters moving. The main concern is the effect that the pandemic and the UK exit from the European Union will have on the economy generally, and on the property market in particular. The charity is dependent on property sales to support future activities. With the Congregation we are involved in a strategic review to ensure our financial viability in the future and, as outlined in the accounts, they have provided funds to facilitate this.

The charity's assets comprise listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed with the help of reputable stockbrokers adhering to a policy agreed by the trustees. The trustees meet regularly with the stockbrokers and the performance of the portfolio is monitored.

Governance, structure and management (continued)

◆ **Risk management (continued)**

The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future.

During the current Covid-19 pandemic, we continue to communicate with our investment managers and, whilst there are concerns over the falls in world stock markets, we acknowledge also that we are long term investors. As such, the charity will be able to wait for markets to recover over time whilst we, as trustees, keep a watching brief.

Reputational looks at possible damage to the Congregation's, and hence the charity's, reputation.

The charity is working with the Conferences of Religious in England and Scotland to support their work on safeguarding issues and to ensure that the charity can fully co-operate in any enquiry, should it be required to. The care of the sisters is undertaken with reference to the charity's Child Protection and Vulnerable Adults policy under the guidance of the Province Protection Officers who are responsible for guiding, reporting and ensuring that the best practice in the care of all of the sisters is adhered to at all times.

Laws, regulations, external and environment looks at the effects of government policies, the consequences of non-compliance with laws and regulations and poor risk assessment in the charity's care facilities and elsewhere.

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.

Employees and members of the Congregation

The trustees wish to record their recognition of the professionalism and commitment of all their staff and the individual members of the Congregation. Their dedication and positive approach are very much appreciated.

Approved by the trustees and signed on their behalf by:

Elizabeth Brady

Trustee

Approved by the trustees on: 21 January 2021

Independent auditor's report to the trustees of Institute of the Sisters of Notre Dame De Namur British Province

Opinion

We have audited the accounts of Institute of the Sisters of Notre Dame De Namur British Province (the 'charity') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, a summary of the significant accounting policies and notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 August 2020 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- ◆ the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 accounts; or
- ◆ sufficient and proper accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act and in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

15 February 2021

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

Statement of financial activities Year to 31 August 2020

	Notes	2020			2019 (as restated)		
		Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Income from:							
Donations and legacies	1	3,009,961	12,800	3,022,761	3,121,957	12,313	3,134,270
Investments and interest receivable	2	215,967	—	215,967	230,752	—	230,752
Charitable activities							
. Book royalties		154	—	154	582	—	582
. Other		17,837	—	17,837	559	—	559
Other sources							
Surplus on disposal of tangible fixed assets		5,495	—	5,495	1,875	—	1,875
Total income		3,249,414	12,800	3,262,214	3,355,725	12,313	3,368,038
Expenditure on:							
Raising funds	3	39,328	—	39,328	39,031	—	39,031
Charitable activities							
. Support of members of the Congregation and their ministry	4	4,692,319	2,039	4,694,358	4,180,081	16	4,180,097
. Programme related investments	5	81,150	—	81,150	82,428	—	82,428
. Grants and donations	6	2,160	12,881	15,041	2,503	10,641	13,144
Total expenditure		4,814,957	14,920	4,829,877	4,304,043	10,657	4,314,700
Net (expenditure) income before investment (losses) gains							
	9	(1,565,543)	(2,120)	(1,567,663)	(948,318)	1,656	(946,662)
Net (losses) gains on the revaluation and disposal of listed investments		(61,470)	—	(61,470)	23,148	—	23,148
Net (expenditure) income and net movement in funds		(1,627,013)	(2,120)	(1,629,133)	(925,170)	1,656	(923,514)
Reconciliation of funds:							
Fund balances brought forward at 1 September 2019 - as restated	17	27,434,592	17,842	27,452,434	28,359,762	16,186	28,375,948
Fund balances carried forward at 31 August 2020		25,807,579	15,722	25,823,301	27,434,592	17,842	27,452,434

All recognised gains and losses are included in the above statement of financial activities.

All of the charity's activities derived from continuing operations during the above two financial periods.

Balance sheet 31 August 2020

	Notes	2020 £	2020 £	2019 (As restated) £	2019 (As restated) £
Fixed assets					
Tangible assets	12		19,404,279		20,322,998
Investments					
. Listed investments	13		5,182,737		5,265,124
. Programme related investments	14		2,064,022		2,064,022
			26,651,038		27,652,144
Current assets					
Debtors	15	183,416		53,960	
Cash at bank and in hand		807,835		552,507	
		991,251		606,467	
Liabilities					
Creditors: amounts falling due within one year	16	(1,818,988)		(806,177)	
Net current liabilities			(827,737)		(199,710)
Total net assets			25,823,301		27,452,434
The funds of the charity:					
Funds and reserves					
Restricted funds	18		15,722		17,842
Unrestricted funds					
. Tangible fixed assets fund	19	18,404,279		20,322,998	
. Programme related investment fund	20	2,064,022		2,064,022	
. Designated funds	21	3,150,000		3,150,000	
. General fund		2,189,278		1,897,572	
			25,807,579		27,434,592
			25,823,301		27,452,434

Approved by the trustees
and signed on their behalf by:

Elizabeth Brady

Trustee

Approved on: 21 January 2021

Statement of cash flows 31 August 2020

	Notes	2020 £	2019 (As restated) £
Cash flows from operating activities:			
Net cash used in operating activities	A	(1,111,322)	(968,226)
Cash flows from investing activities:			
Investment income and interest received		213,509	232,480
Proceeds from the disposal of tangible fixed assets		190,495	386,875
Purchase of tangible fixed assets		(58,271)	(62,276)
Proceeds from the disposal of listed investments		167,410	354,698
Purchase of listed investments		(164,068)	(311,774)
Net cash provided by investing activities		349,075	600,003
Cash flows from financing activities:			
Loan received	B	1,000,000	—
Change in cash and cash equivalents in the year		237,753	(368,223)
Cash and cash equivalents at 1 September 2019	B	571,533	939,756
Cash and cash equivalents at 31 August 2020	B	809,286	571,533

Notes to the statement of cash flows for the year to 31 August 2019

A Reconciliation of net movement in funds to net cash used in operating activities

	2020 £	2019 (As restated) £
Net movement in funds (as per the statement of financial activities)	(1,629,133)	(923,514)
Adjustments for:		
Depreciation	301,990	306,413
Impairment of tangible fixed assets	490,000	—
Amortisation of programme related investments	16,666	16,667
Release of capital grant in respect to programme related investments	(16,666)	(16,667)
Losses (gains) on investments	61,470	(23,148)
Investment income and interest receivable	(215,967)	(230,752)
Surplus on disposal of tangible fixed assets	(5,495)	(1,875)
(Increase) decrease in debtors	(126,900)	7,397
Increase (decrease) in creditors	12,713	(102,747)
Net cash used in operating activities	(1,111,322)	(968,226)

Statement of cash flows 31 August 2020

B Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	Non-cash movements £	At 31 August 2020 £
Cash at bank and in hand	552,507	255,328	—	807,835
Cash held by stockbrokers for re-investment	19,026	(17,575)	—	1,451
	<u>571,533</u>	<u>237,753</u>		<u>809,286</u>
Debt due within one year				
· Loan from The Sisters of the Notre Dame De Namur Generalate	—	(1,000,000)	—	(1,000,000)
Totals	<u>571,533</u>	<u>(762,247)</u>	<u>—</u>	<u>(190,714)</u>

C Reconciliation of net cash flow to movement in net debt

	2020 £	2019 £
Increase (decrease) in cash	237,753	(368,223)
Cash inflow - loan from The Sisters of the Notre Dame De Namur Generalate	(1,000,000)	—
Changes in net debt arising from cash flows	(1,000,000)	—
Movement in net debt in year	(762,247)	(368,223)
Net debt at 1 September 2019	571,533	939,756
Net debt at 31 August 2020	(190,714)	571,533

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

Basis of preparation

These accounts have been prepared for the year to 31 August 2020 with comparative information given in respect to the year to 31 August 2019.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with 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 (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and applicable Charities Accounts (Scotland) Regulations.

The charity constitutes a public benefit entity as defined by FRS 102.

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

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates.

The items in the accounts where such judgements and estimates have been made include:

- ◆ estimating the useful economic lives of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ determining the size of the sisters' retirement fund, in order to provide for the continuing care of the members;
- ◆ determining the allocation of salaries across expenditure headings based on the time spent on each activity by staff members;
- ◆ determining the apportionment of expenditure between governance and support costs and between support costs and the various categories of expenditure;
- ◆ assessing the probability of the receipt of legacy income;
- ◆ the determination of any impairment charge in respect to tangible fixed assets; and
- ◆ estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

The trustees acknowledge and recognise the potential impact of the Covid-19 pandemic on the charity and have concluded that there may be some negative consequences such as the impact on investment income, difficulties in liquidating capital, increased costs due to delays in the planned restructuring programme and the physical absence of key personnel. However, the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 August 2021, the most significant areas that affect the carrying value of the assets held by the charity are the performance of the investment and property markets (see the investment policy and the risk management sections of the trustees' report for more information).

In addition to the above, the full impact following the emergence of the global Covid-19 pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, suppliers and the wider economy. Estimates used in the accounts are subject to a greater degree of uncertainty and volatility. Future income and expenditure flows have been estimated in order to assess the impact if any on going concern.

The trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount can be measured reliably, and it is probable that the income will be received.

Income comprises donations and legacies; investment income from listed investments and programme related investments; interest receivable; income from charitable activities; the surplus on disposal of tangible fixed assets and miscellaneous income.

Donations, including salaries and pensions of individual religious received under Gift Aid or deed of covenant, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Income recognition (continued)

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Income from listed investments is recognised once the dividend has been declared and notification has been received of the dividend due. Income from programme related investments comprises rental income from properties used by voluntary aided schools and other registered charities for purposes consistent with the objects of the Institute of the Sisters of Notre Dame De Namur British Province, and is recognised when due under the lease arrangements with the entities. Income from all investments is accounted for only when the receipt of such income is probable and the amount can be measured reliably.

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.

Income from charitable activities comprises income in respect to book royalties; income from the sale of calendars and other sundry income. Income in respect to book royalties is recognised on an accruals basis.

A surplus on the disposal of tangible fixed assets or on the disposal of programme related investments is defined as the difference between the sale proceeds and the net book value of the asset at the time of disposal and after deducting any costs associated with the disposal. Where legal completion takes place subsequent to the year end but an exchange of contracts has taken place prior to the year end, any surplus on disposal is accounted for in the year of exchange unless completion was conditional on certain acts being carried out by the charity between the year end and completion.

Miscellaneous income is measured at fair value and accounted for on an accruals basis.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses are allocated to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes stockbrokers' fees and an allocation of support costs as outlined in note 7.
- ◆ 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 include:

Expenditure recognition (continued)

- ◇ Expenditure on the support of members of the Congregation and their ministry. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty and supporting the other charitable activities of members of the Congregation.
- ◇ Expenditure on programme related investments including any rent payable on leasehold assets and the amortisation.
- ◇ Grants and donations to support the Congregation's own work overseas and to support other charitable organisations with objectives consistent with those of the charity.
- ◇ Expenditure on readying properties for disposal together with any impairment in respect to the charity's tangible fixed assets.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

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

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Governance costs are apportioned using percentages based on the expenditure incurred on the activities of the charity.

The majority of expenditure on support and governance is allocated to the charitable activities of care of members of the Congregation and enabling their ministry, with a small proportion allocated to expenditure on raising funds.

Tangible fixed assets

All items of furniture and equipment or groups of such assets costing more than £5,000 and with an expected useful life exceeding one year are capitalised. Computers are capitalised regardless of cost.

- ◆ Freehold land and buildings
Freehold land and buildings are included in the accounts at their valuation as at 31 August 2014. This valuation has been deemed to be cost under the transitional arrangements set out in FRS 102 and will apply going forward with additions accounted for at cost. In years prior to 31 August 2014 freehold land and buildings were included in the accounts at a valuation based on existing use or depreciated replacement cost, depending on the nature of the property. Valuations were updated on a "rolling basis" with each property's value being updated at least every five years.

Tangible fixed assets (continued)

◆ Freehold land and buildings (continued)

Non-specialised buildings are those designed as, and used wholly or mainly for, private residential accommodation. They are stated at deemed cost at 31 August 2014 (see above) with additions since that date stated at cost. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, to confirm that their residual value is not materially less than their book value. When this is deemed to be the case, an impairment provision is made (see below).

Specialised buildings comprise large residential convents. They are stated net of depreciation at deemed cost 31 August 2014 (see above) with additions since that date stated at cost minus depreciation. Depreciation is provided at 2% per annum on a straight-line basis in order to write off the buildings over their estimated useful economic life to the charity.

◆ Furniture and equipment

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a three or fifteen year period on a straight line basis for computers and fixtures and fittings respectively.

◆ Motor vehicles

Motor vehicles are capitalised and depreciated over a four-year period, on a straight line basis, in order to write off the cost of each vehicle over its estimated useful life.

An impairment review in respect to a particular class of asset is carried out if events, or changes in circumstances, indicate that the carrying amount of any tangible fixed asset may not be recoverable.

Fixed asset investments

◆ Listed investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Fixed asset investments (continued)

- ◆ Listed investments (continued)

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if 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 investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.
- ◆ Programme related investments

Programme related investments include buildings owned by the charity but used by other organisations for purposes consistent with the charity's objectives. The original cost of the buildings classified as programme related investments is not known. They are included on the balance sheet at a trustees' valuation determined in 1999 (the last valuation carried out prior to their classification as programme related investments) adjusted for any impairments in value. The valuations are stated net of grants received to develop the properties. The trustees' valuation was made, with professional assistance, in 1999 on the basis of replacement cost for existing use. The valuations have been updated subsequently for any impairment in value based on informal advice received from the trustees' professional advisers. Any gain or loss arising from disposal or any loss arising from impairment is credited or charged to the statement of financial activities.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Grants from the Department for Education

Grants received from the Department for Education and used to fund the development of the properties used by the voluntary aided schools have been credited against the valuation of the properties held as programme related investments and are shown in note 14.

In the event of the sale or disposal by other means, of any asset for which a capital grant was received, the charity is required to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State. If the value of the property falls below the amount of the grant received, then a proportion of the grant is released to the statement of financial activities as a credit against the revaluation.

Fund accounting

The reserves are used to fulfil the charity's missions. The reserves policy is set out in the trustees' report.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

The tangible fixed assets fund represents the net book value of those tangible fixed assets used for the support of the sisters and their ministry net of loans secured against such properties. A decision was made to separate this fund from the general fund in recognition of the fact that the assets are used in the day to day work of the charity, and the fund value would not be realisable easily if needed to meet future contingencies.

The programme related investments fund represents the value of the charity's programme related investments. These investments comprise land and buildings owned by the charity but used by other charitable and not-for-profit organisations with objectives consistent with those of the charity. It is the intention of the trustees that such assets should continue to be used for these purposes and as such their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

The designated funds are monies or other assets set aside out of general funds and designated for specific purposes by the trustees.

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

Pension costs

In order to comply with the auto enrolment requirements introduced by the Pensions Act 2008, the charity offers its employees membership of a defined contribution pension scheme. Contributions to the scheme are debited to the statement of financial activities in the year in which they are payable to the scheme. The assets of the scheme are held independently of the charity.

Leased assets

Rentals payable under operating leases and interest under hire purchase arrangements are taken to the statement of financial activities on a straight line basis over the lease or hire purchase term.

Foreign currencies

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

Services provided by members of the Congregation

For the purpose of these accounts, no monetary value has been placed on the care, administrative or other services provided by members of the Congregation.

1 Income from: Donations and legacies

	2020			2019 (As restated)		
	Unrestricted funds £	Restricted funds £	Total £	Unrestricted funds £	Restricted funds £	Total £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	2,818,825	—	2,818,825	2,969,008	—	2,969,008
Legacies	177,783	—	177,783	109,559	—	109,559
Other donations and gifts	13,353	12,800	26,153	43,390	12,313	55,703
Total funds	3,009,961	12,800	3,022,761	3,121,957	12,313	3,134,270

2 Income from: Investments and interest receivable

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Income from listed investments						
. UK fixed interest	1,461	—	1,461	1,425	—	1,425
. UK equities	91,931	—	91,931	109,527	—	109,527
. UK unit trusts	19,849	—	19,849	13,374	—	13,374
. Overseas unit trusts	3,719	—	3,719	3,923	—	3,923
. Overseas equities	15,751	—	15,751	20,470	—	20,470
	132,711	—	132,711	148,719	—	148,719
Interest earned on deposit accounts	2,106	—	2,106	2,244	—	2,244
Income from programme related investments						
. Rental income	81,150	—	81,150	79,789	—	79,789
Total funds	215,967	—	215,967	230,752	—	230,752

3 Expenditure on: Raising funds

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Stockbrokers' fees	27,962	—	27,962	27,747	—	27,747
Allocated support costs (note 7)	11,366	—	11,366	11,284	—	11,284
Total funds	39,328	—	39,328	39,031	—	39,031

4 Expenditure on: Support of members of the Congregation and their ministry

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Premises	315,815	—	315,815	350,519	—	350,519
Staff costs	2,060,728	—	2,060,728	1,953,087	—	1,953,087
Sisters' living and personal expenses	1,154,926	—	1,154,926	1,220,504	—	1,220,504
Education, training and spiritual renewal	3,178	2,022	5,200	3,493	—	3,493
Depreciation	301,990	—	301,990	306,413	—	306,413
Specific expenditure in relation to potential property disposals						
. Impairment of property	490,000	—	490,000	—	—	—
. Legal, professional and similar costs to ready site for disposal	86,102	—	86,102	25,465	—	25,465
Management costs (including allocated support costs of £215,951 (2019 - £214,397) (note 7))	279,580	17	279,597	320,600	16	320,616
Total funds	4,692,319	2,039	4,694,358	4,180,081	16	4,180,097

As noted in the trustees' report, the charity is in the process of selling its property located in Parbold, Lancashire. The charity has incurred legal, professional and similar costs to ready the site for disposal. In addition, as explained in note 12 to these accounts, the trustees have been advised that the sale proceeds that might be achieved are less than the net book value of the property and hence an impairment provision is deemed necessary.

5 Expenditure on: Programme related investments

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Rent	81,150	—	81,150	79,789	—	79,789
Maintenance	—	—	—	2,639	—	2,639
Amortisation	16,666	—	16,666	16,666	—	16,666
Capital grant no longer repayable following disposal of property (see below)	(16,666)	—	(16,666)	(16,666)	—	(16,666)
Total funds	81,150	—	81,150	82,428	—	82,428

In the past, the charity had received capital grants from the Department for Education in respect to the property disposed of. However, as explained in note 14, the trustees are of the opinion that capital grants received from the Department for Education, recovered from the disposal proceeds of the original property and used subsequently to fund the purchase of a new building have been reinvested in buildings to be used for the provision of state education. As a consequence, they do not deem any such capital grants to be repayable at the current time. An amount equivalent to the amortisation of the leasehold property is eliminated from grants repayable to offset the annual amortisation charges.

6 Expenditure on: Grants and donations

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Grants in support of the missionary work and ministry of Institute of The Sister of Notre Dame De Namur British Province:						
. Overseas Notre Dame missions	1,000	12,881	13,881	1,783	10,641	12,424
Grants and donations to institutions in excess of £1,000:						
Other grants and donations	1,160	—	1,160	720	—	720
Total funds	2,160	12,881	15,041	2,503	10,641	13,144

7 Support costs

	Raising funds (note 3) £	Support of members and their ministry (note 4) £	2020 Total £	Raising funds (note 3) £	Support of members and their ministry (note 4) £	2019 Total £
Provincial administration						
. Staff costs	8,188	155,577	163,765	8,009	152,167	160,176
. Office costs	2,244	42,626	44,870	2,407	45,736	48,143
Governance costs (note 8)	934	17,748	18,682	868	16,494	17,362
	11,366	215,951	227,317	11,284	214,397	225,681

The charity allocates its support costs on a basis consistent with the use of resources.

8 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Professional fees	18,682	—	18,682	17,362	—	17,362

9 Net (expenditure) income before investment (losses) gains

This is stated after charging (crediting):

	Total 2020 £	Total 2019 £
Staff costs (note 10)	2,224,493	2,113,263
Auditor's remuneration		
. Statutory audit fee (including VAT) – current year	18,450	18,450
. Statutory audit fee (including VAT) – prior year	232	(1,088)
Depreciation	301,990	306,413
Impairment of tangible fixed assets (note 12)	490,000	—
Rental income	(81,170)	(79,809)
Operating lease charges		
. Equipment	4,418	4,162
. Land and buildings	8,472	3,975

10 Staff costs, key management personnel and trustees' remuneration

Staff costs during the year were as follows

	Total 2020 £	Total 2019 £
Wages and salaries	1,965,522	1,908,618
Social security costs	120,722	112,842
Pension costs	28,253	21,899
	2,114,497	2,043,359
Agency staff	38,003	49,585
Redundancy costs	71,993	20,319
	2,224,493	2,113,263

The average number of employees during the year expressed as both full time equivalent (FTE) and average numbers, analysed by function, was:

	2020 average	2019 average	2020 FTE	2019 FTE
Central administration and support	5	5	3	3
Support of members of the congregation and their ministry	139	152	82	84
	144	157	85	87

No employee earned £60,000 per annum or more (including taxable benefits) during the year (2019 – £nil).

The trustees consider that they together with the Business Manager and the Finance Manager comprise the key management personnel of the charity in charge of directing and controlling, running and operating the material charitable activities on a day to day basis. The total remuneration (including taxable benefits and employer's pensions contributions) of the Business Manager and the Finance Manager for the year was £111,531 (2019 - £109,670).

As members of the Congregation, the trustees' living and personal expenses during the year were borne by the charity, but they received no remuneration or reimbursement of expenses in connection with their duties as trustees during the year (2019 - £nil).

11 Taxation

Institute of the Sisters of Notre Dame De Namur British Province is a registered charity and, therefore, is not liable to income tax or corporation tax on income on gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

12 Tangible fixed assets

	Land and buildings		Furniture and equipment £	Motor vehicles £	Total £
	Non- specialised £	Specialised £			
Cost or deemed cost					
At 1 September 2019	10,077,500	11,500,001	986,447	508,342	23,072,290
Additions	—	—	43,188	15,083	58,271
Disposals	(185,000)	—	(295,514)	(41,180)	(521,694)
At 31 August 2020	<u>9,892,500</u>	<u>11,500,001</u>	<u>734,121</u>	<u>482,245</u>	22,608,867
At cost	—	—	734,121	482,245	1,216,366
At deemed cost	<u>9,892,500</u>	<u>11,500,001</u>	—	—	21,392,501
	<u>9,892,500</u>	<u>11,500,001</u>	<u>734,121</u>	<u>482,245</u>	22,608,867
Depreciation and impairment					
At 1 September 2019	328,168	1,150,000	828,856	442,268	2,749,292
Impairment	—	490,000	—	—	490,000
Depreciation charge for the year	—	230,000	45,850	26,140	301,990
On disposals	—	—	(295,514)	(41,180)	(336,694)
At 31 August 2020	<u>328,168</u>	<u>1,870,000</u>	<u>579,192</u>	<u>427,228</u>	3,204,588
Net book values					
At 31 August 2020	<u>9,564,332</u>	<u>9,630,001</u>	<u>154,929</u>	<u>55,017</u>	19,404,279
At 31 August 2019	<u>9,749,332</u>	<u>10,350,001</u>	<u>157,591</u>	<u>66,074</u>	20,322,998

As explained under principal accounting policies, freehold land and buildings are included in the accounts at their valuation as at 31 August 2014. This valuation has been deemed to be cost under the transitional arrangements set out in FRS 102 and will apply going forward with additions from 1 September 2014 or later accounted for at cost. The revaluations were part of a rolling programme that resulted in each property being revalued at least every five years. The reviews of the valuations were carried out every five years by Messrs Stanley Hicks, Chartered Surveyors, in accordance with guidelines set by the Royal Institution of Chartered Surveyors for accounts purposes in accordance with the Practice Statements and Guidance Notes set out in the eighth edition of the RICS Appraisal and Valuation Manual published by the Royal Institution of Chartered Surveyors (The Red Book). In the intervening years, the valuations were reviewed by the trustees for significant impairment and, if necessary, valuations were adjusted downwards.

The freehold land and buildings were acquired many years ago and precise figures for the historical cost of the properties are not available. However, it is known that the original purchase price on many of the properties was insignificant in today's terms.

Barclays Bank plc holds a legal charge over a property with a market value of approximately £1 million.

12 Tangible fixed assets (continued)

Impairment

An impairment provision is included within the accounts where there are indications that the net realisable value of a property is less than its net book value. Indications that may give rise to this conclusion include:

- ◆ The post year end sale of a property results in net proceeds materially below the net book value of the property at the year end date; and
- ◆ Advice from a selling agent indicates that the net proceeds from the disposal of a property may be materially below the net book value of a property for the foreseeable future.

In such cases an impairment provision is included in order to reduce the net book value of the relevant property to equate to its actual or estimated net sale proceeds.

One of the charity's freehold properties situated in Parbold, Lancashire is being marketed for sale. Indications are that the sale proceeds that might be achieved are less than the net book value of the property. Consequently, an impairment provision of £490,000 has been included within these accounts to reduce the net book value to the selling agent's guide price less anticipated costs of disposal. The impairment provision is included within support of members of the Congregation and their ministry as a specific expenditure in respect to potential property disposals and is explained in note 4 above.

Post balance sheet events

Certain of the properties owned by the charity have been either sold since the year-end or are being marketed for sale. Since the balance sheet date, three properties with an aggregate net book value of £735,000 have been sold for aggregate net proceeds of approximately £1,095,000.

13 Listed investments

	2020 £	2019 £
Listed investments		
Market value at 1 September 2019	5,246,098	5,265,874
Additions at cost	164,068	311,774
Disposals at book value (see below)	(165,655)	(374,529)
Net unrealised investment (losses) gains	(63,225)	42,979
Market value at 31 August 2020	5,181,286	5,246,098
Cash held by stockbrokers for re-investment	1,451	19,026
	5,182,737	5,265,124
Cost of listed investments at 31 August 2020	3,348,330	3,371,406

13 Listed investments (continued)

Disposals at book value included above are made up of the following:

	2020 £	2019 £
Proceeds	167,410	354,698
Realised (gains) losses	(1,755)	19,831
	165,655	374,529

Listed investments held at 31 August 2020 comprised the following:

	2020 £	2019 £
UK fixed interest	294,737	301,084
UK equities	2,240,284	2,426,467
UK unit trusts	1,035,652	941,170
Overseas equities	1,376,047	1,351,773
Overseas unit trusts	234,566	225,604
	5,181,286	5,246,098

At 31 August 2020, listed investments included the following individual holdings deemed material when compared with the overall valuation of listed investments as at that date:

	Percentage %	Value £
Findlay Park American Fund	8	420,450
Polar Capital Technology Trust ordinary 25p	7	383,888

All listed investments were dealt in on a recognised stock exchange.

14 Programme related investments

Programme related investments include certain properties not used directly by the charity but which are used by other charitable and not-for-profit organisations for purposes consistent with the charity's objectives. In some cases rents are received but in other cases no formal rental agreement is in place.

	2020 £	2019 £
At 1 September 2019	2,064,022	2,064,022
Lease amortisation	(16,666)	(16,666)
Capital grant released to offset amortisation (note 5)	16,666	16,666
At 31 August 2020	2,064,022	2,064,022

14 Programme related investments (continued)

As explained under principal accounting policies, the above properties are included in the accounts at a valuation carried out initially in 1999. During 2012 the trustees carried out a review of these valuations in order to ascertain whether or not there has been any impairment to the values given the current economic climate, the nature of the properties and their locations. The review was carried out by the trustees but with professional assistance from their property advisers. Certain properties were found to be included in the accounts at a figure that was deemed to be in excess of their market value and as such, an impairment provision was included in the 2012 accounts.

In the past, the charity had received capital grants from the Department for Education in respect to the property disposed of in 2015. The trustees are of the opinion that such grants, where recovered from the disposal proceeds of the original property, have been reinvested in new buildings to be used for the provision of state education. As a consequence, they do not deem any such capital grants to be repayable at the current time. During the year ended 31 August 2013 an amount was eliminated from the grants repayable figure to reflect the amount not recovered from the disposal of the original property. In subsequent years, an amount equivalent to the amortisation of the leasehold property has been eliminated from grants repayable to offset the annual amortisation charge.

Programme related investments comprise:

	2020 £	2019 £
Voluntary aided schools	7,383,333	7,399,999
Less Grants received from Department for Education	(5,319,311)	(5,335,977)
	2,064,022	2,064,022

Further details in respect to the properties and their use are given below:

Voluntary aided schools

The Sisters of Notre Dame support the development and operation of three voluntary aided schools.

The school in Kirkdale, Liverpool is subject to a 30 year lease with the Council which commenced in September 2013. A premium of £500,000 was paid and rent of £81,150 per annum is payable. The charity, in turn, is renting the building to the school. As previously, no formal arrangement exists between the school and the charity for the occupation of the building. The school has undertaken to pay a rent to the charity of £81,150 per annum.

The land and buildings of the other two schools located in Woolton, Liverpool and Southwark, London are provided rent free.

15 Debtors

	2020 £	2019 £
Prepayments and accrued income	34,330	38,139
Legacies receivable	130,000	—
Miscellaneous debtors	19,086	15,821
	183,416	53,960

16 Creditors: amounts falling due within one year

	2020 £	2019 (As restated) £
Monies administered by the charity on behalf of individual members of the Institute of the Sisters of Notre Dame De Namur British Province (as restated) (note 17)	638,368	654,633
Loan from the Generalate of the Institute of the Sisters of Notre Dame De Namur - Sisters of Notre Dame De Namur, Inc. (see below)	1,000,000	—
Expense and other creditors	121,904	101,729
Accruals and deferred income	32,147	25,272
Taxes and social security costs	26,569	24,543
	1,818,988	151,544

Monies administered by the charity on behalf of individual members

The monies administered by the charity on behalf of individual members of the Institute represent funds introduced by sisters. As they are repayable on demand they are included as creditors repayable within one year. However, they would be repaid only if a sister were to leave the Congregation or be paid out in accordance with her Will should she die. If a sister were to leave the Congregation, this would require a certain amount of planning. On the death of a sister, her estate would take time to be administered and settled. In both situations, therefore, the charity would have time to prepare for sufficient liquid funds to be made available. Therefore, although the charity has net current liabilities it is not foreseen that this will give rise to cash flow difficulties.

Loan from the Generalate of the Institute of the Sisters of Notre Dame de Namur

	2020 £	2019 £
Loan balance at 1 September 2019	—	—
Advances during the year	1,000,000	—
Loan balance at 31 August 2020	1,000,000	—

On 19 September 2019, the Sisters of Notre Dame De Namur British Province entered into an agreement with The Congregational Mission Office of the Sisters of Notre Dame De Namur, Inc., the Generalate of the Congregation of the Sisters of Notre Dame, whereby the Generalate will provide the charity with loan finance of up to £2,750,000. £1,000,000 was advanced to the charity during the year. The balance of £1,750,000 is to be drawn down as required during the year to 31 August 2021.

16 Creditors: amounts falling due within one year (continued)***Loan from the Generalate of the Institute of the Sisters of Notre Dame de Namur***
(continued)

The amounts advanced will be repaid from the sale proceeds of one of the charity's properties. Should the net proceeds received from the sale of the property be insufficient to repay the amount advanced, the charity's trustees will work with the Congregational Leadership Team to renegotiate the plan for repayment.

Under the terms of the agreement the charity has agreed to provide detailed financial information to the Generalate on a regular basis and has agreed not to borrow any additional amounts from any third party without the express written approval of the Generalate, with the exception that the charity may use the agreed Barclays Bank overdraft facility of £250,000 while this is available. The charity will inform the Generalate if the bank overdraft exceeds £100,000.

The agreement does not require the payment of interest.

17 Prior year adjustment

In prior years, certain funds received by the charity on behalf of sisters in respect to superannuation lump sums were classified as funds administered by the trustees on behalf of individual members of the Congregation and were included within creditors. During the year, it has been clarified that under Canon law and the constitution of the Congregation, these funds can be recognised as income by the charity when received. The trustees have concluded, therefore, that a prior year adjustment should be made to record these sums as income in the accounts for the year in which they were remitted to the charity.

This has resulted in funds as at 1 September 2019 increasing by £2.3 million from £25.1 million to £27.4 million. The trustees have designated the additional funds available by adding them to the sisters' retirement fund.

The adjustments made are as follows:

	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Funds brought forward						
At 1 September as previously stated	25,091,160	17,842	25,109,002	26,046,447	16,186	26,062,633
Prior year adjustment: Superannuation funds received in prior periods	<u>2,343,432</u>	—	<u>2,343,432</u>	2,313,315	—	<u>2,313,315</u>
At 1 September as restated	<u>27,434,592</u>	<u>17,842</u>	<u>27,452,434</u>	28,359,762	16,186	<u>28,375,948</u>

17 Prior year adjustment (continued)

Monies administered by the charity on behalf of individual members of the Institute of the Sisters of Notre Dame De Namur British Province have been adjusted as follows:

	2019 £	2018 £
At 31 August as previously stated	2,998,066	3,038,695
Less: Superannuation funds received in prior periods	(2,343,432)	(2,313,315)
At 31 August as restated	654,634	725,380

Superannuation funds amounting to £30,117 were received during 2019.

The impact of the adjustments on the comparatives for the year ended 31 August 2019 is as follows:

	As previously stated £	Adjustment £	As restated £
Statement of financial activities			
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant (note 1)	2,929,869	39,139	2,969,008
Legacies (note 1)	118,581	(9,022)	109,559
Donations and legacies - unrestricted income (note 1)	3,091,840	30,117	3,121,957
Balance sheet			
Creditors: amounts falling due within one year (note 16)	3,149,609	(2,343,432)	806,177
Designated funds – Sisters' retirement fund	800,000	2,350,000	3,150,000
General funds	1,904,140	(6,568)	1,897,572

18 Restricted funds

The income funds of the charity include restricted funds comprising the following donations and grants held on trusts and to be applied for specific purposes:

	At 1 September 2019 £	Income £	Expenditure £	At 31 August 2020 £
Sundry restricted funds	17,842	12,800	(14,920)	15,722

	At 1 September 2018 £	Income £	Expenditure £	At 31 August 2019 £
Sundry restricted funds	16,186	12,313	(10,657)	17,842

19 Tangible fixed assets fund

	2020 £	2019 £
At 1 September 2019	20,322,998	20,952,135
Net movement in year	(1,918,719)	(629,137)
At 31 August 2020	18,404,279	20,322,998

19 Tangible fixed assets fund (continued)

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets less the outstanding balance on the Congregational loan which is repayable on disposal of the charity's property.

A decision was made to separate this fund from the general fund and other designated funds of the charity in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

20 Programme related investment fund

	2020 £	2019 £
At 1 September 2019 and 31 August 2020	2,064,022	2,064,022

The programme related investment fund represents the value of the charity's programme related investments. As explained in note 13, these investments comprise land and buildings owned by the charity but used by other charitable and not-for-profit organisations with objectives consistent with those of the charity. It is the intention of the trustees that such assets should continue to be used for these purposes for as long as needed and as such their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

21 Designated funds

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds for a specific purpose.

	2020 £	2019 (As restated) £
At 1 September – as previously stated	800,000	800,000
Prior year adjustment (note 17)	2,350,000	2,300,000
At 1 September as restated	3,150,000	3,100,000
Designated during the year	—	50,000
At 31 August 2020	3,150,000	3,150,000

The sisters' retirement fund represents monies set aside by the charity's trustees to provide for the future costs of providing nursing care to elderly sisters who have dedicated their working lives to the charity.

22 Analysis of net assets between funds

	General fund £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total 2020 £
Fund balances at 31 August 2020 are represented by:					
Tangible fixed assets	—	19,404,279	—	—	19,404,279
Listed investments	2,032,737	—	3,150,000	—	5,182,737
Programme related investments	—	—	2,064,022	—	2,064,022
Net current (liabilities) assets	156,541	(1,000,000)	—	15,722	(827,737)
Total net assets	2,189,278	18,404,279	5,214,022	15,722	25,823,301

	2019 (As restated)				
	General fund £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 August 2019 are represented by:					
Tangible fixed assets	—	20,322,998	—	—	20,322,998
Listed investments	2,115,124	—	3,150,000	—	5,265,124
Programme related investments	—	—	2,064,022	—	2,064,022
Net current (liabilities) assets	(217,552)	—	—	17,842	(199,710)
Total net assets	1,897,572	20,322,998	5,214,022	17,842	27,452,434

The total unrealised gains on listed investments as at 31 August 2020 constitute movements on revaluation and are as follows:

	2020 £	2019 £
Unrealised gains included above:		
On listed investments	1,832,956	1,874,692
Total unrealised gains at 31 August 2020	1,832,956	1,874,692
Reconciliation of movements in unrealised gains:		
Unrealised gains at 1 September 2019	1,874,692	1,900,893
Add: In respect to disposals in year	21,489	(69,180)
Deduct: net (losses) gains arising on revaluation in the year	(63,225)	42,979
Total unrealised gains at 31 August 2020	1,832,956	1,874,692

23 Department for Education grants and contingent liabilities

The original costs of the properties used by the voluntary aided schools have been funded by capital grants from the Department for Education. The total grants received are shown in note 13.

23 Department for Education grants and contingent liabilities (continued)

In the event of the sale or disposal by other means, of any asset for which a capital grant was received, the charity shall if it does not reinvest the proceeds, repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

24 Custodian funds

At 31 August 2020 the charity was holding £21,848 (2019 - £28,161) and £10,976 (2019 - £11,006) on behalf of the Generalate of the Congregation of the Sisters of Notre Dame and the Nigerian Province of the Congregation respectively. The movement on the funds held by the charity comprised monies received of £147,990 (2019 - £136,807) and monies paid of £154,334 (2019 - £126,807). These funds are not included in the accounts of the charity.

25 Related party transactions

The Congregation of the Sisters of Notre Dame de Namur is made up of all the sisters worldwide, including those of the British Province. The Congregational Leadership Team, or Generalate, is elected by and is accountable to the Congregation. The General Moderator, assisted by the rest of the Generalate, has the authority and the responsibility for the overall governance of the Congregation.

During the year to 31 August 2020 the Generalate of the Congregation made a loan of £1 million to the British Province. Details of this loan and movements thereon are shown in note 16.

The charity owns the share capital of The Notre Dame Trustee Company Limited, a company incorporated in England and Wales. The Notre Dame Trustee Company Limited is also a trustee of the charity. The company has trust corporation status. Its main object is to act in the role of custodian trustee for the charity and as nominee of the charity in the holding of any trust assets and to do all such other things as are incidental or conducive to this main object. The trustee company holds as nominee the property and investments of the charity. The trustee company is otherwise dormant.

As members of the Congregation, none of the trustees have resources of their own, as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the trustees to the charity was £61,402 (2019 - £60,770).

There are no other related party transactions requiring disclosure (2019 – none).

26 Commitments under operating leases

At 31 August 2020, the charity had future commitments under non-cancellable operating leases as follows:

	Equipment		Land and buildings	
	2020 £	2019 £	2020 £	2019 £
Amounts due within one year	4,418	4,358	8,472	—
Amounts due between two and five years	5,495	9,793	21,179	—
	9,913	14,151	29,651	—

27 Ultimate control

The charity, which is governed by a trust deed, was controlled throughout the period by the British Province of the Congregation of the Sisters of Notre Dame by virtue of the fact that the Provincial Moderator and the other members of the Provincial Team, are elected by the members of the Congregation. The Provincial Team are the trustees and the directors of the corporate trustee, The Notre Dame Trustee Company Limited. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the Province in Britain are vested in the trustees of the charity, who undertake all transactions entered into in the course of the Province's charitable activities.