

**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)

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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”.

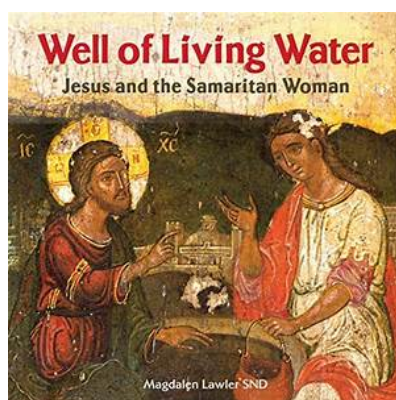
The works or ministries of the sisters of the Congregation fall into the following main areas:

♦ **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'.

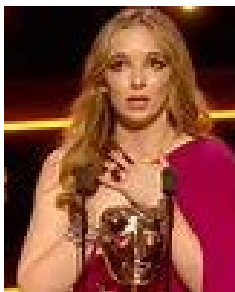
Both completed their terms of office in August.

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.

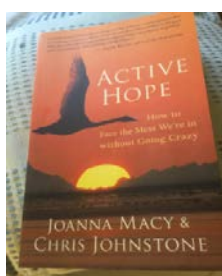


They have chosen three themes as an introduction for parish/Community groups.

- 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 (SCI AF) 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 or 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 Dymrna 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:

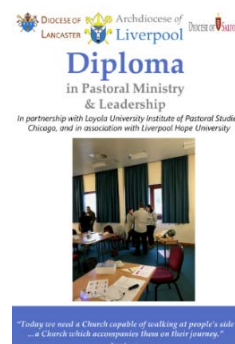
- ♦ Providing psychoanalysis for those training in psychoanalytic psychotherapy.
- ♦ Teaching seminars on a wide range of topics covered in the four-year curriculum.
- ♦ Weekly supervision of the trainees' clinical work when they begin to see their intensive patients three times a week.

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.

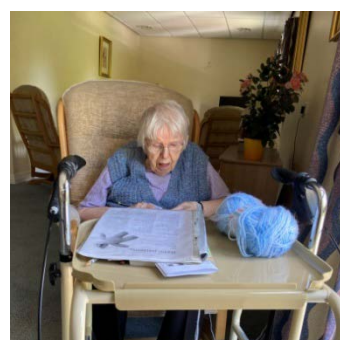
Activities, specific objectives and relevant policies (continued)

♦ **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 Igbofe 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>	<u>22,608,867</u>
At cost	—	—	734,121	482,245	1,216,366
At deemed cost	<u>9,892,500</u>	<u>11,500,001</u>	<u>—</u>	<u>—</u>	<u>21,392,501</u>
	<u>9,892,500</u>	<u>11,500,001</u>	<u>734,121</u>	<u>482,245</u>	<u>22,608,867</u>
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>	<u>3,204,588</u>
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>	<u>19,404,279</u>
At 31 August 2019	<u>9,749,332</u>	<u>10,350,001</u>	<u>157,591</u>	<u>66,074</u>	<u>20,322,998</u>

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	2,343,432	—	2,343,432	2,313,315	—	2,313,315
At 1 September as restated	27,434,592	17,842	27,452,434	28,359,762	16,186	28,375,948

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.