

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

**Annual Report and Accounts**

31 August 2023

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

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

|                                     |  |
|-------------------------------------|--|
| <b>Solicitors</b>                   | Brabners LLP<br>Horton House<br>Exchange Flags<br>Liverpool<br>L2 3YL<br><br>McSparran McCormick<br>Waterloo Chambers<br>19 Waterloo Street<br>Glasgow<br>G2 6AH |
| <b>Property advisers and agents</b> | Carter Jonas<br>The White House<br>Greenhalls Avenue<br>Warrington<br>WA4 6HL  |
| <b>Property marketing agents</b>    | CBRE Limited<br>One St Peter's Square<br>Manchester<br>M2 3DE  |

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

The accounts have been prepared in accordance with the accounting policies set out on pages 30 to 37 of the attached accounts and comply with the charity's trust deed, applicable laws and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

### **Introduction**

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

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

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

### **Mission**

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

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

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

### **Mission (continued)**

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



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

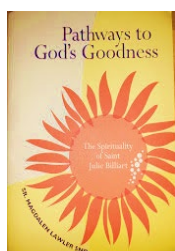
The works or ministries of the sisters of the Congregation fall into the following main areas:

#### ♦ **Worship, prayer and spirituality**

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

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

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



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

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

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

## **Mission (continued)**

### ♦ **Worship, prayer and spirituality (continued)**

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

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

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

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

Sister Kathleen McGhee continues with her ministry:

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

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

### ♦ **Education**

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

### Mission (continued)

#### ♦ Education (continued)

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

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

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

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



UK NOTRE DAME NETWORK OF SCHOOLS AND COLLEGES TODAY

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



### Mission (continued)

#### ♦ Education (continued)

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



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

#### ♦ Social and pastoral work

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

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

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

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

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

**Mission (continued)**

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

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

***Caring for Survivors of abuse***

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

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

***Social deprivation***

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

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

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

***Our Canon Lawyers***

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

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

♦ **Overseas: Mission and development**

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

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

### **Mission (continued)**

#### ♦ **Other responsibilities: Archives**

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

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

### **Activities, specific objectives and relevant policies**

#### ♦ **Activities and specific objectives**

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

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

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

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

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

#### ♦ **Relevant policies**

##### ***Grants and donations policy***

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

## Activities, specific objectives and relevant policies (continued)

### ♦ Relevant policies (continued)

#### *Investment policy*

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

#### *Fundraising policy*

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

## Looking to the future

### ♦ Caring for members of the Congregation

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

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

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

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

### Looking to the future (continued)

#### ♦ **Caring for members of the Congregation** (continued)

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

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

### Achievements and performances

#### ♦ **Social and pastoral work**

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

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

#### **SPRED**

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

#### ♦ **Education**

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

### Financial review

#### **Results for the year**

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

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

## **Financial review** (continued)

### **Results for the year** (continued)

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

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

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

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

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

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

### **Investment performance**

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

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

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

### **Reserves policy and financial position**

#### **Reserves policy**

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

## **Financial review** (continued)

### ***Reserves policy and financial position*** (continued)

#### *Reserves policy* (continued)

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

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

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

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

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

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

The trustees review their reserves policy annually.

#### *Financial position*

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

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

## **Financial review** (continued)

### ***Reserves policy and financial position*** (continued)

#### ***Financial position*** (continued)

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

#### **Tax exemptions etc.**

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

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

#### **Future plans**

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



## **Governance, structure and management**

### **Governance**

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

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

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

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

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

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

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

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

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

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

## **Governance, structure and management (continued)**

### ***Governance (continued)***

#### ***Sister Mary McClure***

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

#### ***Sister Catherine Darby***

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

#### ***Sister Margaret Walsh***

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

#### ***Sister Elizabeth Brady***

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

## **Governance, structure and management (continued)**

### ***Key management personnel***

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

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

### ***Structure and management reporting***

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

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

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

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

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

### ***Statement of trustees' responsibilities***

The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales and in Scotland requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that year.

## **Governance, structure and management (continued)**

### ***Statement of trustees' responsibilities (continued)***

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### ***Risk management***

In line with the requirement for trustees to undertake a risk assessment exercise and report on the same in their annual report, the trustees have looked at the risks the Congregation faces and have reviewed the measures already in place, or needing to be put in place, to deal with them.

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

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

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

## **Governance, structure and management (continued)**

### ***Risk management (continued)***

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

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

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

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

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

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

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

## **Governance, structure and management (continued)**

### ***Risk management (continued)***

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

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

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

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

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

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

### **Employees and members of the Congregation**

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

Approved by the trustees and signed on their behalf by:

Sister Mary McClure

Trustee

Approved by the trustees on: 21 March 2024

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

**Opinion**

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

In our opinion, the accounts:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report and accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

### **Responsibilities of trustees**

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

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



**Auditor's responsibilities for the audit of the accounts**

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

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

***How the audit was considered capable of detecting irregularities including fraud***

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Use of our report**

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

Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

28 March 2024

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

## Statement of financial activities Year to 31 August 2023

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

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

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

## Balance sheet 31 August 2023

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

Approved by the trustees  
and signed on their behalf by:

Sister Mary McClure

Trustee

Approved on: 21 March 2024

## Statement of cash flows Year to 31 August 2023

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

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

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

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

## Statement of cash flows Year to 31 August 2023

### B Analysis of changes in net debt

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

### C Reconciliation of net cash flow to movement in net debt

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

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

### **Basis of preparation**

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

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and applicable Charities Accounts (Scotland) Regulations.

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

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

### **Critical accounting estimates and areas of judgement**

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

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

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



### **Assessment of going concern**

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

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

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

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

### **Income recognition**

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

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

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

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

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

**Income recognition** (continued)

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

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

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

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

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

**Expenditure recognition**

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

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

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

**Expenditure recognition (continued)**

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

All expenditure is stated inclusive of irrecoverable VAT.

**Allocation of support and governance costs**

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

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

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

**Tangible fixed assets**

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

**Tangible fixed assets** (continued)

◆ Freehold land and buildings

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

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

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

◆ Improvements to property

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

◆ Furniture and equipment

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

◆ Motor vehicles

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

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

### **Fixed asset investments**

◆ **Listed investments**

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

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

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

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

◆ **Programme related investments**

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

### **Debtors**

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

### **Cash at bank and in hand**

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

### **Creditors and provisions**

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

### **Grants from the Department for Education**

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

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

### **Fund accounting**

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

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

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

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

**Fund accounting** (continued)

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

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

**Pension costs**

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

**Leased assets**

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

**Foreign currencies**

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

**Services provided by members of the Congregation**

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

**1 Income from: Donations and legacies**

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

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

**2 Income from: Investments and interest receivable**

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

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

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

**4 Expenditure on: Raising funds**

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



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

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

**6 Specific expenditure in relation to potential property disposals**

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

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

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

**7 Expenditure on: Programme related investments**

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

**7 Expenditure on: Programme related investments (continued)**

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

**8 Expenditure on: Grants and donations**

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

**9 Support costs**

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

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

**10 Governance costs**

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

**11 Net income (expenditure) before investment losses**

This is stated after charging (crediting):

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

**12 Staff costs, key management personnel and trustees' remuneration**

Staff costs during the year were as follows:

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

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

|   | <b>2023<br/>average</b> | <b>2022<br/>average</b> | <b>2023<br/>FTE</b> | <b>2022<br/>FTE</b> |
|---|-------------------------|-------------------------|---------------------|---------------------|
| Central administration and support                        | <b>4</b>                | 4                       | <b>4</b>            | 3                   |
| Support of members of the congregation and their ministry | <b>96</b>               | 86                      | <b>56</b>           | 53                  |
|   | <b>100</b>              | 90                      | <b>60</b>           | 56                  |

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

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

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

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

**13 Taxation**

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

**14 Tangible fixed assets**

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

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

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

## 14 Tangible fixed assets (continued)

### *Impairment*

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

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

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

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

## 15 Listed investments

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

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

|                 | 2023<br>£        | 2022<br>£ |
|-----------------|------------------|-----------|
| Proceeds        | 1,343,509        | 401,396   |
| Realised losses | 126,172          | 33,314    |
|                 | <b>1,469,681</b> | 434,710   |

## 15 Listed investments (continued)

Listed investments held at 31 August 2023 comprised the following:

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

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

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

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

## 16 Programme related investments

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

|  | 2023<br>£        | 2022<br>£        |
|--|------------------|------------------|
| At 1 September 2022                                    | 2,064,022        | 2,064,022        |
| Lease amortisation                                     | (16,667)         | (16,667)         |
| Capital grant released to offset amortisation (note 7) | 16,667           | 16,667           |
| At 31 August 2023                                      | <b>2,064,022</b> | <b>2,064,022</b> |

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

**16 Programme related investments** (continued)

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

Programme related investments comprise:

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

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

***Voluntary aided schools***

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

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

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

**17 Debtors**

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

**18 Creditors: amounts falling due within one year**

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

***Monies administered by the charity on behalf of individual members***

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

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

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

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

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

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



**19 Restricted funds**

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

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

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

**20 Tangible fixed assets fund**

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

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

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

**21 Programme related investment fund**

|  | 2023<br>£ | 2022<br>£ |
|--|-----------|-----------|
| At 1 September 2022 and 31 August 2023 | 2,064,022 | 2,064,022 |

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

**22 Designated funds**

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

| <b>Sisters' retirement fund</b> | <b>2023<br/>£</b> | <b>2022<br/>£</b> |
|---------------------------------|-------------------|-------------------|
| At 1 September 2022             | <b>4,750,000</b>  | 4,500,000         |
| Designated during the year      | <b>—</b>          | 250,000           |
| At 31 August 2023               | <b>4,750,000</b>  | 4,750,000         |

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

**23 Analysis of net assets between funds**

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

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

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

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

**24 Department for Education grants and contingent liabilities**

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

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

**25 Custodian funds**

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

**26 Related party transactions**

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

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

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

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

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

## 27 Commitments under operating leases

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

|  | Equipment    |               |
|--|--------------|---------------|
|  | 2023         | 2022          |
|  | £            | £             |
| Amounts due within one year            | 3,234        | 3,234         |
| Amounts due between two and five years | 6,467        | 9,701         |
|  | <b>9,701</b> | <b>12,935</b> |

## 28 Post balance sheet events

### *Programme related investments*

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

### *Tangible fixed assets*

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

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

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

## 29 Capital commitments

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

**30 Ultimate control**

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