

**The Sisters of the Presentation
of Mary of
Castelgandolfo**

**Report and Financial Statements
Year ended 31 August 2020**

Registered Charity Number: 232505

The Sisters of the Presentation of Mary of Castelgandolfo

Year ended 31 August 2020

Contents	Page
Report of the Trustees	1
Independent Examiner's Report to the Trustees	9
Statement of Financial Activities (SOFA)	10
Balance Sheet	11
Notes forming part of the Financial Statements	12

The Sisters of the Presentation of Mary of Castelgandolfo

Report of the Trustees

Year ended 31 August 2020

The Trustees present their Report and Accounts for the year ended 31 August 2020. They are satisfied that the Accounts comply with the requirements of the Charities Act 2011, the Trust Deed as described below and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

1. Objectives and Activities

Objects

The objects of the Charity are to advance “*the Roman Catholic religion by such lawful charitable means as the Superior General shall from time to time or at any time direct*” or in default of such direction at the discretion of the Trustees. In the Trust Deed “*the Superior General*” means the Superior General of the Congregation of the Sisters of the Presentation of Mary of Castelgandolfo in Rome, not Sister Anna Cullen, its local leader or Superior in England. The Superior General receives a report from the Trustees at the hands of the local leader but does not usually give them detailed directions.

The Trustees have reviewed their objectives, policies and activities to ensure they continue to reflect the Charity’s aims. In carrying out this review they have considered the Charity Commission’s revised general guidance on public benefit and in particular its supplementary guidance (subsequently withdrawn) on the advancement of religion for the public benefit.

Activities

The Charity’s work is carried out at Mount St. Mary’s Convent, Exeter. The Charity engages no staff other than a part-time cleaner and a part-time gardener.

The Charity fulfils its objects through the ongoing formation of its remaining religious Sisters, through their presence as a centre of prayer within the local community, by carrying out parish work in Exeter and by its other charitable works including the running of a small pastoral centre. In these different ways the Sisters strive to bring Christ into the lives of those they meet and to give a strong Christian witness in all they do. The Sisters also raise money for other charities by making and selling greetings cards.

The Congregation has a close association with the Catholic Diocese of Plymouth. It provides the following: Sister Sheila is an instructing judge at the Diocesan Marriage Tribunal and was until recently a part-time chaplain at an Exeter hospital; Sister Stella has now stood down as a part-time special needs coordinator at Magdalen Court School, Exeter but she is still a part-time enabler at Exeter College; and Sister Anna is a member of the pastoral team in one of the Catholic parishes in Exeter; she is also a trained volunteer hospital visitor, visiting once a week for several hours.

Some of the Sisters receive income for their diocesan and school work, but it is paid to the Charity.

The Sisters of the Presentation of Mary of Castelgandolfo

Report of the Trustees

Year ended 31 August 2020

Personnel

At the time of writing, the English Mission consists of 4 religious Sisters. Sister Guy-Marie, who had arrived from the United States Province of Methuen some 25 years ago to guide the community in its new mission, very sadly died on 21 October 2018 after a long illness. She has since been replaced, temporarily, by Sister Bernadette from Methuen. Sister Serena from the Philippines was due to join the community in Spring 2020 but was not able to as a result of the Covid 19 pandemic and restrictions on visas.

There were no novices or postulants under training for the religious life. The Charity does not, to any material extent, depend on volunteers for the provision of its pastoral work.

2. Achievements and Performance

The Charity's main objective for the year was to continue its work despite the lack of members. The Congregation continues to provide religious Sisters, with the positive encouragement of the Bishop of Plymouth, to assure a presence of prayer and service within the community where they are situated despite their reduced numbers and increasing age.

The Trustees continue to run a small pastoral centre at Mount St Mary's Convent, offering facilities for meetings, retreats and other religious activities in a peaceful and prayerful setting. Although outside users are asked to pay a fee (say £50 per session) in appropriate cases, this is seen primarily as a resource from which to express and carry out the Congregation's apostolate and is not intended to be self-financing. Several groups associated with the Charity's mission are allowed to use the facilities without charge, but contributions are always gratefully received. The facilities are much appreciated. The Charity has thus continued to meet its objective of providing a Christian witness and pastoral support within the Diocese of Plymouth.

The Charity regularly assesses the funds needed to sustain that work in the foreseeable future. The Trustees are committed to supporting its members who have spent most of their working lives in the furtherance of its aims, either voluntarily or by covenanting earned income from outside employment.

The Trustees have not set any specific measurable targets since the nature of the Charity's work does not lend itself to such detailed analysis. However, that work continues very satisfactorily despite limited resources. Investments are reviewed annually with their advisers and the Trustees are sure that their investment objectives have been met satisfactorily.

No fund-raising activities are carried out. The Congregation is grateful for voluntary donations and legacies that sustain its work.

The Trustees have enjoyed a right of pre-emption in respect of their former property adjoining the Convent, Cardinal Newman House, which the Diocese of Plymouth had once planned to sell or develop. Given its close proximity and right of way over convent land, the Trustees have kept the position under review, wishing to work with the Diocese to achieve the most satisfactory outcome for the Congregation and thus for the benefit of the Church and the public. Since the year-end, they

The Sisters of the Presentation of Mary of Castelgandolfo

have resolved to release the right to enable the Diocese to sell their adjoining property unencumbered.

Report of the Trustees

Year ended 31 August 2020

Other than stated above, there has been no material change in the objectives or policies of the Charity and no other important events affecting the Charity have occurred between the date of the Balance Sheet and the date of this Report.

Plans for the Future

The sad death of Sister Guy-Marie led the Sisters to consider their future in discussion with their Mother Provincial based in Methuen, USA. For the time being, no change is proposed, but much will depend on the Congregation's ability to offer new members to the community from abroad. Subject to obtaining visas, it is hoped that the Convent may become a house of formation of religious sisters from abroad, giving them an opportunity to improve their English.

Meantime, the Trustees continue to make every effort to manage the Charity's assets as efficiently as possible in order to generate the income necessary to achieve its aims, including provision for Sisters in retirement and repayment of its obligation to the Congregation in Rome which supported the Charity in earlier years. They are satisfied that the overall position is sound. They are conscious that their resources are limited in the face of future needs, but they are confident that they can look to Rome for assistance in case of unexpected need.

In common with other religious orders, the Charity has continued carefully to review both its resources and its future role in this country. The Charity intends, so far as the Sisters are able, to remain actively involved in religious education and other active work for the advancement of its religious and other charitable objects. No material change is proposed, although much will depend on the good health of the remaining active Sisters.

3. Financial Review

The Charity is mainly funded by the paid work of its religious sisters and from investment income. It does to a very small extent depend on voluntary donations and the very occasional legacy to sustain its work. No material donations in kind or intangible income were received during the year. No value has been placed on the administration and other services provided by members of the Congregation.

The Statement of Financial Activities reveals a surplus for the year of £711 (2019: surplus £16,277), ignoring unrealised gains on investment revaluation which are shown to comply with the SORP. Taking into account unrealised stock market losses of £21,720 (2019: gains £26,125), there was an overall decrease in funds of £21,009 (2019: increase £42,402).

The Balance Sheet shows total funds of £1,729,063 (2019: £1,750,072). Of this, £515,618 (2019: £522,037) has been described as a Tangible Fixed Assets Fund. These assets, comprising freehold properties, motor vehicles and fixtures and equipment, are essential to the day to day work of the charity and the care of members of the Congregation. As such their value is not regarded as realisable in order to meet the ongoing costs of the charity.

The Sisters of the Presentation of Mary of Castelgandolfo

Report of the Trustees

Year ended 31 August 2020

Mount St. Mary's Convent appears in the accounts at an earlier valuation figure plus improvements thereto.

By agreement with the Superior General in Rome, the Trustees designated the Marion Violet Milner-Jones legacy (1994 - £375,000), which was to be applied for the general charitable purposes of the Congregation whether in England or abroad, as a fund out of which the income would be used for the support of the Sisters. That income is just about adequate to meet their living costs but they rely on salaries and investment income to provide for their charitable activities and pension needs. In the event of the Charity's ceasing to exist, the capital and any unused income from the Fund is to be returned to the Congregation. This fund is designated for the time being as part of the charity's Retirement Fund, as below.

Following professional advice and in the light of the Congregation's own circumstances, the Trustees set aside £1,050,000 in 2005 as a designated Retirement Fund to meet the costs of the care and welfare of the Sisters in their old age. The calculations, based on actuarial principles, indicated that it was necessary to set aside this amount in order to provide modest future resources to meet the needs of the Sisters in the years to come. However the current balance of the Retirement Fund, which includes the Milner-Jones fund explained above, is now reduced to £855,309, reflecting the fall in the number of Sisters, for which the charity is responsible, since the fund was created.

The charity relies heavily on investment income in order to finance its charitable work. The Trustees estimate that such income needs to be at least £25,000 per annum in addition to other sources. Consequently, in 2005 they set aside, or designated, a 'Financing Fund' of £300,000 in order to provide a level of assurance that investment income will continue to be generated in future years and thereby "finance" the charity's work in the long term.

The amount now owed to the Mother House of the Congregation (in moral rather than legal terms – see Note 14) is now just £245,889.

The Charity does not make grants, but does make occasional donations.

Risks

The Trustees have identified and reviewed the major risks to which the charity is exposed and have established such systems and procedures as they consider necessary to manage those risks. However, they have concluded that the greatest risk to the Charity currently is the lack of novices or postulants under training for the religious life and the consequent fall in the number of sisters able either to carry out the Charity's pastoral work or to provide nursing or other care for those sisters who have retired. With now only four Sisters, one of whom is not in good health, the burden on those remaining is significant.

The Sisters of the Presentation of Mary of Castelgandolfo

Report of the Trustees

Year ended 31 August 2020

When the then Charities Act 2006 introduced the requirement for religious and other charities to show public benefit from their activities, concerns were also raised about its impact on the Charity, but the remaining Sisters, though very small in number, can show that they do still bring tangible benefit to the local community.

Little cash is held, and donations and other receipts are invariably by cheque, as is most expenditure. Internal controls over cash, donations and expenditure are therefore considered adequate.

Reserves

Following the transfer to Rome, the charity no longer has any free reserves available to support the work of the Congregation in future, but the Trustees consider that it was right to honour the debt due to the mother house in Rome in the knowledge that Rome would be committed to looking after the Sisters in future years if the charity's own resources proved inadequate.

Despite the concerns expressed above, the Trustees are satisfied that in the short to medium term all the Charity's obligations can be met as they occur. Adoption of a Reserves Policy as reported above is intended to ensure that the Charity will continue to be able to fulfil such obligations.

The Trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed as set out under 'Financial Review'. Given the nature of the Charity's work, the Trustees aspire to a level of free reserves at up to two years' ongoing expenditure, but that will not be achievable in the foreseeable future.

Investment Policy and Performance

The Trustees have the statutory trustee investment powers under the Trustee Act 2000 and any additional powers given to them by the donors of any donated trust funds. The Trustees have a broad-based portfolio efficiently managed in the interests of the Charity through its stockbrokers who give regular reports and whose performance is reviewed.

The Trustees' policy is to invest in products that are appropriate to the Congregation's needs, particularly with a view to securing capital growth to meet rising income needs in future years. Their policy is also to invest only in companies that are ethically sound, that is to say those that do not exploit people, directly or indirectly, and which are considered to be socially and environmentally responsible. In planning investment for the future they consider the Reserves Policy set out above.

During the year, listed investments (excluding treasury deposits) decreased in value by £21,720 (2.26%) in a year when the UK stock market fell by 14.3% in the FTSE100, but this figure is not adjusted for disposals.

The Sisters of the Presentation of Mary of Castelgandolfo

Report of the Trustees

Year ended 31 August 2020

4. Structure, Governance and Management

Constitution

The charity is an unincorporated charitable association established by a Trust Deed made on 16 July 1955 and others which declared charitable trusts in respect of properties held by or for the “*religious congregation known as the Congregation of the Presentation of Mary of Bourg St. Andéol*”.

In 1995, the name of the Charity was changed to the Sisters of the Presentation of Mary of Castelgandolfo. Since 1969 Castelgandolfo near Rome, rather than Bourg St. Andéol in the Ardèche region of France, had been the headquarters of the Congregation, which term extends to the Order of Religious Sisters of the Presentation of Mary throughout the world.

The Charity is a ‘Mission’ affiliated to the Congregation’s American Province of Methuen, Massachusetts USA. This Mission is under the leadership of a local leader or Superior who is accountable for its welfare to the Provincial Superior of the Methuen Province.

The Charity governs the activities of the Congregation within England.

Method of Appointment of Trustees

Under the Trust Deed the Superior General has power of appointment of new trustees of the Charity. Given its nature, it is not considered appropriate to recruit trustees from outside the Congregation and no policy has been adopted in that regard. After the year-end, Mother Maria dos Anjos Alves, the Superior General, appointed Sister Stella Joyce a trustee in place of the late Sister Guy-Marie.

Policies adopted for the Induction and Training of Trustees

The Trustees are satisfied that they have sufficient access to professional and practical advice to understand their responsibilities as charity trustees.

Organisational Structure and Decision-Making

The local Superior administers the Charity’s funds in consultation with the Trustees. Each year, she submits to the Trustees a formal account of her administration of those funds in accordance with the Congregation’s own Rules and Constitutions. The Trustees advise the local Superior on matters concerning the Charity.

Under the Congregation’s Rules and Constitutions the local Superior is ultimately answerable, as are the Trustees, to the Superior General and her Council in Rome.

Connected Charities

There are no related parties or connected charities associated with the Charity, although it continues to work closely with the Catholic Diocese of Plymouth.

The Sisters of the Presentation of Mary of Castelgandolfo

Report of the Trustees Year ended 31 August 2020

5. Reference and Administrative Information

Charity number: 232505

Principal Office and Registered Office

Mount St. Mary's Convent
Wonford Road
Exeter
Devon EX2 4PF

Local Superior

Monica Cullen (Sister Anna)

Solicitors

Tozers LLP
Broadwalk House
Southernhay West
Exeter
Devon EX1 1UA

Independent Examiner

Neil Hitchings FCA
Francis Clark LLP
Centenary House
Peninsula Park
Rydon Lane
Exeter
Devon EX2 7XE

Insurance Brokers

D E Ford Insurance Brokers Ltd
Poppleton Grange
Low Poppleton Lane
YORK YO26 6GZ

Trustees

Sheila May McCarthy (Sister Sheila)
Monica Cullen (Sister Anna)
Stella Maria Joyce (Sister Stella)

Bursar

Monica Cullen (Sister Anna)

Principal Bankers

National Westminster Bank plc
Exeter Bank Branch
59 High Street
Exeter
Devon EX1 3DP

Investment Advisers

Simon Powell-Jones
Investec Wealth and Investment Ltd
Keble House
Southernhay Gardens
Exeter
Devon EX1 1NT

6. Exemptions from Disclosure

There are none.

7. Funds held as custodian trustee on behalf of others

There are none.

The Sisters of the Presentation of Mary of Castelgandolfo

Report of the Trustees

Year ended 31 August 2020

Statement of Trustees' Responsibilities

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). In preparing those financial statements, the trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with the appropriate Statement of Recommended Practice (SORP) on Accounting by Charities and the Accounting Regulations and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with applicable Accounting Standards and Statements of Recommended Practice and the regulations made under s154 of the Charities Act 2011. 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.

Sister Monica Cullen (Sister Anna)
LOCAL SUPERIOR
for and on behalf of the Trustees

Date: 9/12/21

The Sisters of the Presentation of Mary of Castelgandolfo

Independent Examiner's Report

Year ended 31 August 2020

Independent examiner's report to the trustees of The Sisters of the Presentation of Mary of Castelgandolfo.

I report to the trustees on my examination of the accounts of The Sisters of the Presentation of Mary of Castelgandolfo for the year ended 31 August 2020.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

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

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

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

Signed: **Neil Hitchings**

Name: Neil Hitchings FCA

Address: Francis Clark LLP
Chartered Accountants
Centenary House
Peninsula Park
Rydon Lane
Exeter
Devon EX2 7XE

Date: 16/12/21

The Sisters of the Presentation of Mary of Castelgandolfo

Statement of Financial Activities (SOFA)

Year ended 31 August 2020

	Note	Unrestricted Funds General	Designated	Total 2020	Total 2019
		£	£	£	£
Income					
Donations and legacies	2	7,030	-	7,030	1,787
Incoming from charitable activities	3	47,557	-	47,557	44,778
Income from investments	4	29,013	-	29,013	31,583
Other income	5	-	-	-	874
Total income		83,600	-	83,600	79,022
Expenditure					
Expenditure on charitable activities	6	75,677	-	75,677	55,623
Expenditure of raising funds	7	7,212	-	7,212	7,122
Other expenditure		-	-	-	-
Total expenditure		82,889	-	82,889	62,745
Net gain / (loss) on investment assets	9	-	(21,720)	(21,720)	26,125
Net income / (expenditure)		711	(21,720)	(21,009)	42,402
Transfers between funds	13	(711)	711	-	-
Net movement in funds		-	(21,009)	(21,009)	42,402
Reconciliation of funds					
Total funds at 1 September 2019		-	1,750,072	1,750,072	1,707,670
Total funds at 31 August 2020	13	-	1,729,063	1,729,063	1,750,072

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The Sisters of the Presentation of Mary of Castelgandolfo

Balance Sheet

31 August 2020

Charity number: 232505

	Notes	2020 £	2019 £
Fixed assets			
Tangible	8	515,618	522,037
Investments	9	872,626	959,909
		<u>1,388,244</u>	<u>1,481,946</u>
Current assets			
Debtors	10	4,897	6,015
Cash at bank and in hand	11	340,122	266,311
		<u>345,019</u>	<u>272,326</u>
Current liabilities			
Creditors: amounts falling due within one year	12	(4,200)	(4,200)
		<u>340,819</u>	<u>268,126</u>
Net current assets		<u>340,819</u>	<u>268,126</u>
Net assets		<u><u>1,729,063</u></u>	<u><u>1,750,072</u></u>
The funds of the charity:			
Unrestricted designated funds			
Tangible fixed assets fund		515,618	522,037
Other		1,213,445	1,228,035
		<u>1,729,063</u>	<u>1,750,072</u>
Unrestricted general fund	13	-	-
Total charity funds		<u><u>1,729,063</u></u>	<u><u>1,750,072</u></u>

Approved by the Board of Trustees on 9/12/21 and signed on its behalf by:

Sister Monica Cullen (Trustee)

The Sisters of the Presentation of Mary of Castelgandolfo

Notes forming part of the Financial Statements

Year ended 31 August 2020

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements 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 UK and Republic of Ireland (Charities SORP (FRS 102)).

The financial statements are prepared under the historic cost convention as modified by the inclusion of the investments at market value in accordance with applicable accounting standards.

The Sisters of the Presentation of Mary of Castelgandolfo meets the definition of a public benefit entity under FRS 102.

The presentational currency of the charity is considered to be pounds sterling, because it is the currency of the primary economic environment in which the charity operates.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Assets and liabilities are initially recognised at historical or transaction value unless otherwise stated in the accounting policy note.

The trust comprises the following entities:-

- i. Mount St Mary's Convent
- ii. Regional Account

The financial statements include the transactions, assets and liabilities of these entities.

The Sisters of the Presentation of Mary of Castelgandolfo

Notes forming part of the Financial Statements

Year ended 31 August 2020

b) Status of Trust

The purpose of the trust is to perform charitable works connected with the advancement of the Roman Catholic religion in England, Ireland and throughout the World.

The trust has existed for over a century and the position was clarified by a Trust Deed dated 17 July 1955. The trust, which was previously known as The Congregation of the Presentation of Mary of Bourg St Andeol, changed its title to become known as The Sisters of the Presentation of Mary of Castelgandolfo with effect from 8 March 1995. A Charity Commission Order was issued on 22 November 1999, which details the investment powers of the Charity.

The Sisters of the Congregation in England are guided by the General Administration comprising a Superior General and Council, based at Castelgandolfo, Rome.

The trust is a Registered Charity, registration number 232505.

The registered office details can be located in the reference and administrative section of the trustees annual report.

c) Accumulated Funds

The accumulated funds, which are unrestricted, represent the following:-

- **General Fund**

The aggregate of net incoming resources and recognised gains since the trust was founded except for the designated fund referred to below.

- **Designated Funds**

Designated funds represent funds which have been set aside by the trustees for specific purposes within the charity's overall objects. Details of these funds are given in note 13.

d) Fixed Assets

The charity has opted to treat previous revaluations of property at deemed cost on transition to FRS 102.

Tangible fixed assets costing more than £500 are recorded at cost. The freehold property of the Presentation was last valued on 28 May 1996, this has been treated as deemed cost on transition to FRS 102 and is being depreciated in line with the policy shown.

Investments are shown at market value. Realised gains and losses on investments are recognised in the Statement of Financial Activities.

The Sisters of the Presentation of Mary of Castelgandolfo

Notes forming part of the Financial Statements

Year ended 31 August 2020

e) Depreciation

Assets are depreciated over their estimated useful lives as follows:-

i. Freehold property	1% straight line
ii. Motor vehicles	25% reducing balance
iii. Fixtures and fittings and equipment	15% reducing balance
iv. Computer	25% reducing balance

f) Income

Income is recorded on a receivable basis, which is when the charity becomes entitled to the resource.

g) Expenditure

Expenditure is recorded on an accruals basis and has been classified under headings that aggregate all costs related to that category:

Charitable activities comprises those costs incurred to advance the Roman Catholic religion.

Raising funds comprises costs in relation to the management of the investment portfolio.

Other comprises payments in relation to the charities moral obligation detailed in note 14.

h) Value Added Tax

The trust is not registered for Value Added Tax (VAT). Expenditure in these financial statements therefore includes VAT paid where appropriate.

i) Trustee Benefits

Part of the Congregation's purposes is to provide for the essential needs of all of its members who, by taking vows of poverty, have renounced all personal rights to income and capital. This leaves them free to carry out their prime purpose, to advance the Roman Catholic religion. The living costs of the Trustees are therefore borne by the Congregation in the same way as those of other sisters and they receive no benefit by virtue of their position as Trustees. No remuneration has been paid to the trustees.

j) Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. The charity currently holds other debtors and other creditors, details of which can be found in notes 10 & 12.

The Sisters of the Presentation of Mary of Castelgandolfo

Notes forming part of the Financial Statements

Year ended 31 August 2020

2 Donations and legacies	2020 Total £	2019 Total £
Donations and legacies	7,030	1,787
	7,030	1,787

All donations and legacy income were general unrestricted and undesignated in 2020 and 2019.

3 Income from charitable activities	2020 Total £	2019 Total £
Donated earnings of members	35,702	33,513
Diocese	10,680	10,495
Contributions received for courses and meeting rooms	1,175	770
	47,557	44,778

All Income from charitable activities was general unrestricted and undesignated in 2020 and 2019.

4 Investment income	2020 Total £	2019 Total £
Bank interest	401	449
Dividends and interest on listed investments	28,612	31,134
	29,013	31,583

All Investment income was general unrestricted and undesignated in 2020 and 2019.

5 Other income	2020 Total £	2019 Total £
Sundry income	-	874
	-	874

The Sisters of the Presentation of Mary of Castelgandolfo

Notes forming part of the Financial Statements

Year ended 31 August 2020

All other income was general unrestricted and undesignated in 2020 and 2019.

6 Charitable activities	2020 Total £	2019 Total £
Charitable donations	2,160	1,839
Office costs	411	375
Food	2,901	2,737
Chapel and books	368	574
Studies and conferences	5	145
Travel	2,391	3,848
Household	1,699	2,163
Gifts	618	593
Rates	2,387	2,708
Energy	9,021	8,150
Repairs and maintenance	18,276	3,495
Insurance	8,048	7,676
Sundries	12,560	5,342
Telephone	1,221	1,192
Depreciation	6,419	6,747
Bank charges	101	101
Governance costs (See note 6a)	7,091	7,938
Total expenditure	<u>75,677</u>	<u>55,623</u>

The trustees consider the Board of Trustees comprise the key management personnel.

Part of the Congregation's purposes is to provide for the essential needs of all of its members who, by taking vows of poverty, have renounced all personal rights to income and capital. This leaves them free to carry out their prime purpose, to advance the Roman Catholic religion. The living costs of the Trustees are therefore borne by the Congregation in the same way as those of other sisters and they receive no benefit by virtue of their position as Trustees. No remuneration has been paid to the trustees.

6a Governance costs

	2020 Total £	2019 Total £
Accountancy services	2,520	4,045
Independent examiner's fee	840	980
Legal fees	3,731	2,913
Total expenditure	<u>7,091</u>	<u>7,938</u>

The Sisters of the Presentation of Mary of Castelgandolfo

Notes forming part of the Financial Statements

Year ended 31 August 2020

7 Expenditure on raising funds	2020 Total £	2019 Total £
Investment costs	7,212	7,122
	7,212	7,122

8 Tangible Fixed assets

	Freehold property £	Motor vehicles £	Fixtures and equipment £	Total £
Cost / valuation				
At 1 September 2019	635,117	18,984	36,292	690,393
Additions	-	-	-	-
At 31 August 2020	635,117	18,984	36,292	690,393
Depreciation				
At 1 September 2019	116,006	18,600	33,750	168,356
Charge for year	5,852	72	495	6,419
At 31 August 2020	121,858	18,672	34,245	174,775
Net book amounts				
At 31 August 2020	513,259	312	2,047	515,618
At 31 August 2019	519,111	384	2,542	522,037

The deemed cost of freehold properties comprises:

	£
Matford House (Convent building)	200,000
Renovations at Matford House (Convent land & buildings)	435,117
	635,117

Matford House was valued on 28 May 1996. The charity has opted to treat the revaluation of property as deemed cost on transition to FRS102.

The Sisters of the Presentation of Mary of Castelgandolfo

Notes forming part of the Financial Statements

Year ended 31 August 2020

9 Investments

Movement in market value

	2020 £	2019 £
Market value at 1 September 2019	959,909	941,809
Acquisitions at cost	63,381	60,667
Disposals at opening book value	(128,944)	(68,692)
Redemptions at opening book value	-	-
Net gains/(losses) on revaluations in the year	(21,720)	26,125
	<hr/>	<hr/>
Market value at 31 August 2020	872,626	959,909
	<hr/> <hr/>	<hr/> <hr/>

Analysis of investments at 31 August 2020

	Total Funds 2020 £	Total Funds 2019 £
Listed investments		
UK Government fixed interest	142,758	148,018
Other UK quoted fixed interest	13,455	26,857
Overseas fixed interest	68,296	74,031
UK quoted investment companies	207,147	226,532
International bond funds	230,921	248,412
UK quoted investment and unit trusts	84,881	105,787
Overseas quoted equities	124,984	130,088
	<hr/>	<hr/>
	872,442	959,725
	<hr/>	<hr/>
Treasury deposits	184	184
	<hr/>	<hr/>
	872,626	959,909
	<hr/> <hr/>	<hr/> <hr/>

Investments in individual entities held at 31 August 2020 which exceed 5% of the portfolio by value are:

	£
Treasury 2.5% Stock 17/07/24	58,299
Uk (Govt of) 4.125% I/L Stk 22/07/30	59,875
Pimco Global Advis Gbl Inv Grad Cred Hgd Instl	96,324
FIL Inv Svcs UK Money Builder Income I GBP	63,067
BNY Mellon Fd Mngr Gbl Dynamic Bd Exempt 3 GBP	46,007

The Sisters of the Presentation of Mary of Castelgandolfo

Notes forming part of the Financial Statements

Year ended 31 August 2020

	2020 £	2019 £
10 Debtors		
Prepayments and accrued interest	4,897	6,015
Deposit with solicitors	-	-
	<u>4,897</u>	<u>6,015</u>
	<u><u>4,897</u></u>	<u><u>6,015</u></u>
	2020 £	2019 £
11 Cash at Bank and in Hand		
Deposit accounts	319,747	254,399
Cash in hand	709	857
Investment dealing accounts	19,666	11,055
	<u>340,122</u>	<u>266,311</u>
	<u><u>340,122</u></u>	<u><u>266,311</u></u>
	2020 £	2019 £
12 Creditors: Amounts Falling Due Within One Year		
Accruals	4,200	4,200
	<u>4,200</u>	<u>4,200</u>
	<u><u>4,200</u></u>	<u><u>4,200</u></u>

The Sisters of the Presentation of Mary of Castelgandolfo

Notes forming part of the Financial Statements

Year ended 31 August 2020

13 Analysis of Net Assets between Funds

	Designated £	General £	Total £
Fund Balances at 31 August 2020 are represented by:			
Tangible fixed assets	515,618	-	515,618
Investments	1,213,445	(340,819)	872,626
Current assets	-	345,019	345,019
Current liabilities	-	(4,200)	(4,200)
	<u>1,729,063</u>	<u>-</u>	<u>1,729,063</u>

Designated funds comprise the following:

	Tangible fixed assets fund £	Retirement fund £	Financing fund £	Total £
Opening balance	522,037	928,035	300,000	1,750,072
Movement in year	(6,419)	(14,590)	-	(21,009)
Closing balance	<u>515,618</u>	<u>913,445</u>	<u>300,000</u>	<u>1,729,063</u>

Analysis of Net Assets between funds – prior year comparative – as restricted

	Designated £	General £	Total £
Fund Balances at 31 August 2019 are represented by:			
Tangible fixed assets	522,037	-	522,037
Investments	1,228,035	(268,126)	959,909
Current assets	-	272,326	272,326
Current liabilities	-	(4,200)	(4,200)
	<u>1,750,072</u>	<u>-</u>	<u>1,750,072</u>

Designated funds comprise the following:

	Tangible fixed assets fund £	Retirement fund £	Financing fund £	Total £
Opening balance	528,784	878,886	300,000	1,707,670
Movement in year	(6,747)	49,149	-	42,402
Closing balance	<u>522,037</u>	<u>928,035</u>	<u>300,000</u>	<u>1,750,072</u>

The Sisters of the Presentation of Mary of Castelgandolfo

Notes forming part of the Financial Statements

Year ended 31 August 2020

13 Analysis of Net Assets between Funds (continued)

The Tangible fixed assets fund represents the net book value of the charity's freehold property and other tangible fixed assets. The assets are used in the day to day work of the charity, and their value should not be regarded as realisable in order to meet the ongoing costs of the charity.

The Retirement fund represents funds set aside to meet the cost of welfare of the sisters on their retirement. The Financing fund comprises investment assets set aside to produce an ongoing income towards "financing" the charity's work.

14 Contributions from Central Fund

Prior to closing the Mount St Mary Convent School in 1997 the Charity received contributions from the Congregation's central fund, Castelgandolfo, totalling £1,920,097. Whilst there is no legal obligation to repay any part of these funds, the Charity considers it has a moral obligation to repay these funds in total as circumstances permit. The "loan" is therefore not recognised in these financial statements.

During the year repayments of £nil (2019: of £nil) were made to Castelgandolfo in relation to the above moral obligation, and the balance due to the Congregation in moral terms, therefore, is at £245,889 (2019: £245,889).

15 Related party transactions

There were no related party transactions in the year.

The Sisters of the Presentation of Mary of Castelgandolfo

Year ended 31 August 2019

Management Information
These pages do not form part of the financial statements

The Sisters of the Presentation of Mary of Castelgandolfo

Management Information

Year ended 31 August 2020

Investments

Holding	Market Value at 1 September 2019 £	Movement in year £	Market Value at 31 August 2020 £
UK Quoted Fixed Interest			
2.5% Treasury Stock 17/07/24	36,685	(21,822)	14,863
2.5% Treasury Stock 17/07/24	45,150	(1,714)	43,436
UK Govt. 4.125% I/L Stk 22/07/30	25,451	9,840	35,291
UK Govt. 4.125% I/L Stk 22/07/30	25,451	(867)	24,584
UK Govt. 4% 2022	15,281	9,303	24,584
	<u>148,018</u>	<u>(5,260)</u>	<u>142,758</u>
Non - Government Bonds			
Balfour Beatty	12,660	(12,660)	-
Standard Chartered plc	14,197	(742)	13,455
	<u>26,857</u>	<u>(13,402)</u>	<u>13,455</u>
Investment Company			
Alliance Trust Monthly Income Bond	22,244	(82)	22,162
FIL Investment Services UK	31,981	(310)	31,671
Invesco Fd Mngrs IP Corp Bond	20,529	396	20,925
NB Global Floating Red Ord	17,564	(17,564)	-
Phoenix Fund Svcs	21,047	(109)	20,938
Alliance Trust Asset Management	24,266	(6,631)	17,635
City Merchant Hi Yield	15,400	(15,400)	-
Fil Inv Svcs UK Fid Mb Inc	16,630	14,766	31,396
Invesco Fund Managers	24,352	(4,397)	19,955
NB Global floating Red Ord	17,564	(17,564)	-
Phoenix Fund Svcs Twentyfour Dymn	14,955	(78)	14,877
Royal London AM Ethical Bond Z GBP Dis	-	15,045	15,045
Royal London AM Ethical Bond Z GBP Dis	-	12,543	12,543
	<u>226,532</u>	<u>(19,385)</u>	<u>207,147</u>
International Bond Funds			
Pimco Funds Global Inv.	46,860	(792)	46,068
M&G Invt Mgt Bll High Yield	17,558	(1,659)	15,899
M&G Global High Yield	14,237	(1,346)	12,891
Standard Life Investments	26,441	(26)	26,415
Pimco Funds Global Inv.	51,120	(864)	50,256
AXA Investment Man US	19,030	(533)	18,497
AXA Investment Man US	15,317	(429)	14,888
BNY Mellon Fd Mngr Newton Gbl	23,819	230	24,049
BNY Mellon Fd Mngr Newton Gbl	21,748	210	21,958
Liontrust Global F GF	12,282	(12,282)	-
	<u>248,412</u>	<u>(17,491)</u>	<u>230,921</u>

The Sisters of the Presentation of Mary of Castelgandolfo

Management Information

Year ended 31 August 2020

Investments (continued)

Holding	Market Value at 1 September 2019 £	Movement in year £	Market Value at 31 August 2020 £
UK Equities – Investment and Unit Trusts			
City of London Inv.	15,133	(3,191)	11,942
City of London Inv.	17,792	(5,963)	11,829
Capital Financial	10,609	(1,161)	9,448
Threadneedle Inves UK Equity	20,487	(7,435)	13,052
Threadneedle Inves UK Equity	15,189	(2,008)	13,181
Link Fund Sol Ltd LF Lindsell Train UK Equity	17,151	(7,782)	9,369
Artemis Fd Mngrs Income Institutional Inc	9,426	(1,325)	8,101
Artemis Fd Mngrs Income Institutional Inc	-	7,959	7,959
	<u>105,787</u>	<u>(20,906)</u>	<u>84,881</u>
Overseas – Fixed Interest			
Ishares USD Treasury Bond 1-3yrs	20,879	(1,594)	19,285
Ishares li Plc USD	20,371	(1,601)	18,770
Ishares USD Treasury Bond 1-3yrs	16,484	(1,259)	15,225
Ishares li Plc USD	16,297	(1,281)	15,016
	<u>74,031</u>	<u>(5,735)</u>	<u>68,296</u>
International Equities			
Henderson Gbl Inv	6,593	188	6,781
J P Morgan Am UK Ltd	12,025	(1,872)	10,153
Henderson Gbl Inv	6,929	197	7,126
J P Morgan Am UK Ltd	11,586	(921)	10,665
Schroder Unit Trust Asian	9,324	(459)	8,865
Schroder Unit Trust Asian	8,674	(426)	8,248
Vanguard Funds GBP	10,243	951	11,194
Vanguard Funds GBP	11,382	(685)	10,697
Baillie Gifford American W3	11,977	1,739	13,716
GLG Jpn Core	4,952	(4,952)	-
Baillie Gifford American W3 Dis	11,151	3,226	14,377
Baillie Gifford Japanese B Nav Inc	4,865	130	4,995
Man Fd Mgmt UK Lt	4,727	(4,727)	-
Baillie Gifford Japanese W3 Dis	-	4,457	4,457
	<u>114,428</u>	<u>(3,154)</u>	<u>111,274</u>
Emerging Economies			
JP Morgan Emerging Markets Trust	7,602	(947)	6,655
JP Morgan Emerging Markets	8,058	(1,003)	7,055
	<u>15,660</u>	<u>(1,950)</u>	<u>13,710</u>
Bank Deposit – Nat West Bonus Saver	<u>184</u>	<u>-</u>	<u>184</u>
Total	<u>959,909</u>	<u>(87,283)</u>	<u>872,626</u>