

THE TRUSTEES OF
THE FRANCISCAN SISTERS MINORESS
(Registered Charity No: 232532)
TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS
31 MARCH 2021

haysmacintyre
Chartered Accountants
Registered Auditors

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

REFERENCE AND ADMINISTRATION DETAILS

FOR THE YEAR ENDED 31 MARCH 2021

Trustees	Sr Patricia Jordan FSM Sr Eugenie (Thomas More) Roddy FSM Sr Irene Rudzinski FSM Sr Valerie Anne Taylor FSM Sr Margaret McDermott FSM
Superior General	Sr Patricia Jordan FSM
Provincial Bursar	Sr Eugenie (Thomas More) Roddy FSM
Principal Office	Franciscan Convent Dalby Road Melton Mowbray Leicestershire, LE13 0BP
Charity Registration Number	232532
Governing Instrument	Trust Deed dated 28 May 1998
Auditors	Haysmacintyre LLP 10 Queen Street Place London, EC4R 1AG
Solicitors	Shakespeare Martineau 3 Colton Square Leicester, LE1 1QH Stone King 13 Queen Square Bath, BA12 HJ Paul Hughes Ashfield House 402 Sauchiehall Street Glasgow, G2 3JD Stephens Scown LLP Osprey House Malpas Road Truro, Cornwall, TR1 1UT
Principal Bankers	HSBC 17 High Street Melton Mowbray Leicester, LE13 OTY
Investment Managers	Brewin Dolphin 20 Colmore Circus Queensway Birmingham, B4 6AT HFB Financial Planning No.1 Mill The Wharf, Shardlow Derby, DE72 2GH
Investment Powers	Under the Congregation's Trust Deed it has no restrictions on its powers of investment.

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

TRUSTEES ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2021

INTRODUCTION

The Trustees of the Franciscan Sisters Minoress is an English Congregation whose Mother House is in Melton Mowbray, Leicestershire. The Superior General together with a Council of four Sisters administers the Congregation. The Superior General and the Council are elected every five years as was decided by the Congregation at the Chapter of 2013, to take effect from June 2017.

The accounts accompanying this report are the accounts of the Charitable Trust in which the assets of the Congregation are held. The Trust is governed by a Trust Deed and registered with the Charity Commission under the No. 232532.

OBJECTS OF THE CHARITY

The objects of the Charity are to apply the trust property either as capital or income in such a manner as the Trustees (with the approval of the Superior General) shall from time to time think fit for the promotion of religion and education and the relief of poverty and sickness in accordance with the doctrines of the Roman Catholic Church, and for any other charitable purposes which shall advance the religious, educational and other charitable works for the time being carried on, directed or approved by the Congregation.

THE GENERAL COUNCIL/TRUSTEES AND KEY MANAGEMENT

The members of the General Council are the Trustees of the Charity. The Trustees consider that the key management of the charity consists of themselves and in particular the Superior General and the Provincial Bursar to whom much of the running of the day-to-day running operation devolves. As religious sisters, under a vow of poverty, the Trustees do not receive remuneration.

TRUSTEE TRAINING

The Trustees attend courses and conferences which are thought to be relevant to the exercise of their responsibilities to ensure good governance of the Charity. Specialist advice is sought from professional advisers where necessary.

The Trustees meet at least four times each year and will meet more frequently if circumstances require it. There is also a minimum of three meetings per annum with the Charity's fund managers and other advisers.

PRINCIPAL ACTIVITIES AND AIMS

The Charity aims to support the religious and other charitable works carried on by the Congregation in the main areas of Education, Nursing and Pastoral Formation and Missionary Work in England, Scotland & South Africa.

EDUCATION

St Francis Primary School, Melton Mowbray

The Congregation still owns St Francis Primary School in Melton Mowbray. The School has always had a Franciscan Sister as Principal until July 2000 when Sister Thomas More Roddy retired. Although retired from teaching Sister Thomas More is a Foundation Governor and continues to support the School and has a keen interest in all aspects of the School and its pupils. A highly educated team of Governors together with the local Education Authority and the Diocesan Education service support the School.

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

EDUCATION (continued)

St Francis Primary School, Melton Mowbray (continued)

The Mission of St Francis School is to prepare today's students for tomorrow's world in partnership with parents, the Parish and the Local Authority. As a Congregation we see this as a very important aspect of teaching and training young people who are threatened with so many problems, difficulties and dangers in society today. They need to be strong in faith and hope with love and reverence for each other and for all with whom they come into contact throughout their lives as citizens of tomorrow.

The School has been inspected at various intervals over the past years under the 1992 Education Act as part of the National Programme of School Inspection. On each occasion the results have been good and the last OFSTED inspection was in June 2017. Various improvements were considered necessary in maths and other areas.

The Sisters in the Convent close by are involved in various charitable activities in the area of Melton Mowbray, visiting the elderly in their homes and numerous other necessary tasks that need to be done to help the people around us especially the elderly and housebound.

Our 2 schools, St Francis in Melton Mowbray Leicestershire and St Elizabeth's school in Belper, Derbyshire converted to Academies in September 2019 in accordance with a request from Bishop McKinney of Nottingham. The school in Melton now belongs to the St Thomas Aquinas Academy and that in Belper to the St Ralph Sherwin Academy. New Lease and Licence documents were drawn up by Stephens Scown Solicitors to protect and clarify the ownership and conditions of use of the Congregations buildings and land. These documents apply to both St Francis School and land in Melton Mowbray and St Elizabeth's School and Land in Belper.

St Elizabeth's School, Belper, Derbyshire

There is no longer a Sister teaching in the School but there are two Sisters on the Governing Body. They visit the School regularly and are keenly interested in the welfare of the children. They support the staff and parents whenever they can.

The School has been leased to the Nottingham Diocese for a period of fifty years and the Trustees receive a token of £100 annually. There has been an arrangement with the Diocese that if the School ceases to be used as a Catholic School for the local Community it will revert back to the Congregation.

The Mission Statement of St Elizabeth's School is exactly the same as that of St Francis School Melton Mowbray, working with parents, the Parish Community and the Local Authority to develop the full potential of each child spiritually, academically and socially in order to prepare them to take their place in society, living as children of God and eventually reaching the place prepared for them in heaven.

St Francis School, Maldon, Essex

As reported in previous years, because of the continuing difficulties in selling the convent we have investigated the possibility of the School taking it over. In September 2018, an Agreement was reached with the Diocese and the School to carry out works to the boundaries in order to separate the school and convent properties. These works were completed in December 2018. We then applied for and received the required consent of the Department of Education for the change in the Trust Deed. It was agreed to put the property on the market but the Covid-19 pandemic prevented this development.

Riversview Maldon

A new tenancy commenced in 2014. It is still our intention to sell the property to the tenant in the future.

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

HEALTHCARE

St Francis Care Home, Govan, Glasgow

The Congregation's Nursing Home in the Govan area of Glasgow cares for the sick and elderly of the community and is separately registered as a charity in Scotland (no. SC023725). It became a Limited Company on 31st July, 2018 and is now known as St Francis Care Home.

It is a comparatively new Home which was completed and officially opened in March 1996. It comprises forty en-suite rooms, several lounges plus kitchen and laundry facilities. It also has a beautiful Chapel at the entrance where services are held frequently for the Residents who wish to attend. Sister Lisette is the Matron. The Home has a very good Nursing Staff who treat the elderly with dignity, reverence and respect. It is well maintained and frequently refurbished. There is a very happy atmosphere between staff and patients. It is well supported by a Board of Professionals on the Governing Body. The Health Board carries out Inspections at regular intervals. The Nursing Home always receives an excellent report. Part of the Bowling Green area adjacent to the Nursing Home which we bought a few years ago has now been used to extend the car park. This has been a great improvement for ambulances, delivery vans and people visiting their relatives and friends in the Home.

The Glasgow County Council owned part of the land on which the Care Home is built. It was decided to negotiate with the Council to buy out this land to give the Congregation full ownership. This has now been successfully negotiated.

We have the support of a group of professionals on the Governing Body. They are:-

Chairman	Mr Frank Walker
Solicitor	Frank McCormick
Accountant	Mr Frank Walker
Matron	Sister Lisette Prele
Assistant Matron	Sally Joseph
Administrator	Margaret Prele

The Philosophy of the Home

The Apostolic Mission of the Church has been entrusted to the Franciscan Minoress Sisters who provide hospitality to the aged, poor and vulnerable of our society. We welcome all denominations and beliefs with respect and dignity.

We Uphold

in conformity with Christian values and the teaching of the Catholic Church, the sacredness of human life in all its stages i.e. from conception to natural death.

We believe

in fidelity to the Charismatic inspiration of St Francis, that elderly people are an important part of society as any other individual.

We believe

that disabilities resulting from age are accepted all the more readily when those around who surround the elderly, take care of them with love, esteem and affection, trying to compensate for their disabilities, making them easier to bear, even combating them and halting their progression.

We have at heart

to respond to the desires and aspirations of the residents, in recognition of their dignity, desire of being respected, esteemed and loved and the longing to feel themselves useful.

We Uphold

their apprehension of solitude together with a wish for independence and privacy and their need for security in health as in sickness until death.

We take note

of all inspections and recommendation of the Board to comply with their wishes as soon as possible. We feel privileged to take care of the elderly and helpless people in our care.

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

REVIEW OF THE YEAR

House of Formation, St Clare's Convent Clay Cross

Here our young Sisters are trained to carry on the Apostolate of the Congregation for the future. This training takes almost ten years before completion and Final Profession.

The Sisters appointed to this work are specifically trained for Formation. They work as a team. They also work continually in Vocation promotion. Two Sisters were appointed to this work last year and they still continue this important work for the Congregation.

Our Lady of the Angels Portiuncula

The facility at Clay Cross named the Portiuncula is where we seek to provide an opportunity for a lived experience of prayer and solitude. This is a unique expression of the call to solitude which was keenly felt by St Francis and is part of our Franciscan Spirituality. It is offered to anyone, religious or secular who feels drawn to this experience, either for a short time or an extended time. We find that there is an attraction, and a need, for this within today's hectic pace of life.

The rhythm of life at the Portiuncula is contemplation and compassion. The centre is love lived out in relationship with God, others, oneself and the whole created reality in God. Time is needed to discover and savour the harmony and integration that is envisaged in the solitude experience.

The Peace Garden captures something very special to St Francis: his love of creation and his mission of peace. A central figure is a statue of our Lady who is Mother and Queen of Peace. There are also representations of St Francis and St Clare representing peace. Towards the centre of the Garden there is a labyrinth based on the model of the Labyrinth at Chartres Cathedral. For many people a labyrinth is a healing experience leading to deep inner peace.

In the Portiuncula there are five Hermitages and each person has his/her own Hermitage as a sacred and personal space. There is also a wheel chair access and disabled toilet and shower facilities.

Many people from all walks of life, as well as the Sisters, have experienced a period of prayer and solitude in the Portiuncula. Many too have experienced great healing of mind and body. People who come to the Portiuncula often ask to be accompanied in their prayer life. The Sisters who live there are part of the Team and are trained for this work.

Sister Patricia Jordan FSM is the contact person for the Portiuncula. Sr Patricia has a Doctorate in Franciscan Spirituality. There is a website where they can be contacted as follows: - website -www.franciscansm.org/Portiuncula.

The Portiuncula closed its doors to guests in March 2020 because of the Covid-19 pandemic and remains closed for the same reason.

Parish work in Alfreton

Since 2016, when the Parish Priest in Alfreton was taken ill and the Sisters took a leading role in the smooth running of the parish and so it was decided to change our plans for Alfreton. We withdrew the sale of the Convent and use it as a centre for Vocation Promotion.

Overseas work of the Congregation – Republic of Ireland

The Congregation has no activities in Ireland. There is still one Sister there but she is now in a Nursing Home.

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

REVIEW OF THE YEAR (continued)

Overseas work of the Congregation – Republic of South Africa

The work of the Congregation in South Africa is not carried on under the auspices of this charity but the charity does provide financial support. During the year to 31 March 2020, grants amounting to £35k (2020: £10.5k) were made.

St Theresa's Convent Blaauwbosch, Natal, South Africa

St Theresa's Convent was established by the Congregation as a House of Formation for the training of young people for Religious Life. At the moment they have six young people in training and others who are interested. The training takes up to ten years, or more, depending on each person's needs, (perhaps more in some cases) as they have to be trained both spiritually and professionally so as to enable them to be competent people for their future work in the congregation and in society.

They also have a number of other activities in the area. They have a feeding scheme for up to one hundred very poor children whose parents may be affected with Aids. These children come daily after School and have a meal. The numbers are increasing on a daily basis. They have erected a building near the Convent where they cook the meals. The Sisters also provide clothing and very often send food home to the other members of the family who are in great need. They are also involved in the Pastoral care of these people in many and various ways such as teaching and helping generally with their education, supporting them in their illnesses and sufferings, by visiting them and bringing them the compassion and comfort of the Church.

St Elizabeth's Osisweni

This second Convent is also a House of Formation for the young women who come to us seeking to discern their call to Religious Life. It is a newly built Convent paid for by the Congregation from the Generalate Fund held in Melton Mowbray, UK, at a cost of £240k, paid in previous years.

The Sisters built their own creche which opened in January 2020 with 53 children. Numbers are increasing rapidly. They work to support themselves by growing much of their own produce and they are encouraging the local people to do the same.

A building has been erected as a food kitchen. The Sisters have visited families and schools and have identified about 100 children living in poverty who don't have enough to eat and are falling asleep in school. It is hoped to provide a meal for them each weekday when it is up and running. In the huge field that the Chief has given to the Sisters, a borehole has been drilled 61 metres deep and can pump 5000 litres per hour. Funds from the Franciscan Missionary Union were received and the work has now been completed. Consequently, the Sisters can provide food for the Feeding Project and for the community. They have hens and a small pig farm.

The Sisters in both these Houses are supported financially by the Congregation and by donations received from generous benefactors. The Sisters themselves live frugally and share what they have with the poor people in the area surrounding them. A second Sister has completed professional training in the nearby town of Newcastle for Nursery Teaching.

A new kitchen was built and the Feeding project was officially opened in June 2018. In June 2018 they were feeding 50 children. They now feed 127 children. The Sisters also provide 8 families with food parcels as the area is very poor.

In February 2019 the Sisters were given a plot of land to build a small convent and crèche. This is in Jobstown near to our existing convents. It is also a very poor and needy area. The Sisters are hoping to raise funds for these two buildings and the FMU (Franciscan Missionary Union) has already promised to release some money towards this new project. The Sisters will find out the cost of setting up this new project and it may have to be built in two phases because of financial restrictions.

The Jobstown project did not materialise but the project moved to Vall Bank where a new Creche and temporary accommodation was built for the Sisters. Vaal Bank is a very poor area with no other educational facilities available. The Creche and Pre-School opened for registration on 13th January 2020. Twenty one registered and there were lots of enquiries and interest. The children came from as far away as Utrecht and Blaauwbosch. However, since the Covid-19 pandemic the Creche and Pre-school have had to close. The Generalate sent donations to help with this much needed project and ministry.

St Joseph's Convent

There is now a third community – St Joseph's which opened on 23rd February 2020. There are 2 feeding projects held there for almost 300 children each day.

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

REVIEW OF THE YEAR (continued)

Our Vision

Children and families receive quality care and holistic development in a conducive and caring environment.

Our Mission

- To become a resource for families in the surrounding community.
- To promote Family Preservation and Reunification.
- To support a Food Project feeding 90-100 children each week day.

Pastoral Work

This work was very dear to the heart of our Foundress Mother Francis Murphy. So following her example, Sisters in all our Convents give some time to Pastoral work in the areas where we live. Some have more responsible roles to play than others in this work but all at times are involved in the following: Adult Education, Spiritual Development Course in Franciscan Spirituality, Co-ordinating Religious programmes for children and young people, Church Organists, visiting the sick in Hospitals and homes, Secretarial work for the Parish such as letter writing preparing services and many other activities pertaining to that work. Our Convents are 'Open Houses' for the use of the Parish and the local communities in the areas where we are living.

Care of elderly and sick Sisters

A Provident Fund has been put in place for the care of our Sisters in the future, in the form of a Designated Fund. Many of our Sisters are working well beyond retiring age and have given most of their working lives to the fulfilment of the charity's objectives. They have all taken a vow of poverty under which any assets or earnings of the Sister are paid into the charity. All Sisters either have no pension rights or, where they do, they have surrendered them to the charity. The charity therefore has a moral duty to provide for these Sisters in sickness and old age under the rules of the Congregation.

PUBLIC BENEFIT

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

FUNDRAISING POLICY

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The charity 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.

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

The current year showed the total income received as £437.7k (2020: £610k). The charity's two principal sources of recurring income remain the Salaries and Pensions donated by Sisters and the income generated by investments and bank deposits. Salaries and Pensions donated by Sisters have tended to diminish, as is inevitable with an ageing group of Sisters. The level has generally declined in recent years but was higher than usual in 2020 due, in the main to the receipt of pension lump sums upon the reaching of retirement age by a sister. In 2021, investment income reduced to £146.7k from £205.5k.

Expenditure was also lower at £441.2k (2020: £437.0k). Most categories of expenditure were at lower levels to those for the previous year but the highest reductions were in Premises Costs and Holiday and Travel. These reductions were partly offset by a rise in Medical costs and an increase in Missions and Charitable Grants, which included £35k in support of the Franciscan Convent in Africa and £50k to the St Francis Care Home in Govan.

The net result was that there was a small deficit of just over £3.4k before investment gains and losses (2020: surplus of 173.0k). 2020 saw gains on investments of over £1.9m, a significant reversal of the losses on investments in 2020 of £844.7k. Thus, there was an overall increase in funds of £1.97m (2020: decrease of £671.7k). When added to opening reserves, this gave closing funds of just under £13.96m.

RESERVES POLICY

At the end of the year to 31 March 2021 the total funds of the Charity stood at nearly £13.96m. Of this £2.47m represents fixed assets which are fundamental to the operations of the charity and £10.34m is designated to provide for the support of older members of the Congregation by means of the Provident Fund. As explained above, in the section of this report dealing with the activities of the charity, the charity has a significant need to make provision for the long-term care of the 41 Sisters of the Congregation for whom it is responsible and who must be cared for in old age and sickness. The fund represents just over £0.25m per Sister. Given the high cost of nursing care and the low yield on bank deposits and investments, the Trustees feel that this is the minimum needed.

The Trustees will continue to monitor the long-term needs for the care of elderly Sisters and will adjust the level of the designated fund as needs change and circumstances permit.

The balance of just over £1.1m held in the general fund, or "free reserves", represents approximately two years' on-going expenditure. This is in line with the Trustees' target which is to hold between two and three years' expenditure in reserve.

The Trustees consider that this provides sufficient flexibility to cover temporary shortfalls in income and enables the charity to deal with and respond to unforeseen emergencies whilst specific action plans are implemented. For example, reserves may be needed to provide a cushion against falls in investment values, as seen in the year, as well as adequate working capital and a reserve to meet potentially heavy costs of repair and refurbishment of properties. Also the income generated by investments is needed to meet expenditure on charitable activities. Without this income, the charity would regularly make deficits which would erode its capital base.

INVESTMENT POLICY AND PERFORMANCE

Funds are invested to provide increasing value and income within acceptable levels of risk and in accordance with ethical guidelines. The Trustees have instructed the fund manager to adopt an ethical policy and use their best endeavours to avoid investments that are predominately involved in areas of activity contrary to the teachings of the Roman Catholic Church, such as the production of armaments or tobacco products. The fund manager's performance is regularly reviewed by the Trustees. The Trustees have also taken a policy decision, in the light of *laudato si* in which Pope Francis has urged Roman Catholics not to invest in fossil fuels and other businesses whose work is detrimental to the environment, to avoid investment in any companies with significant business interests in fossil fuels and a programme of divestment has been undertaken.

The total return in the charity's portfolios was approximately +26.9% (2020: -7.2%) which is in line with the averages quoted for the year for charity investments managed on a cautious or balanced asset basis and somewhat better than less risk-averse portfolios. The Trustees are therefore satisfied with the returns generated but will continue to monitor, with their fund managers, investment trends and the performance of the charity's portfolios.

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

RISK MANAGEMENT

The Trustees have considered the major risks to which the Charity is exposed. Every effort is being made to mitigate those risks. The key risks for the charity, as identified by the Trustees, are described below together with the principal ways in which they are mitigated:

- The Congregation has an obligation, both moral and legal, to provide care for its members, none of whom has resources of her own and all of whom have devoted a significant part of their lives to the activities of the charity. The Sisters are all under a vow of poverty and therefore providing them with support is considered to be an important element of the Charity's work. Wherever possible, care is provided for frail and unwell members within communities. The incidence of such care needs is impossible to predict and the Trustees therefore believe that it is incumbent upon them to maintain reserves at an appropriate level to ensure that the charity is able to meet this obligation – see Reserves Policy above.
- Along with all other organisations who serve in the community, the Trustees recognise the absolute necessity of ensuring the protection and safety of all those the Charity serves. This means that all Sisters who are in any kind of ministry in Great Britain have had to obtain clearance from the Criminal Records Bureau. The Trustees are committed to implementing all policies and procedures of the Catholic Safeguarding Advisory Service (CSAS).
- It is absolutely necessary to ensure that our properties continue to be safe places for the Sisters and visitors to use. Attention is given to keeping our properties in good repair. General maintenance is regularly carried out. There is an on-going programme to ensure compliance with the increasing demands of Health and Safety Regulations particularly with regard to Fire Regulations.
- The Trustees are mindful that at some time in the medium to longer term, there may be issues in relation to succession planning for the governance of the charity. With an ageing group of Sisters, it may be necessary to consider appointing lay trustees (that is trustees who are not members of the Congregation) and/or Sisters from overseas areas where there is a greater pool of younger members. Such steps may require constitutional changes for the charity. The Trustees are in the process of exploring the issues and the options.

FUTURE PLANS AND COVID PANDEMIC

The global COVID-19 pandemic has impacted upon most sectors of society and the economy. Whilst the pandemic and the ensuing lockdown, to limit the spread of the disease, have, so far, had a limited effect on the charity's day-to-day operations, it has had an adverse effect on its investment portfolios. The values of the charity's investment portfolios declined in 2020 but have since recovered, since then investment markets have staged something of a recovery resulting in gains of £1,972,859 at the year-end.

The Trustees are of the opinion that the Charity will continue to be able to meet all of its financial obligations and commitments for the foreseeable future. Thus, they consider that it is appropriate to continue to adopt the Going Concern basis for the preparation of its accounts but they will continue to monitor the practical and financial implications of the pandemic and will endeavour to respond appropriately.

No immediate major changes to the charity's activities or long-term strategy are planned.

The next General Chapter of the Congregation takes place in the summer of 2022. The General Chapter will appoint the Superior for the next five years. It will also determine the longer term strategy to be adopted for the Congregation and thus the charity.

The global COVID-19 pandemic has impacted upon most sectors of society and the economy. Whilst the pandemic and the ensuing lockdowns, to limit the spread of the disease, have had a limited effect on the charity's day-to-day operations, additional expenditure has been incurred on necessary PPE, some of which has had to be financed from the Generalate account.

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

THE STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees of the Charity are required to prepare for each financial year accounts which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- adopt the going concern basis unless it is inappropriate to presume that the charity will continue on this basis.

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 statutory requirements and with the Trust deed dated 28 May 1998. 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.

On behalf of the Trustees

Sr Patricia Jordan
Trustee

24 January 2022

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

Opinion

We have audited the financial statements of the Franciscan Sisters Minoress for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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 (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity, or returns adequate for our audit have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS (Continued)

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees are responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 financial statements.

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

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Charity Law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Canon Law, the Charities Act 2011 and the Statement of Recommended Practice for Charities (SORP 2015), FRS102.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to recognition of income and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting trustees' minutes
- Inspecting correspondence with regulators and tax authorities
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud
- Evaluating management's controls designed to prevent and detect irregularities
- Identifying and testing journals, in particular journal entries posted at the year-end; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. 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 regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP
Statutory Auditors

10 Queen Street Place
London
EC4R 4AG

Date: 24 January 2022

haysmacintyre is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £ (Note 16)
Income from					
Donations and legacies	1	289,874	1,137	291,011	390,784
Investments	2	146,685	-	146,685	205,459
Other - Gains on currency conversion		-	-	-	13,758
Total Income		<u>436,559</u>	<u>1,137</u>	<u>437,696</u>	<u>610,001</u>
Expenditure on					
Raising funds - Investment Management fees		50,450	-	50,450	52,118
Charitable activities	3				
Support of members of the Congregation and their ministry		293,717	-	293,717	350,274
Missions and charitable grants		95,854	1,137	96,991	34,583
Total expenditure		<u>440,021</u>	<u>1,137</u>	<u>441,158</u>	<u>436,975</u>
Net (expenditure)/income before net gains/losses) on investments		(3,462)	-	(3,462)	173,026
Net gains/(losses) on investments		<u>1,972,859</u>	<u>-</u>	<u>1,972,859</u>	<u>(844,742)</u>
Net income/(expenditure) and net movement in funds for the year		<u>1,969,397</u>	<u>-</u>	<u>1,969,397</u>	<u>(671,716)</u>
Reconciliation of funds: Funds brought forward at 1 April		11,986,845	-	11,986,845	12,658,561
Funds carried forward at 31 March	15	<u><u>£13,956,242</u></u>	<u><u>£-</u></u>	<u><u>£13,956,242</u></u>	<u><u>£11,986,845</u></u>

All activities are continuing and there are no discontinued activities in either year.

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	£	2021	£	£	2020	£
FIXED ASSETS							
Tangible fixed assets	9			2,472,210			2,520,907
Investments	10			10,040,904			7,865,918
				<u>12,513,114</u>			<u>10,386,825</u>
CURRENT ASSETS							
Debtors				-			-
Cash and bank balances				1,456,748			1,623,807
				<u>1,456,748</u>			<u>1,623,807</u>
CREDITORS: Amounts falling due within one year	11			(13,620)			(23,787)
				<u></u>			<u></u>
NET CURRENT ASSETS				1,443,128			1,600,020
NET ASSETS				<u>£13,956,242</u>			<u>£11,986,845</u>
Represented by:							
ACCUMULATED FUND							
Unrestricted				13,956,242			11,986,845
Restricted	12			-			-
				<u>£13,956,242</u>			<u>£11,986,845</u>

Approved on behalf of the Trustees on 24 January 2022

Sr Patricia Jordan
Trustee

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	2021	2020
	£	£
Cash flows from Operating Activities:		
Net cash (used in)/provided by operating activities (note A)	(92,370)	12,552
Cash flows from investing activities		
Dividends and interest from investments	146,685	205,459
Payments to acquire fixed assets	-	(117,244)
Payments to acquire investments	(2,475,785)	(2,704,593)
Receipts from sales of investments	2,273,658	2,902,613
Net cash (used in)/provided by investing activities	(55,442)	286,235
Change in cash and cash equivalents in year	(147,812)	298,787
Cash and cash equivalents at 1 April	1,623,807	1,311,262
Change in cash and cash equivalents due to exchange rate movements	(19,247)	13,758
Cash and cash equivalents at 31 March (note B)	£1,456,748	£1,623,807

Notes to the Cash Flow Statement

A. Reconciliation of net movement in funds to net cash flow from operating activities

	2021	2020
	£	£
Net movement in funds (as per the Statement of Financial Activities)	1,969,397	(671,716)
Adjustments for		
(Gains)/losses on investments	(1,972,859)	844,742
Dividends and interest from investments	(146,685)	(205,459)
Depreciation	48,697	48,697
Change in cash and cash equivalents due to exchange rate movements	19,247	(13,758)
(Decrease) / increase in creditors	(10,167)	10,046
Net cash (used in)/provided by operating activities	£(92,370)	£12,552

B. Analysis of cash and cash equivalents

Cash at bank and in hand	£1,456,748	£1,623,807
--------------------------	-------------------	-------------------

C. Analysis of net debt

1 April	Cash flows	31 March
2020	£	2021
£		£
£1,623,807	£(167,059)	£1,456,748

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2021

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

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019).

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees to make significant judgements and estimates. It also requires management to exercise judgment in applying the Charity's accounting policies. The items in the accounts where these judgements and estimates have been made include:

- estimating the economic useful life of tangible fixed assets.

Assessment of going concern

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

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. 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 March 2022, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' Report for more information).

Income recognition

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance is deferred until the criteria for income recognition are met.

In accordance with the Charities SORP FRS102, volunteer time is not recognised.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2021

Expenditure recognition and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on raising funds comprise fees paid in respect of fund management advice in relation to the charity's portfolio of quoted investments, which is managed under a discretionary management agreement.
- Expenditure on charitable activities includes the costs of running the charity's communities as well as all other costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. These costs comprise charitable grants and donations, direct and support costs in respect to the support of members of the Congregation and their ministry. It also includes governance costs.

Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

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 personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Tangible fixed assets

Individual fixed assets costing £2,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight-line basis as follows:

	Annual rate
Freehold land	Nil
Freehold buildings	2% for main building & 4% for improvements
Furniture, fixtures, fittings & equipment	10% to 20%
Motor vehicles	25%

Financial Instruments

The charity only holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Deposits for more than three months and up to 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.

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2021

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Services provided by members of the Congregation

For the purposes of these accounts, no value has been placed on administrative and other services provided by the members of the Congregation.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates 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.

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. DONATIONS AND LEGACIES

Current Year

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
Sisters' salaries and pensions	270,734	1,137	271,871	338,357
Other donations	19,140	-	19,140	52,427
	<u>£289,874</u>	<u>£1,137</u>	<u>£291,011</u>	<u>£390,784</u>

Prior Year

	Unrestricted Funds £	Restricted Funds £	2020 £
Sisters' salaries and pensions	335,789	2,568	338,357
Other donations	52,427	-	52,427
	<u>£388,216</u>	<u>£2,568</u>	<u>£390,784</u>

2. INVESTMENT INCOME

	2021 Unrestricted £	2020 Unrestricted £
Income from listed securities and cash held by fund managers	146,317	204,084
Bank and other interest	368	1,375
	<u>£146,685</u>	<u>£205,459</u>

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

3. EXPENDITURE ON CHARITABLE ACTIVITIES

Current Year

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
Support of members of the Congregation and their ministry				
Sisters' living and ministry expenses	110,544	-	110,544	112,735
Premises costs	45,858	-	45,858	90,919
Depreciation	48,697	-	48,697	48,697
Other support costs	54,471	-	54,471	84,423
Governance costs (note 5)	14,900	-	14,900	13,500
Losses/(Gains) on currency conversion	19,247	-	19,247	-
Governance costs (note 5)	293,717	-	293,717	350,274
Missions and Charitable Grants				
Transfer in Support of Franciscan Convent in South Africa	33,863	1,137	35,000	10,471
St Francis Care Home, Govan	50,000	-	50,000	-
Alms and donations given by Convents	11,991	-	11,991	24,112
	95,854	1,137	96,991	34,583
	£389,571	£1,137	£390,708	£384,857

Prior Year

	Unrestricted Funds £	Restricted Funds £	2020 £
Support of members of the Congregation and their ministry			
Sisters' living and ministry expenses	107,828	4,907	112,735
Premises costs	90,919	-	90,919
Depreciation	48,697	-	48,697
Other support costs	84,423	-	84,423
Governance costs (note 5)	13,500	-	13,500
Governance costs (note 5)	345,367	4,907	350,274
Missions and Charitable Grants			
Transfer in Support of Franciscan Convent in South Africa	7,903	2,568	10,471
Alms and donations given by Convents	8,449	15,663	24,112
	16,352	18,231	34,583
	£361,719	£23,138	£384,857

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

4. GOVERNANCE COSTS

	2021	2020
	Unrestricted	Unrestricted
	£	£
Auditors remuneration	8,120	7,800
Other professional fees	6,780	5,700
	£14,900	£13,500

5. NET MOVEMENT IN FUNDS

	2021	2020
	£	£
This is stated after charging/(crediting):		
Auditor's remuneration (including VAT):		
- Statutory audit services	8,120	7,800
Depreciation	48,697	48,697
Loss/(Gain) on currency conversion	19,247	(13,758)

6. STAFF COSTS

The charity does not employ any staff. Its key management personnel are its trustees who are not remunerated.

7. TRUSTEES' EXPENSES AND REMUNERATION AND TRANSACTIONS WITH THE TRUSTEES

The Trustees of the Charity are also members of the Congregation and as such have taken vows of poverty under which they have renounced all personal rights to income and capital. The Charity provides for the essential needs of all members of the Congregation within the Province.

The living costs of the 5 Trustees are therefore borne by the Charity.

8. TAXATION

The Charity is a registered charity, and no liability to taxation arises on the income or capital gains in the accounts.

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

9. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Furniture, fixtures, fittings & equipment £	Motor Vehicles £	Total £
COST OR VALUATION				
At 1 April 2020	3,231,072	27,328	37,745	3,296,145
Additions	-	-	-	-
At 31 March 2021	3,231,072	27,328	37,745	3,296,145
DEPRECIATION				
At 1 April 2020	727,940	10,431	36,867	775,238
Charge for the year	43,940	3,882	875	48,697
At 31 March 2021	771,880	14,313	37,742	823,935
NET BOOK VALUE				
At 31 March 2021	£2,459,192	£13,015	£3	£2,472,210
At 31 March 2020	£2,503,132	£16,897	£878	£2,520,907

All fixed assets are used for direct charitable purposes.

There are also school properties registered in the names of the Trustees as referred to in the Trustees report. As all rights and obligations in respect of these properties have effectively been transferred to the Governors of the schools, which are separate charities, the Trustees consider their ownership to be in the nature of a custodianship of the assets and they have therefore not been capitalised. These properties have an approximate insurance value of £5 million.

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

10. INVESTMENTS

	£	Total 2021 £	£	Total 2020 £	£
Market value brought forward at 1 April			7,865,918		8,908,680
Additions			2,475,785		2,704,593
Disposals (at opening market value)					
Proceeds	(2,,273,658)			(2,902,613)	
Realised gains	123,533			64,258	
			<u>(2,150,125)</u>		<u>(2,838,355)</u>
Unrealised gains/(losses)			<u>1,849,326</u>		<u>(909,000)</u>
Market value carried forward at 31 March			<u>£10,040,904</u>		<u>£7,865,918</u>

	2021 £	2020 £
Cost of quoted investments	<u>£8,127,616</u>	<u>£7,859,415</u>
Quoted investments comprise:-		
Fixed interest securities	2,794,091	2,523,438
UK Equities	1,938,615	1,642,813
Overseas investments - Investment and Unit trusts	4,488,523	3,070,662
Property and infrastructure funds	490,118	521,132
	<u>9,711,347</u>	<u>7,758,045</u>
Cash	329,557	107,873
	<u>£10,040,904</u>	<u>£7,865,918</u>

11. CREDITORS:

Amounts falling due within one year	2021 £	2020 £
Accruals and deferred income	<u>£13,620</u>	<u>£23,787</u>

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

12. RESTRICTED FUNDS

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
Current Year				
Overseas Mission Fund	-	1,137	(1,137)	-
	£-	£1,137	£(1,137)	£-
Prior Year				
Overseas Mission Fund	-	2,568	(2,568)	-
Ireland Fund	20,570	-	(20,570)	-
	£20,570	£2,568	£(23,138)	£-

Overseas Mission Fund – these funds relate to sums donated to the charity for the support of the work of the Sisters of the Congregation based in South Africa.

Ireland Fund – these funds relate to monies received for funding of the Sisters’ support of charitable activities and missions in Ireland.

13. DESIGNATED FUNDS WITHIN UNRESTRICTED FUNDS

	At 1 April 2020 £	Gains/(losses) on investments £	Transfers from/(to) General Funds £	At 31 March 2021 £
Current Year				
Sisters' Provident Fund	£8,362,838	£1,972,859	£-	£10,335,697
Prior Year				
Sisters' Provident Fund	£9,207,580	£(844,742)	£-	£8,362,838

All Sisters have taken a vow of poverty under which they relinquish all rights to income and assets. The charity therefore has a significant commitment to provide for members of the Congregation in sickness and old age. A Provident Fund has been set aside, as a designated fund, to reflect this commitment. Currently there are some 45 Sisters for whom the charity is responsible and the fund represents just over £0.2m per Sister. Given the high cost of nursing care and the low yield on bank deposit, the Trustees feel that this is the minimum needed. The Trustees will continue to monitor the long-term needs for the care of elderly Sisters and will adjust the level of the designated fund as needs and circumstance change.

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

**14. ANALYSIS OF NET ASSETS
BY FUND**

	General Fund £	Designated Fund Sisters' Provident Fund £	Restricted Fund £	Total £
Fund Balances at 31 March 2021 are represented by:				
Tangible fixed assets	2,472,210	-	-	2,472,210
Investments	-	10,040,904	-	10,040,904
Net current assets	1,161,955	294,793	-	1,456,748
Net current liabilities	(13,620)	-	-	(13,620)
	<u>£3,620,545</u>	<u>£10,335,697</u>	<u>£-</u>	<u>£13,956,242</u>

**ANALYSIS OF NET ASSETS
BY FUND**

	General Fund £	Designated Fund Sisters' Provident Fund £	Restricted Fund £	Total £
Fund Balances at 31 March 2020 are represented by:				
Tangible fixed assets	2,520,907	-	-	2,520,907
Investments	-	7,865,918	-	7,865,918
Net current assets	1,126,887	496,920	-	1,623,807
Net current liabilities	(23,787)	-	-	(23,787)
	<u>£3,624,007</u>	<u>£8,362,838</u>	<u>£-</u>	<u>£11,986,845</u>

Of the general funds, fixed assets could not be realised as they are required for the Charity's activities.
The balance of funds will be required to provide for Sisters.

THE TRUSTEES OF THE FRANCISCAN SISTERS MINORESS

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

16. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR PRIOR YEAR 2020

	Unrestricted Funds £	Restricted Funds £	Total £
Income from			
Donations and legacies	388,216	2,568	390,784
Investments	205,459	-	205,459
Other			
- Gains on currency conversion	13,758	-	13,758
- Surplus on disposal of tangible fixed assets	-	-	-
Total Income	607,433	2,568	610,001
Expenditure on			
Raising funds			
- Investment Management fees	52,118	-	52,118
Charitable activities			
Support of members of the Congregation and their ministry	345,367	4,907	350,274
Missions and charitable grants	16,352	18,231	34,583
Total expenditure	413,837	23,138	436,975
Net income/(expenditure) before net gains/losses) on investments	193,596	(20,570)	173,026
Net (losses) on investments	(844,742)	-	(844,742)
Net expenditure) and net movement in funds for the year	(651,146)	(20,570)	(671,716)
Reconciliation of funds:			
Funds brought forward at 1 April	12,637,991	20,570	12,658,561
Funds carried forward at 31 March	£11,986,845	£-	£11,986,845