

**The Province of
Great Britain of the
Institute of the Brothers
of the Christian Schools
Charitable Trust**
Annual Report and Accounts

31 December 2022

Charity Registration Number
232632

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Reference and administrative information Year to 31 December 2022

Trustees	Brother Ben Hanlon Brother Michael Curran Brother John Deeney Brother Bernard Hayward (retired August 2022) Brother James Kilty Brother Nicholas Sellors The trustees are incorporated under the Charities Act 2011.
Provincial superior	Brother Ben Hanlon
Chief Financial Officer	Kevin Humphrey
Administrative address	140 Banbury Road Oxford OX2 7BP
Charity registration number	232632
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	The Royal Bank of Scotland plc 62-63 Threadneedle Street London EC2R 8LA
Investment managers	Rathbones Investment Management Limited 8 Finsbury Circus London EC2M 7AZ

Reference and administrative information Year to 31 December 2022

Solicitors	Clyde & Co LLP 1 George Square Glasgow G2 1DY
	Clyde & Co LLP 2 New Bailey Square Stanley Street Salford M3 5GS
	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR

Insurance brokers	Marsh Commercial 1 st Floor Gail House 5 Lower Stone Street Maidstone ME15 6NB
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Trustees' report Year to 31 December 2022

The trustees have pleasure in presenting the report and accounts of The Province of Great Britain of the Institute of the Brothers of the Christian Schools Charitable Trust (the "charity" or the "Trust") for the year to 31 December 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 31 to 37 of the attached accounts and comply with the charity's trust deed, the Charities Act 2011 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 (FRS 102).

Introduction

The Institute of the Brothers of the Christian Schools (the "Institute") is an international Roman Catholic Religious Institute founded in France in 1680. Its Generalate is located in Rome. The Institute is divided into a number of separate Provinces and extends to 80 countries throughout the world. The work of the Institute is predominantly in education.

The Province of Great Britain of "The Institute of the Brothers of the Christian Schools" also known as the "De La Salle Brothers", had 24 members at 31 December 2022. Of these, 1 lived overseas and the remainder lived in 3 regionally separate groups known as "communities".

The accounts accompanying this report are the accounts of the charitable trust on which the assets of the Province of Great Britain are held and through which its finances operate. The charity is governed by a trust deed dated 24 July 1947 as varied by a Scheme of the Charity Commissioners of 12 November 1987, a Deed of Revocation and New Appointment for Charitable Trusts dated 17 May 1989, a Deed of Revocation and Appointment relating to the Province of Great Britain dated 27 November 2000, a Deed of Variation dated January 2013 and a Deed of Variation dated June 2014. The charity is registered with the Charity Commission, Charity Registration No. 232632.

Objectives and activities

Objectives

The main objectives of the charity as set out in its trust deed are:

- ◆ The provision and upkeep of educational establishments, including schools and houses of retreat in Great Britain;
- ◆ The provision and upkeep of facilities in Great Britain for education and for the training of members of the Institute and those wishing to become members;
- ◆ The provision and upkeep of facilities in Great Britain, or elsewhere, for the education and training of members, or others, wishing to work in other countries;
- ◆ The provision of facilities for the care of aged and infirm members of the Institute;
- ◆ The relief of poor persons in Great Britain or Ireland;
- ◆ The provision of living requirements for members of the Institute; and
- ◆ The acquisition and maintenance of the properties needed to carry out the work of the Institute.

Objectives and activities (continued)

Objectives *(continued)*

In addition, the trustees can, at their discretion, support whatever is conducive to the advancement or maintenance of the Roman Catholic religion in Great Britain or any other part of the world.

When setting the objectives and planning the work of the charity, and when encouraging the work of individual brothers and those who work with them, the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

Activities

In addition, the trustees can, at their discretion, support whatever is conducive to the advancement or maintenance of the Roman Catholic religion in Great Britain or any other part of the world.

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

The principal areas of activity are:

- ◆ Providing support to the voluntary aided schools which are owned by the charity;
- ◆ At the Pastoral Centre in Kintbury, Berkshire, organising retreats for young people from all backgrounds. The philosophy behind the retreats is to enable the young people who attend to reflect on their lives, find some direction and receive positive feedback about themselves;
- ◆ Running courses at the Pastoral Centre for teachers to assist them in supporting the young people and help them consolidate what was experienced in the retreats;
- ◆ Providing weekend retreats in a similar vein at the Pastoral Centre for adults and family groups;
- ◆ Through Lasallian Projects, providing funds and support for the development of educational facilities overseas. Lasallian Projects involves teams of young volunteers assisting with construction work and teaching programmes in African, Asian and South American countries. It is also active in promoting Development Education for young people in Britain;
- ◆ Providing chaplaincy support to the Lasallian network of Roman Catholic secondary schools throughout Britain;
- ◆ Providing manpower and funds to support the work of the Institute in developing countries;
- ◆ Ensuring that all members of the Province, none of whom have resources of their own, receive the level of support they need to live according to their calling as religious brothers. This includes the Community with care at St John's House, suitable to provide care for aged and infirm members;

Objectives and activities (continued)

Activities (continued)

- ◆ Enabling all members of the Institute to continue with their individual ministries for as long as possible; and
- ◆ Providing in-service programmes and other support for Headteachers and staff in the Lasallian network of schools.

Relevant policies

Fundraising statement

The income of the charity derives mainly from the covenanted salaries and statutory pensions of members of the Institute and the proceeds of investment funds. The general public are not asked to contribute to the funds of the charity but on occasions the charity receives donations and voluntary income. It aims always to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on donors and supporters. It applies best practice to protect their 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 activities in respect to raising funds and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its activities for raising funds and to learn from them and improve its service. During the year, the charity received no formal complaints about its activities for raising funds.

Protection of Children and Adults at Risk

The trustees are committed to implementing all the policies and procedures of the Catholic Safeguarding Standards Agency (CSSA) and have their own policy entitled "Safeguarding Children, Young People and Adults at Risk". St.Cassian's Retreat Centre has additional directives which specify how the trustees' guidelines are applied at the Centre. The Centre's activities are monitored regularly by the Management Committee, the Province's Safeguarding Coordinator and by a Diocesan appointed inspector. The Schools follow the guidelines issued by local authorities and the Catholic Safeguarding Standards Agency. The Institute (and hence the charity) is now a member of the Religious Life Safeguarding Service which manages the safeguarding needs, in Great Britain, of a number of religious congregations.

Investment policy

The charity has a portfolio of listed investments which, together with cash held for investment, had a market value at 31 December 2022 of £19,435,029 (2021 – £22,822,051).

These are held and managed by Rathbones Investment Management Limited. The investment managers have designated authority to invest as they deem appropriate within the stated policy guidelines set by the trustees and excluding certain areas of investments contrary to the objectives of the charity.

Relevant policies (continued)

Investment policy (continued)

The objectives of the charity's listed investments are to produce a mutually agreed annual level of income and to protect the underlying capital value of the investments in the medium to long term without taking undue risk. The level of income required is determined as part of an annual budget and where necessary may be supplemented by a managed capital drawdown. The income raised is essential to the objectives and activities of the charity.

Environmental policy

The charity recognises that many of its activities have some impact on the environment. It is the aim of the trustees to minimise this impact where possible through a programme of continuous improvement and by encouraging those working for the charity to act responsibly towards the environment.

Achievements and performance

The paragraphs below outline briefly the charity's achievements during the year in each of its main activities.

Support for Schools

The Trust continues to support the work of the *Lasallian Educational Mission Committee*, known as the *MEL Committee*. The members of the Committee include Heads, Chaplains, Brothers and other educators. The MEL Committee's main aims are: to promote the Lasallian Mission across the network of Lasallian schools in the country; and to empower all stakeholders in the Lasallian network of schools to fulfil the mission of the Trust, which is to provide a human and Christian education to the young, especially the poor and vulnerable.

During this year, the Trust had access to the services of a *Director of Mission* who coordinates efforts in these areas and accompanies this Committee in its work. The Trust also continued to benefit from the services of a *Director of Formation and Vocation Ministry* (on secondment from De La Salle School, St. Helens until August 2023). The Trust also has the services of an *Educational Consultant* who is responsible for:

- ◆ Relations with Local Authorities, the Department for Education and Regional Schools Commissioners on behalf of the Trust;
- ◆ Entering into dialogue with Directors of Education of the various Dioceses and Archdioceses on behalf of the Trust;
- ◆ Leading the reflection concerning the future of our individual schools in the context of the academisation and Multi Academy Trusts (MATs) in the English educational system; and
- ◆ Dialoguing with Heads and Chairs of Governors concerning future directions.

Achievements and performance (continued)

Support for Schools (continued)

The Trust was able to support opportunities for key groups of educators to receive training, to network and to share good practice. The main in-person conference offered this year was A gathering of all Heads of De La Salle Trust and Associate Schools. This was held in Dublin (November 2022) and was an opportunity to network with Heads and Principals of other De La Salle schools in Ireland (North and Republic), Jersey, Wales and Malta.

This year, the following annual events which were deeply disrupted by Covid-19 during the last few years were reincluded in the calendar of events:

- ♦ A follow-up formation programme (8 to 10 April 2022) that is aimed for those who already have an interest and a basic understanding of the Lasallian Ethos, and who are willing to deepen their involvement. This is a series of three weekend residential experiences spread over three years. This programme takes place at St. Cassian's in Kintbury and is open to other De La Salle teachers from other countries. This year the programme also included participants from Belgium, Ireland and Malta; and
- ♦ An induction formation programme (17 to 24 August 2022) for those new to De La Salle schools and who are interested in learning more about the heritage, vision and practices of a Lasallian school. This is a week-long programme that takes place during the summer in Malta. This programme is open to practitioners from Lasallian schools from other countries. This experience included De La Salle teachers from Belgium, Ireland, Malta and other countries alongside participants from the UK.

The Trust, through the work and services of the *MEL Committee*, the *Director of Mission* and the *Director of Formation and Vocation Ministry*, provided schools and others ministries in the network with various formation programmes. These programmes are aimed at different groups with varied experience and understanding of the Lasallian Mission. (A formation programme is an experience that would typically span 24 hours to a week. It consists of several components that are organised so that a person may integrate their reflection with their experience and continue their personal, professional and spiritual development.)

The Covid-19 pandemic accelerated the use of online platforms like *Zoom*. This year schools were sent the resources for the delivery of an induction formation programme for those new to De La Salle schools between August and September 2022. Typically, participants are those who are interested in learning more about the heritage, vision and practices of a Lasallian school. This new method of delivery of the Induction Programme will be evaluated in Summer 2023.

The *Director of Mission* and *Director of Formation and Vocation Ministry* are also available to schools through visits and in-service Ethos and Mission training. The work of the *Director of Mission* and the *MEL Committee* continue to be complemented and supported by the efforts of two other groups whose aim is also that of fulfilling the De La Salle mission. Namely, the *District MEL Council* and the *District Young Lasallians Council*. These two councils have a broad remit that includes the UK. The projects and initiatives of these two Councils are supported by the Trust and contribute greatly to all schools in the De La Salle network in the UK.

Achievements and performance (continued)

Support for Schools (continued)

Some of the initiatives of the *District Young Lasallian Council* that have been of great benefit to schools in the UK this year were:

- ◆ Lasallian Awards 2022 – which culminated in an online Awards Ceremony on Founder's Day (May 2022); and
- ◆ International Lasallian Days for Peace 2022 - 21 September to 21 October 2022

The Trust also engaged Caplor Horizon to strategise the Trust's support for schools for the period 2022-2027. Caplor Horizon is a charity that works with other charities and responsible businesses. Working locally, nationally and internationally, Caplor Horizon supported the Trust to strengthen its leadership, renew its strategy and improve its influence. At a meeting in September 2022, the following 5-year objectives were identified:

- ◆ Create a Sustainable Organisation;
- ◆ Share the Lasallian Legacy and Ethos; and
- ◆ Accompany Lasallians in Our Communities.

These objectives will become the foundational elements of the Trust's strategy moving forward towards 2027.

St Cassian's Pastoral Centre

St Cassian's Centre, just outside the village of Kintbury, in rural Berkshire, became a retreat centre in 1975. It welcomes young people for retreats and provides them with an opportunity to step outside their normally busy lives and enjoy a few days of reflection and dialogue with each other, accompanied by a dedicated staff and a team of young volunteers. At the same time, the Centre seeks to bring the faith to these young people in ways that resonate with their experience and are relevant to the world in which they live. The input comes from the four senior staff (the Retreat Team), and the volunteer team, which comprises between 5 - 9 young adults between the ages of eighteen and thirty who enthusiastically commit themselves to a year of devoted service to peer ministry and community living. The opportunities for the staff and volunteer team are many and varied and contribute to a rich experience of ministry especially to young people.



Achievements and performance (continued)

St Cassian's Pastoral Centre (continued)

The Management Committee appointed by the trustees, in liaison with the Director of the Centre, is responsible to the charity for the running of the Centre. The Committee, together with its sub-committees of finance and staffing & compliance, meet several times a year. The remit of the Committee is similar to that of a school governing body. Apart from monitoring the work of the Centre and its finances, the Committee has a responsibility, on behalf of the trustees, for such important issues as the implementation of the trustees' safeguarding guidelines and compliance with current health and safety regulations.

Every year as part of the residential community the young volunteers live, work and share the Brothers' vision for a new apostolate. Our retreats, known as The Kintbury Experience, follow a theme of Welcome, Awareness, Reconciliation and Good News.

The retreat programme, devised to meet the needs of people from different backgrounds, has a full scope and sequence that builds upon itself. It is also designed to be developmentally appropriate for each year group in school as they cultivate their spirit of faith along with their skills of reasoning, highlighting the relevance of Lasallian Charism and of our faith to life and contemporary culture.

2022 began with an outreach retreat at St Augustine's School in Trowbridge. January was very disrupted with cancellations from 6 schools, due to Covid. February and March also suffered from cancellations from over 10 schools.

The annual Past Teams Retreat ran in person in February 2022, with over 20 previous volunteers in attendance. The team made the annual pilgrimage to Rome in May and the school residential retreats continued, with visits from Bishop Parker Primary school and St Benedict's Primary schools. The Centre also welcomed Year 9 students from a number of schools including; St Joseph's, Port Talbot; St Gregory's, Bath; Bishop Challoner, Tower Hamlets; St Bede's, Bristol and St Edward's, Poole as well as annual 24 hour retreats with St Augustine's School, Trowbridge and St Peter's School, Bournemouth.



Rome Trip to the De La Salle Generalate May 2022

Achievements and performance (continued)

St Cassian's Pastoral Centre (continued)

The Lasallian Camp was held in July, for the first time since Covid, with over 100 students coming from De La Salle schools across England. Unfortunately, the DLS schools from Jersey and Malta were unable to travel due to continued concerns over Covid.

In September 2022 the new Volunteer Team moved in. This year's team comprised of 5 International Volunteers, from Argentina, Brazil, Bolivia and Mexico, recruited once again through the International Lasallian Network. We were unsuccessful in recruiting anyone from the UK this year. A smaller team has meant relying on past teams to help when we have bigger groups in, when possible.

The new academic year in September 2022 started with the regular training and formation of the Volunteer and Retreat teams, including Safeguarding, First Aid, Mental Health First Aid and Fire Marshall training, along with formation as a Lasallian Community, faith formation and retreat planning and training.

Residential retreats started in late September and ran until early December, with groups from: St Augustine's School, Trowbridge; St Joseph's, Reading; Bishop Challoner, London; St Paul's, Milton Keynes; St Simon Stock, Maidstone; The Campion School, Hornchurch; St Joseph's, Swindon; Bishop Ullathorne; Coventry and St Catherine's, Twickenham. Primary schools St Bonaventure's and St Teresa's, Bristol attended for Advent retreats. The term finished with Day retreats run for St Catherine's, Twickenham and St Joseph's, Swindon.

Throughout 2022 St Cassian's welcomed and worked with 2,465 young people from school and parish Confirmation groups.



Outreach in St Joseph's School, Beulah Hill

Retreats continue to benefit from having outdoor activities. A low ropes challenge course, archery and all-weather pitch for tennis, football and basketball are in use along with the newest addition of a traversing climbing wall.

Achievements and performance (continued)

St Cassian's Pastoral Centre (continued)



The above photograph shows the Commissioning Mass of the Volunteer Team and the Retreat Team 2022-2023. Also in attendance are members of the Management Committee, Brother Terry Kay and supporters of the Centre.

Hospitality groups and Events

The conference centre known as The Old Stables plays host to parish and hospitality groups. The hospitality groups that have used the Old Stables Conference Centre and other facilities include Koinonia, Don Bosco Youth Camp, Catholic People's Week, Stories of Hope and Home (Refugee group), The De La Salle District Leadership Team, Lasallian Heads and Principals, and the Wimbledon Scouts.

Lasallian Projects

Circumstances were still not propitious for groups of young people to travel in summer 2022. The lingering effects of Covid restrictions did not favour journeying to countries where they might easily be inconvenienced by sudden restrictions. Consequently, for the third year running there were no members of Lasallian Projects travelling to carry out projects in person.

However, the Management agreed nevertheless to fund a building project in Narosura, a remote corner of Kenya, where we have for some years been involved in sponsoring the construction of a village primary school.

Frather Ambrose reported: "The project was commissioned on 12 September 2022 in the presence of Gesebe Contractors' directors and St Martha's School board of management. The classroom accommodates 45 learners, with 4 windows, one door and 2 blackboards (front and rear). The nursery school learners are now smiling having been relocated to a new beautiful classroom."

We were happy with the outcome of the project and the knowledge that it would be of benefit to many children.

Achievements and performance (continued)

Lasallian Projects (continued)

Other activities during the year involved routine administration and continuing use of on-line media to maintain contact with former project members. A small amount of fundraising was undertaken. A few people showed interest in taking part in a project but we had to put them off for the time being while holding out stronger hopes for the following year.

Future plans

We are more optimistic of being able to run project groups in 2023 even though we foresee a later start to preparations and recruitment. A cautious approach will be followed given the still volatile nature of the international scene. We also anticipate there being much work to do in rebuilding contact and relationships with our previous schools and colleges; in many cases our contacts have retired or moved on, while schools in general have additional problems to cope with. The year is likely to feel like a fresh start, one which holds challenges and promises.



Photos of the school in Narosura, Kenya.



Achievements and performance (continued)

St Johns College, Southsea

The financial struggles of St Johns College, Southsea and its subsequent closure have had a significant impact on the finances of the charity in 2022 and beyond.

The charity's operating budget for 2022 allowed for payments from St John's College, Southsea to cover rent and loan payments in excess of £250,000. At the time of closure in August 2022, there was £220,000 outstanding on a loan facility along with £60,000 in unpaid rent.

On 1 September 2022 the land and properties at St John's College, Southsea along with the Farlington playing fields were returned to the charity. Whilst now able to market the property for sale, the charity became responsible for all related expenses such as security, insurance, utilities and maintenance. The combination of these events required the charity to draw funds from capital investments in order to meet its expenses.

In February 2023 the St John's College main site was sold for net proceeds of £11,373,000 with a further £780,800 following in 2023 from the sale of Farlington Playing fields. This allowed for the repayment in full of a loan from Rathbones Investment Management Limited of £4,893,652 with the remaining funds being placed with Rathbones Investment Management Limited for investment.

Investment performance

The aftermath of Covid-19 and the current macroeconomic and geopolitical environment have led to greater instability and volatility on world stock markets in 2022 and this is expected to continue at least for the remainder of 2023. This may have a negative impact on income yield from the investment portfolio but this possibility has been factored into the investment portfolio management strategy in order to provide the charity with its required operating income. Ultimately, the charity is a long-term investor and the trustees intend to continue to liaise regularly with their investment managers and wait for markets to stabilise.

As well as benefitting from income from investments, the charity was also forced to draw down capital to cover the shortfall in budgeted income and increased expenses as a result of the closure of St John's College.

Income from listed investments for the year totalled £706,113 (2021 – £829,896). Realised and unrealised losses were £2,036,209 (2021 – gains £2,815,494).

Vicarious liability and similar claims

In the past, vicarious liability claims have been brought against the charity and more recently these have been followed by other similar claims against the charity. An overview of the claims is given below with further details given in note 20 to the attached accounts.

Achievements and performance (continued)

Vicarious liability and similar claims (continued)

There are over 70 outstanding claims relating to historic incidents of alleged physical or sexual abuse of children being brought against the charity in Scotland in respect to alleged incidents that took place at educational establishments in that country. All of these claims relate to events that allegedly took place many years ago. Given the abolition of Limitation by the Scottish Parliament (as of 4 October 2017), the historic claims are now being pursued. To date 18 claims have been settled or withdrawn at a total cost of over £2.4 million.

It is estimated that the aggregate of the reserve on damages and legal costs on the outstanding claims will be around £8 million. Since the charity was not the employer, a successful attempt has now been made by the charity in Scotland to seek a division of damages and costs with the employer organisations which owned and managed the educational establishments but, at present, those organisations have yet to agree any overall liability. Hence, the estimated full aggregate reserve of £8 million, without any allowance for recovery from the owners and managers, has been provided for in the attached accounts (see note 20 to the accounts). In addition, the charity is in discussions with the Scottish Government upon a contribution to the Scottish Redress scheme in circumstances where the Scottish Government now acknowledges that the charity has no responsibility for the share of the separate employer organisations which owned and managed the educational establishments.

The trustees have continued to engage legal experts to act on behalf of the charity to advise on the conduct of the claims being brought against the charity in England and Wales and in Scotland. As noted earlier in this report, the trustees of the charity are aware of their duties in respect to safeguarding and have up to date procedures in place. The charity is a member of the Catholic Safeguarding Standards Agency (CSSA). The trustees are committed to acting in a way which is in the best interests of the charity and its beneficiaries, past, present and future.

Financial review

Financial results for the year

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

Both income and expenditure in respect to the year to 31 December 2021 have been restated in the attached accounts following an adjustment to include the transactions relating to the central administration and co-ordination of the mission activities of the District of Ireland, Great Britain and Malta in the accounts of the charity. This follows a review during the year and an acknowledgement that control of these funds does lie with the charity and its trustees. A prior year adjustment has been included in the accounts therefore.

Total income amounted to £2,425,815 (2021 – £2,472,338), of which £546,152 (2021 – £557,356) was received by way of covenanted salaries and pensions from members of the Institute and £796,598 (2021 – £1,046,523) was interest and investment income receivable including £83,095 (2021 – £208,335) being rental income from St John's College, Southsea (see below). A further £213,440 (2021 – £107,456) related to education fees and related charges. The income relating to the District (see above) amounts to ££275,356 (2021 - £272,325).

Financial review (continued)

Financial results for the year (continued)

Total expenditure amounted to £3,657,109 (2021 - £4,424,104).

Expenditure on raising funds amounted to £96,749 (2021 – £114,017).

Expenditure on charitable activities in the year included costs related to the provision of education, the support of the members of the Institute and their ministry and donations and contributions to projects. These amounted to £551,080 (2021 – £641,138), £1,829,153 (2021 – £2,056,154) and £20,898 (2021 - £20,707) respectively. Costs in relation to the District, also shown as part of expenditure on charitable activities, amounted to £418,852 (2021 - £403,105).

Expenditure in connection with the vicarious liability and similar claims against the charity of £553,654 (2021 – £1,188,983) is explained under “vicarious liability and similar claims” above and also in note 20 to the attached accounts.

Expenditure relating to the maintenance of the land and buildings at St John's College, Southsea following the closure of the school was £186,723 (2021 - £nil).

Listed investments gave rise to realised and unrealised losses on investments of £2,036,209 (2021 – gains of £2,815,494).

As explained in note 15 to the attached accounts, at 31 December 2022, the freehold properties previously occupied by St John's College and previously classified in the attached accounts as a programme related investment were in the process of being sold. As a consequence, the properties have been reclassified in these accounts as current assets (assets held for sale) and have been revalued to their fair value giving rise to an unrealised gain of £8 million (2021 - £nil).

The net expenditure for the year adjusted for the realised and unrealised losses (2021 – gains) on listed investments and the unrealised gain on the revaluation of the assets awaiting disposal to fair value mean that there was a net increase in total funds for the year of £4,732,497 (2021 – £863,728 restated).

Reserves policy and financial position

At 31 December 2022, the charity had net assets amounting to £21,836,375 (2021 – £17,103,878), primarily represented by tangible fixed assets of £3,208,740 (2021 – £3,542,404), investments of £19,435,029 (2021 – £22,822,051), programme related investments of £nil (2021 – £4,138,000), assets held for sale of £12,138,000 (2021 - £nil), debtors of £23,348 (2021 - £39,073) and cash at bank of £758,523 (2021 – £401,458) offset by creditors and provisions totalling £13,727,265 (2021 – £13,839,108). The creditors and provisions include amounts in respect to the vicarious liability and similar claims referred to earlier.

Financial review (continued)

Reserves policy and financial position (continued)

The balance sheet shows total funds of £21,836,375 (2021 – £17,103,878).

The charity also has restricted funds of £120,867 (2021 – £108,799).

The unrestricted funds of the charity include three designated funds comprising:

- ◆ Care and development fund of £10,200,000 (2021 – £10,200,000). These are assets (including tangible fixed assets) set aside to assist with the care of members of the Institute, who have no funds or assets of their own, and to enable them to carry out and support the ongoing pastoral work and ministry of the charity;
- ◆ Educational support fund of £6,000,000 (2021 – £5,500,000). These are assets (including tangible fixed assets) set aside to assist with the running of the St Cassian's Pastoral Centre in Kintbury and other ongoing educational support activity;
- ◆ District support fund of £4,000,000 (2021 - £nil). These are assets put aside to assist with the administration and mission activities for the District of Ireland, Great Britain and Malta; and

At 31 December 2022, the charity's general funds were showing a balance of £1,515,508 (2021 – £1,295,079).

The trustees are satisfied that there are sufficient liquid assets allocated to each of the funds to be able to maintain expenditure of the charitable activities for at least twelve months at the current level of expenditure.

However, the trustees note that if the provision for potential future liability for vicarious and similar claims becomes an actual liability at the level of the provision, it would in the longer term put in jeopardy the charity's ability to continue its valuable and necessary work and objectives.

If the valuable and necessary work of the charity is to continue into the future, particularly the support of St Cassian's Pastoral Centre, it will be essential for the charity's general funds to be sustainable over the longer term. The charity's designated funds provide some finance with which it will be able to safeguard the future of its mission but these are unlikely to prove sufficient in the longer term. The trustees' longer term policy is that the charity should have sustainable general or "free" reserves equal to at least six to twelve months' expenditure.

Financial review (continued)

Reserves policy and financial position (continued)

The balance on the general funds at 31 December 2022 is after accounting for the creditors and provisions of £8.5 million (2021 – £9 million) towards the payment of compensation in respect to the vicarious liability and similar claims described earlier in this report. However, it is clear that if the charity is to finance the full cost of the vicarious liability and similar claims it will need to raise the liquid funds with which to do so. If it were to do so by disposing of investments, this will lead to a fall in essential investment income and may jeopardise the aim of retaining general fund balances at the level needed to meet at least six to twelve months' expenditure. Hence, it will be necessary for the charity to continue with its programme of disposing of properties and to retain the loan finance secured on the investment portfolio. Whilst such disposals together with the cost of servicing loan finance will have an adverse effect on the charity, thereby reducing the charity's impact by diminishing the potential outreach of its work, it is believed that they are the only way in which the long term future of the charity may be assured and the general funds sustained.

Governance, structure and management

Trustees

The trustees are an incorporated body under the Charities Act 2011. Under the terms of the trust, the trustees are appointed by the Provincial Superior who, in making these appointments, has regard to the suitable blend of skills and expertise required. Trustees with specific responsibilities take part in relevant training courses and conferences.

The trustees are ultimately responsible for the policies, activities and assets of the charity. The trustees who were in office during the year ended 31 December 2022 and to the date of this report are set out below:

Brother James Kilty

On 1 April 2008, Brother James Kilty became Provincial on which date he became a trustee. He joined the Institute in 1964 and studied at De La Salle College of Higher Education and Lancaster University. He taught for 14 years in Kintbury and in St Helens and then, over a ten year period, he was responsible for the formation of new candidates to the Province. He was based in Rome for a ten-year period where he served as co-ordinator of Institute formation programmes in English-speaking sectors of the Institute, principally in Africa and Asia. More recently, he served as Director of Formation for the Institute's Asia-Pacific Region based in Singapore. During the General Chapter of 2014, he was made a Regional Superior and was based in Rome. He has now retired from this role and returned to Oxford.

Brother John Deeney

Brother John joined the Institute in 1962. He gained his degree in Modern Languages at Oxford and taught in Portsmouth and Basildon. Since 1985 he has been responsible for organising overseas projects that involve UK students assisting with the development of education in poorer parts of the world.

Governance, structure and management (continued)

Trustees (continued)

Brother Bernard Hayward (Retired August 2022)

Brother Bernard joined the Institute in 1956. He taught in Manchester, at the Brothers' house of training near Basingstoke, in London and in Bournemouth. He was Provincial Bursar and a trustee from 1993 to 1997 and was re-appointed Provincial Bursar in August 2009 and thereafter a trustee. He retired from the Provincial Bursar role in 2020 and as a Trustee in 2022.

Brother Nicholas Sellors

Brother Nicholas Sellors joined the Institute in 1963. He was educated at Oxford University and then worked in the Province's schools in London, Bournemouth and in Jersey where he was the head of De La Salle College. Thereafter he joined the retreat team at St Cassian's Centre, Kintbury and became the Director of the Centre. He served two terms of office as the Provincial and is currently Director of the St Helens Community.

Brother Michael Curran

Brother Michael became a member of the Institute in 1981. He was appointed Auxiliary Provincial on 1 September 2019 and was appointed Trustee on 1 October 2019. He holds a master's degree in educational development and management from London University. He spent most of his teaching career teaching science. After retiring from teaching, he worked in the St. Helens care community until he was appointed Auxiliary Provincial.

Brother Ben Hanlon - Provincial

Brother Ben Hanlon was born in Kilkenny, Ireland in 1952. He made his final profession as a De La Salle Brother in 1978. Having completed Bachelor of Music and Diploma of Music degrees at University College Dublin, he taught at De La Salle College Waterford from 1979 – 1991. He was appointed Auxiliary Visitor for Ireland from 1991 – 1996. He was a member of staff of the International Novitiate located in Skaneateles, NY from 1996 – 1997. He returned to Waterford and taught there until he retired in 2017. In the meantime, he completed post graduate studies in composition, achieving his Ph.D. from Waterford Institute of Technology in 2015. He returned to leadership, becoming one of two Auxiliary Visitors for Ireland Great Britain and Malta, in 2019. In June 2021 he was appointed as Visitor (Provincial) pro-tempore until his formal appointment as Visitor in January 2023.

Trustees' meetings

The trustees meet at least six times a year, usually more frequently. They regularly review the activities of the charity, as well as monitoring the progress of its mission and the needs of its members. They are responsible for deciding policy and for taking the important decisions that affect the charity. Where appropriate, they seek the advice and support of the charity's professional advisers, including charity consultants, investment managers, solicitors, accountants, employment advisers and surveyors.

The day to day management of the charity's activities and the implementation of policies are delegated to members of the Province, or to senior staff who possess the requisite skills and expertise.

Governance, structure and management (continued)

Key management personnel

The trustees consider that the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees, the Manager of St John's House for the care of older and frail members of the Institute, the Director of St Cassian's Pastoral Centre, the Director of Mission, The Director of Formation and Vocations and the District Bursar.

All trustees are members of the Institute and whilst their living and personal expenses are borne by the charity they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or key management.

The remuneration of the Manager of St John's House, the Director of St Cassian's Pastoral Centre, the Director of Mission and the District Bursar, is approved by the trustees. Such remuneration is set having regard to market salaries for similar roles and after taking into account specific circumstances relating to the charity's needs and circumstances.

Statement of trustees' responsibilities

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these accounts, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in 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 (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's trust deed. 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.

Governance, structure and management (continued)

Risk management

The trustees undertake an annual review of the principal risks and uncertainties that the charity faces categorising the risks between those affecting the governance and management of the charity, operational risks, financial risks, reputational risks and those which occur because of circumstances outside of the charity's control such as changes in government policy, laws and regulations. They regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures should they be needed to minimise or manage any potential impact on the charity should those risks materialise.

The trustees have identified five main areas where risks may occur: governance and management; operational; financial; reputational; and regulatory.

Governance and management looks at the risk of the Institute, and hence the charity, suffering from a lack of direction, at the skills and training of its members and staff, and the good use of its resources.

Operational looks at the risks inherent in the charity's activities including in the operation of its care homes, the members of the congregation engaging in inappropriate activities, the unsuitability of buildings, poor maintenance, shortcomings in the services provided, difficulties with staff, poor health and safety, lack of a disaster recovery plan, etc.

Financial risks include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies, etc.

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

Regulatory looks at the effects of government policies, the consequences of non-compliance with laws and regulations and poor risk assessment.

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

The key risks for the charity, as identified by the trustees, are described below together with the principal ways in which they are mitigated:

Governance, structure and management (continued)

Risk management (continued)

◆ Age profile

The age profile and health of the members and future operation of the charity. The trustees are aware that there is both a moral and legal obligation to care for the older members. None of the members have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. As the age profile increases, so too does the need to provide care for the members. Key elements of the management of this risk are: (a) ensuring that the charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual members encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.

◆ Investments

The value of investments and properties. The value of listed investments is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the trustees. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs, both now and in the future.

◆ Safeguarding

The trustees recognise the absolute necessity of ensuring the protection and safeguarding of all those whom the charity serves, especially children and vulnerable adults. One appointee of the Province is the named Safeguarding Officer for the Province and is trained accordingly. All the members in the Province and all members of staff and volunteers, who are in contact with people through their ministry, have an Advanced Disclosure from the Disclosure and Barring Service (DBS).

The trustees are committed to implementing all the policies and procedures of the Catholic Safeguarding Standards Agency, England and Wales (CSSA) and the Scottish Catholic Safeguarding Standards Agency (SCSSA). They take responsibility for identifying, preventing, investigating and responding to all allegations or incidents of abuse.

◆ Key staff

Reliance on key staff and the need for succession planning. Advice is taken on investment management, accountancy, actuarial, architectural, legal and business matters from lay professionals. The trustees meet as needed with their advisers to monitor risks and the risk management policy.

The trustees continue to monitor the major risks to which the charity may be exposed and systems are investigated and established to mitigate these risks.

Governance, structure and management (continued)

Schools and educational establishments

The charity provides an extensive portfolio of land and buildings for a number of secondary schools founded by the Institute, which are now voluntary aided or independent charities and whose finances, therefore, fall outside the charity. These properties are not included in the charity's list of assets because they are not available for disposal. The Brothers are the trustees for most of these schools.

The schools where the charity owns land and, in some cases, the buildings or some of the buildings, are:

De La Salle School Ghyllgrove, Basildon, Essex SS14 2LA	11-16 mixed comprehensive
St Matthew Academy Lee Terrace, Blackheath, London SE3 9TY	City academy The trusteeship resides with the R.C. Archdiocese of Southwark
Dixons Croxteth Academy Carr Lane East, Liverpool L11 4SG	11-18 mixed academy Trusteeship resides with the Dixons Academies Trust
De La Salle School Mill Brow, St Helens WA10 4QH	11-16 mixed comprehensive
St Joseph's College Beulah Hill, London SE19 3HL	11-18 boys' academy (16 – 18 mixed)
St Peter's School St Catherine's Road, Bournemouth BH6 4AH	3-18 mixed academy The trusteeship is shared with the R.C. Diocese of Portsmouth.

Foundations

The following foundation is owned and administered by the charity.

Pastoral Centre

St Cassian's Centre Kintbury, Hungerford, Berkshire RG17 9SR	Organises short retreats for young people and courses for teachers. The Centre is managed by a Management Committee which is appointed by, and reports to, the trustees.
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Approved by the trustees and signed on their behalf by:

James Kilty
Trustee

Approved by the trustees on: 16 October 2023

Independent auditor's report to the trustees of The Province of Great Britain of the Institute of the Brothers of the Christian Schools Charitable Trust

Opinion

We have audited the accounts of The Province of Great Britain of the Institute of the Brothers of the Christian Schools Charitable Trust (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Other information (continued)

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

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

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charity through discussions with management, and from our knowledge and experience of the sector;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity, including 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 Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, and safeguarding, vetting and barring regulations;
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of trustees and management and inspecting legal correspondence; and
- ◆ identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- ◆ performed analytical procedures to identify any unusual or unexpected financial relationships;
- ◆ performed substantive testing of expenditure including the authorisation thereof;
- ◆ tested journal entries to identify unusual transactions; and
- ◆ assessed whether judgements and assumptions made were indicative of potential bias.

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

- ◆ agreeing accounts disclosures to underlying supporting documentation;
- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

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

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

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

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

Use of our report

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

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

27 October 2023

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

Statement of financial activities Year to 31 December 2022

		Un- restricted funds £	Restricted funds £	2022 Total funds £	As restated Un- restricted funds £	As restated Restricted funds £	As restated 2021 Total funds £
Income from:							
Donations and legacies	1	556,152	2,231	558,383	568,156	18,736	586,892
Primary purpose trading activities	2	49,627	—	49,627	51,795	—	51,795
Investments and interest receivable	3	796,545	53	796,598	1,046,521	2	1,046,523
Charitable activities							
. Provision of education	4	213,440	—	213,440	107,456	—	107,456
. Contributions from Ireland and Malta towards District costs		—	275,356	275,356	—	272,325	272,325
Other sources	5	532,411	—	532,411	407,347	—	407,347
Total income		2,148,175	277,640	2,425,815	2,181,275	291,063	2,472,338
Expenditure on:							
Raising funds	6	96,749	—	96,749	114,017	—	114,017
Charitable activities							
. Provision of education	7	551,080	—	551,080	634,828	6,310	641,138
. Support of members of the Institute and their ministry	8	1,825,433	3,720	1,829,153	2,056,154	—	2,056,154
. Donations and contributions to projects	9	20,898	—	20,898	20,707	—	20,707
. District costs	10	—	418,852	418,852	—	403,105	403,105
Other items							
. Vicarious liability and similar claims	11	553,654	—	553,654	1,188,983	—	1,188,983
. St John's College, Southsea costs	15	186,723	—	186,723	—	—	—
Total expenditure		3,234,537	422,572	3,657,109	4,014,689	409,415	4,424,104
Net expenditure before net (losses) gains on investments, transfers between funds and revaluations of assets awaiting disposal							
		(1,086,362)	(144,932)	(1,231,294)	(1,833,414)	(118,352)	(1,951,766)
Net (losses) gains on investments	16	(2,036,209)	—	(2,036,209)	2,815,494	—	2,815,494
Revaluation to fair value of assets awaiting disposal	15	8,000,000	—	8,000,000	—	—	—
Transfers between funds	21	(157,000)	157,000	—	(125,000)	125,000	—
Net income and net movement in funds		4,720,429	12,068	4,732,497	857,080	6,648	863,728
Balances brought forward at 1 January 2022 as previously stated							
		16,995,079	41,190	17,036,269	16,137,999	28,762	16,166,761
Prior year adjustment	21	—	67,609	67,609	—	73,389	73,389
Balances brought forward at 1 January 2022 as restated		16,995,079	108,799	17,103,878	16,137,999	102,151	16,240,150
Balances carried forward at 31 December 2022							
		21,715,508	120,867	21,836,375	16,995,079	108,799	17,103,878

All income and expenditure in the current and prior periods related to continuing operations.

Balance sheet 31 December 2022

	Notes	2022 £	2022 £	As restated 2021 £	As restated 2021 £
Fixed assets					
Tangible fixed assets	14		3,208,740		3,542,404
Programme related investments	15		—		4,138,000
Investments	16		19,435,029		22,822,051
			<u>22,643,769</u>		<u>30,502,455</u>
Current assets					
Assets held for sale	15	12,138,000		—	
Debtors: amounts due within one year	17	23,348		39,073	
Cash at bank and in hand		758,523		401,458	
		<u>12,919,871</u>		<u>440,531</u>	
Current liabilities					
Creditors: amounts falling due within one year	18	(875,979)		(972,730)	
Net current assets (liabilities)			<u>12,043,892</u>		<u>(532,199)</u>
Total assets less current liabilities			<u>34,687,661</u>		<u>29,970,256</u>
Creditors: amounts falling due after more than one year	19		(4,851,286)		(4,616,378)
			<u>29,836,375</u>		<u>25,353,878</u>
Provision for liabilities and charges	20		(8,000,000)		(8,250,000)
Total net assets			<u>21,836,375</u>		<u>17,103,878</u>
The funds of the charity:					
Restricted funds	21		120,867		108,799
Unrestricted funds					
. Designated funds	22	20,200,000		15,700,000	
. General funds		1,515,508		1,295,079	
			<u>21,715,508</u>		<u>16,995,079</u>
Total funds and reserves			<u>21,836,375</u>		<u>17,103,878</u>

Approved by the trustees and signed on their behalf by:

James Kilty

Trustee

Approved by the trustees on: 16 October 2023

Statement of cash flows Year to 31 December 2022

	Notes	2022 £	As restated 2021 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(2,674,571)	(4,420,497)
Cash flows from investing activities:			
Investment income and interest received		713,503	912,478
Proceeds from the disposal of programme related investments		—	681,840
Proceeds from the disposal of tangible fixed assets		732,411	—
Purchase of tangible fixed assets		—	(109,184)
Proceeds from the disposal of investments		3,707,000	6,008,175
Purchase of investments		(2,514,217)	(2,678,199)
Proceeds from loan repayments		—	80,000
Net cash provided by investing activities		2,638,697	4,895,110
Cash flows from financing activities:			
Increase (decrease) in borrowing		234,909	(305,285)
Change in cash and cash equivalents in the year		199,035	169,328
Cash and cash equivalents at 1 January 2022	B	745,214	575,886
Cash and cash equivalents at 31 December 2022	B	944,249	745,214

Notes to the statement of cash flows for the year to 31 December 2022

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

	2022 £	As restated 2021 £
Net movement in funds (as per the statement of financial activities)	4,732,497	863,728
Adjustments for:		
Depreciation charge	133,602	129,487
Investment income and interest receivable	(796,598)	(1,046,523)
Investment losses (gains)	2,036,209	(2,815,494)
Revaluation of assets awaiting disposal	(8,000,000)	—
Gains on disposal of programme related investment	—	(369,840)
(Gains) losses on disposal of tangible fixed assets	(532,411)	334
Decrease in debtors	20,913	260,867
Decrease in creditors	(18,783)	(1,583,056)
(Decrease) increase in provision for liabilities and charges	(250,000)	140,000
Net cash used in operating activities	(2,674,571)	(4,420,497)

B Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	758,523	401,458
Cash held by investment managers	185,726	343,756
Total cash and cash equivalents	944,249	745,214

Statement of cash flows Year to 31 December 2022

C Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash and cash equivalents	745,214	199,035	944,249
Loan	(4,616,378)	(234,908)	(4,851,286)
Total	<u>(3,871,164)</u>	<u>(35,873)</u>	<u>(3,907,037)</u>

Principal accounting policies Year to 31 December 2022

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

Basis of preparation

These accounts have been prepared for the year to 31 December 2022 with comparative information given in respect to the year to 31 December 2021.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP FRS 102) the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

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

Critical accounting estimates and areas of judgement

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

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

- ◆ estimating accrued expenditure and, in particular, the liability of the charity in respect to damages and related costs of vicarious liability and similar claims;
- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining a depreciation rate;
- ◆ estimating the fair value of assets awaiting disposal;
- ◆ assessing the recoverability of any debts and estimating any provisions needed;
- ◆ determining the value of designated funds needed at the year end; and
- ◆ assessing future income and expenditure flows used in the trustees' assessment of the going concern basis of accounting.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts, including consideration of the current macroeconomic and geopolitical climate on the charity's operations and finances. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

Principal accounting policies Year to 31 December 2022

Assessment of going concern (continued)

The aftermath of Covid-19 and the current macroeconomic and geopolitical environment have led to greater instability and volatility on world stock markets in 2022 and this is expected to continue at least for the remainder of the calendar year. This may have a negative impact on income yield from the investment portfolio but this possibility has been factored into the investment portfolio management strategy in order to provide the charity with its required operating income. Ultimately, the charity is a long-term investor and the trustees intend to continue to liaise regularly with their investment managers and wait for markets to stabilise.

Therefore, despite the challenges presented by the aftermath of Covid-19 and the current macroeconomic and geopolitical environment, the trustees consider that the charity's viability will not be threatened given the strategies which have been, and are being, implemented to deal with the situation in the short to medium term.

As such, 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 December 2023, 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 above and also the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

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

Income comprises donations and legacies, income from primary purpose trading, investment income and interest receivable, fees and related charges for the provision of education and other income including the surplus on the disposal of tangible fixed assets.

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

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

Principal accounting policies Year to 31 December 2022

Income recognition (continued)

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

Income from primary purpose trading includes income from rental and hospitality. It is accounted for at the fair value of the consideration received or receivable.

Investment income is 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.

Income derived from the levying of fees and related charges comprises income relating to St Cassian's Pastoral Centre. Such income is measured at the fair value of the consideration received or receivable, excluding discounts, rebates and scholarships.

Contributions from Ireland and Malta towards District costs are recognised when the charity has entitlement to the income and when the amount receivable can be quantified.

The surplus on the disposal of tangible fixed assets and/or programme related investments is calculated as the difference between the sale proceeds net of sale costs and the net book value of the asset immediately prior to disposal. It is accounted for once legal completion of the disposal has taken place.

Monies receivable from the Government's Coronavirus Job Retention Scheme are recognised when the charity has entitlement to the income and when the amount receivable can be quantified.

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

Expenditure recognition

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs, including governance costs. The classification between activities is as follows:

Expenditure on raising funds includes the fees paid to investment managers in connection with the management of the charity's listed investments.

Expenditure on charitable activities comprises expenditure on the charity's primary charitable purposes as described in the trustees' report and relates to:

Principal accounting policies Year to 31 December 2022

Expenditure recognition (continued)

- ◆ The provision of education being costs in relation to St Cassian's Pastoral Centre primarily.
- ◆ The support of members of the Institute and their ministry. Such expenditure enables the members to carry out the charitable work of the Province in the areas of the advancement of the Roman Catholic Religion, the advancement of education and the relief of poverty.
- ◆ Donations made to other organisations and to individuals. The making of grants and donations is not a central part of the charity's activities. Donations are made only in cases where the trustees consider there is real need following a review of the details of each particular case. 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 year end.
- ◆ The costs associated with the administration and co-ordination of the Institute's District of Ireland, Great Britain and Malta.

Expenditure in connection with the vicarious liability and similar claims includes compensation payable together with associated legal and other professional fees.

During the year, St John's College Southsea, which occupied via leases certain properties of which the charity was the freeholder, closed. On 1 September 2022, these properties along with some playing fields were returned unencumbered to the charity. The properties were marketed for sale but during the period from 1 September 2022 to 31 December 2022 the charity was responsible for all related expenditure such as security, insurance, utilities and maintenance. These costs are shown within the statement of financial activities as St John's College, Southsea costs.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

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

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Governance costs are included as a specific category within support costs.

Such expenditure is allocated directly to the relevant categories and apportionment is not required.

Tangible fixed assets

- ◆ Land and buildings and improvements thereto

Non-specialised buildings

Non-specialised buildings are those designed as, and used wholly or mainly for, private residential accommodation. Those that have been owned since 1996 are stated at cost, or, where cost is not available, at a trustees' valuation made, with professional assistance, in 1996 based on market value for existing use. Under the transitional arrangements of FRS 102 this valuation is now deemed to equate to cost. All other non-specialised buildings are stated at cost. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, who are satisfied that their residual value is not materially less than their book value.

Specialised buildings

Specialised buildings comprise retirement homes, the pastoral centre and the administration centre. Those that have been owned since 1996 are stated at cost, or, where cost is not available, at a trustees' valuation made, with professional assistance, in 1996 based on market value for existing use. Under the transitional arrangements of FRS 102 this valuation is now deemed to equate to cost. All other specialised buildings are stated at cost. Depreciation is provided at 2% per annum on a straight-line basis to write the buildings off over their estimated useful economic life to the charity.

Other land and buildings

The trustees are the legal owners of land and buildings used exclusively by schools and colleges founded by the Institute, but which are now separate charities. Their occupation of the land and buildings is indefinite and rent free. As such assets have no meaningful value in use to the trustees, no value is attributed to them in the accounts. The schools are situated in Basildon, Bournemouth, London Borough of Lewisham, Liverpool and St Helens.

Outdoor educational facilities

Outdoor educational facilities such as tennis courts, are capitalised and depreciated at a rate of 10% per annum on a straight line basis in order to write off the cost of the facilities over their expected useful economic life to the charity.

No depreciation is provided on freehold land.

- ◆ Furniture, equipment and motor vehicles

Expenditure in excess of £1,000 on the purchase and replacement of furniture, equipment and motor vehicles is capitalised and depreciated using the following method and rates per annum:

Office equipment	40% on a reducing balance or 33% straight line
Motor vehicles	30% on a reducing balance
Furniture and equipment	15% or 20% on a reducing balance

Principal accounting policies Year to 31 December 2022

Fixed asset investments

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

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

Programme related investments

Programme related investments comprise property assets to which the charity has freehold title but which are used by other charitable organisations (including schools) for purposes consistent with the charity's own objectives but where there is also a financial return.

Programme related investments are included in the accounts at cost with any permanent diminution in value below such cost accounted for as charitable expenditure.

Realised gains are calculated as the difference between disposal proceeds, net of costs of disposal, and their carrying value and are classified as other income in the statement of financial activities.

Assets awaiting disposal

Assets awaiting disposal comprise freehold properties previously classified as programme related investments which were marketed for sale during the year but sold subsequent to the year end. The assets have been revalued at the balance sheet date to their fair value based on estimated open market value. The resultant unrealised gain calculated as the difference between the fair value of the properties as at 31 December 2022 and their previous carrying value has been included within the statement of financial activities.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Principal accounting policies Year to 31 December 2022

Fund structure

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

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects. They include the net book value of the charity's tangible fixed assets used for the support of the members of the Institute and their ministry in recognition of the fact that the assets are used in the day to day work of the charity and the fund value would not be realisable easily if needed to meet future contingencies.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Services provided by members of the Institute

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

Pension costs

The charity contributes to defined contribution schemes for certain employees. The contributions are charged to the statement of financial activities when payable.

1 Income from: Donations and legacies

	2022 £	2021 £
Salaries and pensions of individual members of the Institute received under deed of covenant	546,152	557,356
Other donations and legacies	12,231	29,536
Total funds	558,383	586,892

All income from donations and legacies is unrestricted except for other donations and legacies of £2,231 (2021 – £18,736) which have been given specifically towards the support of the St Cassian's Pastoral Centre. Kintbury, Berkshire (note 21).

2 Income from: Primary purpose trading activities

Income from primary purpose trading activities relates to activities for generating funds, the principal component of which is rental and hospitality income.

	2022 £	2021 £
Total funds: Activities for generating funds	49,627	51,795

All income from activities for generating funds is unrestricted.

3 Income from: Investments and interest receivable

	2022 £	2021 £
Listed investment income	706,113	829,896
Income from programme related investments	83,095	208,335
Loan interest	—	8,275
Bank interest	7,390	17
Total funds	796,598	1,046,523

All income from investments and interest receivable is unrestricted except for bank interest of £53 (2021 – £2) which is restricted.

4 Income from: Charitable activities – Provision of education

	2022 £	2021 £
Total funds: St Cassian's Pastoral Centre fees and similar income	213,440	107,456

All income from charitable activities is unrestricted.

5 Income from: Other sources

	2022 £	2021 £
Surplus on disposal of programme related investments (note 15)	—	369,840
Surplus on disposal of tangible fixed assets	532,411	—
Coronavirus Job Retention Scheme funding	—	37,507
Total funds	532,411	407,347

All income from other sources is unrestricted.

6 Expenditure on: Raising funds

	2022 £	2021 £
Total funds: Investment managers' fees	96,749	114,017

All expenditure on raising funds is unrestricted.

7 Expenditure on: Charitable activities – Provision of education

	2022 £	2021 £
Staff and related costs	326,364	282,364
Provision against loan to St John's College, Southsea	—	220,000
Other costs	224,716	138,774
Total funds	551,080	641,138

All expenditure on the provision of education is unrestricted except for other costs of £6,310 in 2021 which were restricted.

8 Expenditure on: Charitable activities – Support of members of the Institute and their ministry

	2022 £	2021 £
Staff costs (including agency staff)	590,846	893,250
Premises	340,800	351,735
Brothers' living and ministry expenses	198,019	235,566
Education, training and spiritual renewal	17,624	13,258
Depreciation	133,602	129,486
Legal and professional fees	352,102	301,775
Interest payable	139,910	94,715
Governance costs	27,600	27,200
Other costs	28,650	9,169
Total funds	1,829,153	2,056,154

Governance costs include auditor's remuneration for statutory audit services of £27,600 (2021 – £27,200 for statutory audit services and advisory services).

All expenditure on support of members of the Institute and their ministry is unrestricted except for other costs of £3,720 (2021 – £nil) which are restricted.

9 Expenditure on: Charitable activities – Donations and contributions to projects

	2022 £	2021 £
Overseas missions and projects	20,000	20,000
Other	898	707
Total funds	20,898	20,707

All donations and contributions to projects relate to unrestricted funds.

10 Expenditure on: Charitable activities – District costs

	2022 £	As restated 2021 £
Staff and consultancy costs	276,986	213,470
Mission expenses	51,124	16,580
District Council expenses	42,284	19,473
Contributions to Rome and Relem	—	85,965
Other	48,458	67,617
Total funds	418,852	403,105

11 Expenditure on: Other items – Vicarious liability and similar claims

	2022 £	2021 £
Provision for liabilities in respect to claims of alleged abuse inclusive of costs (note 20):		
. England and Wales	60,827	(72,192)
. Scotland	492,827	1,261,175
	553,654	1,188,983

All expenditure relating to vicarious liability and similar claims is in respect to unrestricted funds.

12 Staff costs and remuneration of trustees and key management personnel

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	819,277	1,073,023
Social security costs	66,926	75,706
Pension costs	25,832	26,885
	912,035	1,175,614

The above costs include £nil (2021 – £98,518) in respect to redundancy costs.

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2022 £	2021 £
£60,001 to £70,000	2	1

The average number of employees during the period, analysed by function was:

	2022 £	2021 £
Provision of education	14	13
Support of members of the Institute	16	30
	30	43

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

The trustees consider that they comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis together with the Manager of St John's House for the care of older and frail members of the Institute, the Director of St Cassian's Pastoral Centre, the Director of Mission, the Director of Formation and Vocations and the Chief Financial Officer.

All trustees are members of the Institute and whilst their living and personal expenses are borne by the charity they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or key management (2021 – none). During the year, the total amount donated by the trustees to the charity was £64,078 (2021 – £95,928).

The total remuneration for the year of the other key management personnel (including taxable benefits and employer's national insurance and pension contributions) was £268,490 (2021 – £246,166).

The charity purchases insurance to protect the charity from loss arising from any wrongful or dishonest act of trustees and to indemnify trustees in respect of losses arising from actions they have taken in good faith. The total cover provided by such insurance is £5 million (2021 – £5 million) and the total premium paid in respect of such insurance was £6,883 (2021 – £6,073).

13 Taxation

The Province of Great Britain of the Institute of the Brothers of the Christian Schools Charitable Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

14 Tangible fixed assets

	Freehold land and buildings				
	Specialised £	Non- specialised £	Outdoor educational facilities £	Furniture, equipment and motor vehicles £	Total £
Cost or deemed cost					
At 1 January 2022	5,153,272	550,000	109,184	518,623	6,331,079
Disposals	—	(200,000)	—	(14,215)	(214,215)
At 31 December 2022	<u>5,153,272</u>	<u>350,000</u>	<u>109,184</u>	<u>504,408</u>	<u>6,116,864</u>
At deemed cost	5,153,272	350,000	—	—	5,503,272
At cost	—	—	109,184	504,408	613,592
	<u>5,153,272</u>	<u>350,000</u>	<u>109,184</u>	<u>504,408</u>	<u>6,116,864</u>
Depreciation					
At 1 January 2022	2,301,452	—	11,344	475,879	2,788,675
Charge for the year	103,065	—	19,568	10,969	133,602
On disposals	—	—	—	(14,153)	(14,153)
At 31 December 2022	<u>2,404,517</u>	<u>—</u>	<u>30,912</u>	<u>472,695</u>	<u>2,908,124</u>
Net book values					
At 31 December 2022	<u>2,748,755</u>	<u>350,000</u>	<u>78,272</u>	<u>31,713</u>	<u>3,208,740</u>
At 31 December 2021	<u>2,851,820</u>	<u>550,000</u>	<u>97,840</u>	<u>42,744</u>	<u>3,542,404</u>

As permitted under the transitional provisions of FRS 102, the charity has continued to adopt a policy of not revaluing its tangible fixed assets. They are stated at cost, or, where cost is not available, at a trustees' valuation made as described in the principal accounting policies. The valuation is now deemed to be cost.

It is likely that the open market values of certain of the charity's land and buildings are materially greater than their book values. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of trustees, is not justified in terms of the benefit to the users of the accounts.

15 Programme related investments and assets held for sale

Programme related investments represented land and buildings owned by the charity but which were used by other charitable organisations for purposes consistent with the charity's objectives.

	2022 £	2021 £
Programme related investments		
At 1 January 2022	4,138,000	4,450,000
Disposals	—	(312,000)
Reclassification as current assets held for sale	(4,138,000)	—
At 31 December 2022	<u>—</u>	<u>4,138,000</u>
Programme related investments comprise:		
St John's College, Southsea land and buildings	<u>—</u>	<u>4,138,000</u>

15 Programme related investments and assets held for sale (continued)

	2022 £	2021 £
Assets held for sale		
At 1 January 2022	—	—
Reclassification from programme related investments	4,138,000	—
Revaluation to fair value	8,000,000	—
At 31 December 2022	12,138,000	—
Assets held for sale comprise:		
Land and buildings previously occupied by St John's College, Southsea	12,138,000	—

In September 2020, following a restructure of its finances, St John's College, Southsea agreed to surrender its long lease of the school buildings and to transfer the freehold of playing fields to the charity for aggregate consideration of £4,450,000. As a consequence, all of these properties were classified in the charity's accounts as programme related investments from that date. At the same time, the charity entered into new leases with the College in respect to four properties on the Southsea site (for two year terms), the remaining Southsea main site (for a ten year term) and the playing fields (for a ten year term).

During 2021, part of the land and buildings was disposed of. The realised gain of £369,840 is shown as income in the statement of financial activities for that year.

St John's College, Southsea closed at the end of the summer term 2022 and the school is now in voluntary liquidation. The unencumbered freehold of the land and buildings reverted back to the charity as at that date. Since the year end, all of the land and buildings have been sold for proceeds of £12,450,000 being placed on the market before 31 December 2022. As a result, the land and buildings have been reclassified in these accounts as current assets held for sale.

The costs of maintaining the land and buildings, including insurance and security costs, following the closure of the school have been included as other expenditure in the statement of financial activities.

16 Listed investments

	2022 £	2021 £
Listed investments		
Market value at 1 January 2022	22,478,295	22,992,777
Additions at cost	2,514,217	2,678,199
Disposals at opening market value (proceeds: £3,707,000; losses: £233,612)	(3,940,612)	(5,980,128)
Net unrealised investment (losses) gains	(1,802,597)	2,787,447
Market value at 31 December 2022	19,249,303	22,478,295
Cash held by investment managers for re-investment	185,726	343,756
	19,435,029	22,822,051
Cost of listed investments at 31 December 2022	14,670,065	15,757,792

16 Listed investments (continued)

Listed investments (excluding cash) held at 31 December 2022 comprised the following:

	2022 £	2021 £
Equities (UK)	8,898,241	10,947,755
Equities (overseas)	6,096,339	6,765,268
Fixed interest investments (UK)	1,573,076	1,687,239
Fixed interest investments (overseas)	396,273	429,154
Property funds	605,823	914,340
Other listed investments (Infrastructure and private equity (property))	1,679,551	1,734,539
	19,249,303	22,478,295

There were no individual holdings that represented a material percentage of the listed investment portfolio as at 31 December 2022 (2021 – none).

During the year the listed investments were used as security against a loan to the charity (note 19).

17 Debtors

	2022 £	2021 £
Amounts due within one year		
Prepayments	2,478	2,261
Investment income receivable	18,370	13,812
Other debtors	2,500	23,000
	23,348	39,073

18 Creditors: amounts falling due within one year

	2022 £	2021 £
Expense creditors	1,453	13,220
Other creditors	22,421	18,649
Accruals	352,105	107,766
Deferred income	—	83,095
Liability in respect to claims of alleged abuse inclusive of costs (see note 20)	500,000	750,000
	875,979	972,730

19 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Loan	4,851,286	4,616,378

With effect from March 2021, the charity had a 5 year loan facility with the maximum amount of the facility being £6 million. The loan facility was repayable in full by March 2026 but was repaid early without penalty subsequent to the year end in February 2023. Interest was payable at 1.75% per annum above the Bank of England bank rate and was charged quarterly. The loan was secured against the charity's listed investment portfolio (see notes 16 and 26).

20 Provision for liabilities and charges

	2022 £	2021 £
Provision for liabilities in respect to claims of alleged abuse inclusive of costs (see below)	8,000,000	8,250,000

The movements in the provisions are as follows:

	2022 £	2021 £
As at 1 January 2022	8,250,000	8,110,000
Payments made since the period end and classified as a creditor (note 18)	(500,000)	(750,000)
Increase in provision	250,000	890,000
As at 31 December 2022	8,000,000	8,250,000

Vicarious Liability Claims in England and Wales

There are, at present two claims against the charity within the jurisdiction of the Courts in England and Wales relating to historic incidents of alleged child abuse. No liability is accepted at the date of this report and there is currently insufficient corroborative evidence to establish any possible quantum of cost.

Vicarious Liability Claims in Scotland

There are over 70 outstanding claims relating to historic incidents of alleged physical or sex abuse of children now being brought against the charity in Scotland in respect to alleged incidents that took place at educational establishments in that country. All of these claims relate to events that allegedly took place many years ago. Given the abolition of Limitation by the Scottish Parliament (as of 4 October 2017), the historic claims are now being pursued. To date 18 claims have been settled or withdrawn at a total cost of over £2.4 million.

It is estimated that, the aggregate of the reserve on damages and legal costs on the outstanding claims will be around £8 million. Since the charity was not the employer, a successful attempt has now been made by the charity in Scotland to seek a division of damages and costs with the employer organisations which owned and managed the educational establishments but, at present, those organisations have yet to agree any liability. Hence, the estimated full aggregate reserve of £8 million, without any allowance for recovery from the owners and managers, has been provided for in the accounts. In addition, the charity is in discussions with the Scottish Government upon a contribution to the Scottish Redress scheme in circumstances where the Scottish Government now acknowledges that the charity has no responsibility for the share of the separate employer organisations which owned and managed the educational establishments.

The trustees have continued to engage legal experts to act on behalf of the charity to advise on the conduct of the claims being brought against the charity in England and Wales and in Scotland. As noted earlier in this report, the trustees of the charity are aware of their duties in respect to safeguarding and have up to date procedures in place. The charity is a member of the Catholic Safeguarding Standards Agency (CSSA). The trustees are committed to acting in a way which is in the best interests of the charity and its beneficiaries, past, present and future.

21 Restricted funds

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

	At 1 January 2022 as restated £	Income £	Expenditure £	Transfers £	At 31 December 2022 £
District fund	67,609	275,356	(418,852)	157,000	81,113
St Cassian's Appeal fund	21,191	2,258	—	—	23,449
Other funds	19,999	26	(3,720)	—	16,305
	108,799	277,640	(422,572)	157,000	120,867

	At 1 January 2021 as restated £	Income as restated £	Expenditure as restated £	Transfers as restated £	At 31 December 2021 as restated £
District fund	73,389	272,325	(403,105)	125,000	67,609
St Cassian's Appeal fund	8,763	18,738	(6,310)	—	21,191
Other funds	19,999	—	—	—	19,999
	102,151	291,063	(409,415)	125,000	108,799

The District fund

The District fund is to be used for administering and co-ordinating the Institute's District of Ireland, Great Britain and Malta. The transfer from unrestricted funds represents the contribution towards the funds from the charity representing the contribution from Great Britain.

Both income and expenditure in respect to the year to 31 December 2021 and the balances as at 1 January 2021 and 31 December 2021 have been restated in the above tables following an adjustment to include the District fund in the accounts to record transactions relating to the central administration and co-ordination of the mission activities of the District of Ireland, Great Britain and Malta in the accounts of the charity. This follows a review during the year and an acknowledgement that control of these funds does lie with the charity and its trustees. A prior year adjustment has been made therefore.

The St Cassian's Appeal fund

The St Cassian's Appeal fund represents monies raised to support the St Cassian's Pastoral Centre, Kintbury, Berkshire.

22 Designated funds

The income fund of the charity includes the following funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	At 1 January 2022 £	New designations £	At 31 December 2022 £
Care and Development Fund	10,200,000	—	10,200,000
Education Support Fund	5,500,000	500,000	6,000,000
District Support Fund	—	4,000,000	4,000,000
	15,700,000	4,500,000	20,200,000

	At 1 January 2021 £	New designations (releases) £	At 31 December 2021 £
Care and Development Fund	8,961,000	1,239,000	10,200,000
Education Support Fund	6,068,000	(568,000)	5,500,000
	15,029,000	671,000	15,700,000

The purposes for which the funds have been set aside are as follows:

- ◆ The care and development fund represents assets (including tangible fixed assets) set aside to assist with the care of members of the Institute, who have no funds or assets of their own, and to enable them to carry out and support the ongoing pastoral work and ministry of the charity.
- ◆ The educational support fund represents assets (including tangible fixed assets) set aside to assist with the running of the St Cassian's Pastoral Centre in Kintbury and other ongoing educational support activity.
- ◆ The District support fund represents assets put aside to assist with the running of the administration and mission activities for the District of Ireland, Great Britain and Malta.

23 Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total 2022 £
Fund balances at 31 December 2022 are represented by:				
Tangible fixed assets	1,143,568	2,065,172	—	3,208,740
Investments	8,586,915	10,848,114	—	19,435,029
Net current assets	(214,975)	12,138,000	120,867	12,043,892
Creditors due after one year	—	(4,851,286)	—	(4,851,286)
Provisions for liabilities and charges	(8,000,000)	—	—	(8,000,000)
Total net assets	1,515,508	20,200,000	120,867	21,836,375

	General funds £	Designated funds £	Restricted funds £	Total 2021 £
Fund balances at 31 December 2021 are represented by:				
Tangible fixed assets	1,631,886	1,910,518	—	3,542,404
Investments	8,554,191	18,405,860	—	26,960,051
Net current (liabilities) assets	(640,998)	—	41,190	(599,808)
Creditors due after one year	—	(4,616,378)	—	(4,616,378)
Provisions for liabilities and charges	(8,250,000)	—	—	(8,250,000)
Total net assets	1,295,079	15,700,000	41,190	17,036,269

24 Contingent liabilities

In the event of closure or sale of voluntary aided schools provided by the charity, it may become liable to repay grants paid by the Department for Education to finance capital expenditure by those schools. Since figures for total capital grants paid are not readily available, it is not possible to quantify the amount of any contingent liability.

In addition to the vicarious liability and similar claims explained in note 20, it is possible that there may be further potential claims against the charity concerning the welfare of children. The likelihood of these arising, the amounts that may be claimed and the associated costs cannot be quantified at the current time.

25 Related party transactions

Except as disclosed in note 12 to the accounts, there are no other related party transactions requiring disclosure (2021 – none).

26 Post balance sheet events

In February 2023 the St John's College main site was sold for net proceeds of £11,373,000 with a further £780,800 following in September 2023 from the sale of Farlington Playing fields. This allowed for the repayment in full of a loan from Rathbones Investment Management Limited of £4,893,652 with the remaining funds being placed with Rathbones Investment Management Limited for investment.

In June 2023, the property at Clayton Court, Liss was sold for net proceeds of £2.6million.