

CHARITY FOR ROMAN CATHOLIC PURPOSES ADMINISTERED IN CONNECTION WITH THE CONGREGATION OF THE FRANCISCAN MISSIONARY SISTERS (LITTLEHAMPTON)

England & Wales · Charity number 232931

Details

Other names	THE CONGREGATION OF THE FRANCISCAN SISTERS (LITTLEHAMPTON), F M S L
Status	Registered
Legal form	Trust
Registered	1964-03-20
Register	View on the Charity Commission register

Contact

Address	St. Joseph's Nursing Home 41 East Street Littlehampton West Sussex BN17 6AU
Phone	02075664000
Email	fmsl@franciscan.co.uk
Website	www.franciscan.co.uk

Activities

Objects: SUCH CHARITABLE PURPOSES AS SHALL ADVANCE THE RELIGIOUS AND OTHER CHARITABLE WORK OF THE CONGREGATION OF THE FRANCISCAN SISTERS (LITTLEHAMPTON) WHICH INCLUDES ENGLAND AS THE TRUSTEES WITH THE APPROVAL OF THE SUPERIOR SHALL FROM TIME TO TIME THINK FIT AND IF AT ANY TIME THE ORDER SHALL CEASE TO EXIST OR SHALL CEASE TO CARRY ON RELIGIOUS OR OTHER CHARITABLE WORK OF SUCH CONGREGATION THEN FOR SUCH OTHER LAWFUL CHARITABLE PURPOSES CONNECTED WITH THE ADVANCEMENT OF THE ROMAN CATHOLIC RELIGION AS THE TRUSTEES SHALL DETERMINE.

Activities: To support the religious and other charitable works carried out by the order and by the Roman Catholic Church and others, through the provision of nursing and residential care and community care, missionary work overseas and the support of the Congregation itself.

Classification

- **How:** Provides Human Resources, Provides Services
- **What:** The Advancement Of Health Or Saving Of Lives, Religious Activities
- **Who:** Elderly/old People

Geography

- **Area of benefit:** NATIONAL
- India
- Ireland
- Bradford City
- Kent
- Surrey
- West Sussex

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,392,817	£2,470,951	£11,338,266	79
2024-03-31	£2,801,441	£2,293,708	£11,788,090	80
2023-03-31	£2,244,310	£2,397,297	£10,598,374	75
2022-03-31	£3,060,354	£2,266,884	£11,944,019	72
2021-03-31	£1,932,239	£2,058,385	£11,178,713	68

Trustees

Name	Role	Appointed
Sister Ann McLaughlin	Chair	2014-01-31
SISTER ELIZABETH MORRIS		2014-01-31
Sister Brenda Bowers		2021-01-28
Sister Clare Knowles		2023-01-12
Sister Promodini Ekka		2023-01-12

Accounts

REGISTERED CHARITY NUMBER: 232931

**The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

**Report of the Trustees and
Financial Statements for the Year Ended 31 March 2025**

**The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

**Contents of the Financial Statements
for the Year Ended 31 March 2025**

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**The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

**Reference and Administrative Details
for the Year Ended 31 March 2025**

REVEREND MOTHER GENERAL (TRUSTEE)	Sister B Bowers
GENERAL COUNCIL (TRUSTEES)	Sister C A McLaughlin Sister E Morris Sister C B Knowles Sister Promodini Ekka
PROVINCIAL BURSAR	Ms Jane Sheppard
PRINCIPAL ADDRESS	St Joseph's Convent East Street Littlehampton West Sussex BN17 6AU
REGISTERED CHARITY NUMBER	232931
AUDITORS	Hodson & Co Wiston House 1 Wiston Avenue Worthing West Sussex BN14 7QL
BANKERS	Lloyds Bank plc 33-37 High Street Bognor Regis West Sussex PO21 1RS
SOLICITORS	SBP Law Solicitors Glade House 52-54 Carter Lane London EC4V 5EL
OTHER ADVISORS	Sister Helen Costigane SHCJ 262 Latymer Court Hammersmith Road W6 7LB Investment Asset Managers Quilter Cheviot 85 Queen Victoria Street London EC4V 4AB

The Congregation of the Franciscan Sisters (Littlehampton) Charitable Trust

**Report of the Trustees
for the Year Ended 31 March 2025**

The trustees present their report with the financial statements of the charity for the year ended 31 March 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives, aims, and principle activities

The charitable trust aims to support the religious and other charitable works carried on by the order and by the Roman Catholic Church and others. These works fall into the following three main areas:

1) Providing residential, social welfare and pastoral work

To care for the elderly, nursing the elderly, visiting families and elderly and frail in their own homes; visiting hospitals, organising group activities with young, and not so young, pastoral work in any area where there is a need or where there is a request for support.

Operations of residential and care establishments

The sisters provide care and assistance at the following establishments:

UK Establishments	Activities
St Joseph's Nursing Home	Nursing care for 24 residents.
Old House/St. Clare's (Annexe to St Josephs)	Support for relatives etc.
St Anne's, Burgess Hill	Residential Care Home for 19 residents.
32 Broomfield Street, Airdrie	We purchased a property in Airdrie, Scotland for Sr Elizabeth Morris, as part of the downsizing of the Congregation. She will be involved in Parish ministry.

2) Missionary work and charitable donations

To carry out and support missionary work throughout the world through the activities of the sisters. To support Catholic and appropriate charities and charitable works through donation throughout the world where funds allow. eg coffee mornings for Haiti, Nigeria and refugees.

The sisters provide care and assistance at the following establishments:

St Mary of the Angels, Knock (Ireland)	House to be sold when all the necessary retrospective permissions have been sought. This is in progress.
14 St Thomas's Crescent, Knock (Ireland)	3-bedroom bungalow purchased in the second calendar quarter of 2025 for the Sisters. The sisters will continue to be a presence in Knock, offering limited hospitality and spiritual outreach.

Also at the related charity set up in India:

St Francis Convent, Mysore, India	House of Formation and service to local people including in education as teachers in local schools.
St Anthony's Convent, Belwadi, India	House of Formation and service to local people, including prison visiting, and in planning, help for children with learning disabilities.
House in MATTATHIPARA, Kerala, India	On land purchased by excess money March 2023. Not yet occupied. For Formation, work in the Parish and service to local population. As yet not occupied by the Sisters due to limited numbers.

**Report of the Trustees
for the Year Ended 31 March 2025**

OBJECTIVES AND ACTIVITIES

3) Upkeep and support of the Congregation

To maintain, develop, care for and support the sisters and the Congregation, and maintain and subsidise apostolates and develop and support Sisters in Formation.

The Trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Achievements and Performance

1) Providing residential and social welfare and pastoral care

The Congregation continued to provide care and support through its establishments and through the sisters activities in the local communities. Occupancy levels were affected by the Covid pandemic (see below) at the residential care homes throughout the period. There was continued pressure on costs particularly utilities, food and staff costs requiring careful financial management. Although we survived the Covid pandemic, ensuring the safety of residents, occupancy has never really picked up. Full occupancy has still to be achieved.

2) Missionary work and charitable donations

The Mysore Formation Community continues to benefit from the Congregation's support of their work and mission, just as the local community benefits from the Sisters' presence and simple lifestyles. We have had further building work completed in the Belwadi area to enable further apostolates.

The flat in Airdrie was purchased using monies received as a legacy to the Congregation.

3) Upkeep and support of the Congregation

During the year the charity continued to support members of the congregation with their charitable and religious work. Assessment is made continuously on the viability of each house and its apostolate. Adaptation is always on the agenda.

Medical care continued to be provided for all the Sisters within our establishments. However, four Sisters are receiving care in residential Care Homes with Nursing. Three in England, one in Ireland.

Our properties that needed major refurbishment and maintenance were treated to an overhaul. The maintenance survey of 2023/2024 continues to be used to prioritise work that still needs to be completed.

The number of Residents in each of our Care Homes means that we have to ensure that we have a reserve to meet the ever increasing bills in utilities, food and staff costs.

The trustees continue to monitor the overall financial performance of the trust, in association with advice from its financial and professional advisers. In particular, a more detailed and regular review of the monthly management reports is undertaken to measure performance against budget and to evaluate the cost effectiveness of the various operations of the trust.

Due to the advancing age of the Sisters, lack of new, younger Sisters and the size of the properties, we took the radical decision to review our Care Homes. We have only 7 Finally Professed Sisters 80 years and under in this country, which effects future management and Trustees. We have 6 Sisters in Care.

Due to financial problems and an unsatisfactory CQC Report, the Trustees agreed to sell St Anne's Residential Care Home and Convent, Burgess Hill. This is due for completion in October 2025.

**Report of the Trustees
for the Year Ended 31 March 2025**

FINANCIAL REVIEW

Financial Review

The results for the year are shown on page 10. The income from residents has been maintained but operational expenditure increased due to inflationary pressures and had to be kept under careful control during the year. Donations were made to support the work of local charities and those related to the Congregation or its works. The charity suffered realised and unrealised losses of £371,690 on its investment assets in the year.

During the year, the charity's surplus cash funds were invested in a mix of fixed interest and equities in order to get the best possible but safe return to meet the demands for the future, following advice from bank advisers and investment brokers. The funds invested are shown under investments on the balance sheet.

Reserves Policy and Financial Position

Designated funds have been set up by the trustees for specific purposes. Firstly, a property and equipment fund of £2,965,106, which represents the amount of the trust's money which is tied up in property and equipment used to support the residential care activities of the trust and religious activities of the sisters. Secondly, £4,000,000 is set aside to provide for the sisters' medical and retirement care. Future income has to cope with more of our Convents being dependent on Congregational resources. Thirdly, £400,000 is set aside for the formation fund. The formation fund was set up to support continuous formation, both in the UK and overseas.

The remaining funds, £3,973,160 shown in the general fund, represent just over eighteen months expenditure, which the trustees believe are sufficient and necessary to meet the trust's ongoing working capital needs as well as funds required to maintain the operational assets and a continuous service provision, particularly in relation to the provision to our vulnerable beneficiaries should there be an unexpected down turn in income, and funds to provide for the rising costs of employing paid staff.

Total funds held at 31 March 2025 are £11,338,266. The trustees recognise the need to continue to build up future reserves, because at present all the Sisters who hold positions of responsibility in trust's Care Homes or who give a service whatever, do so on a voluntary unpaid capacity. In the longer term the Trust will have to employ staff to take over these roles and there will be a need for cash to meet such appointments.

Investment Policy

The trustees have adopted a prudent and ethical approach to investment and invested in fixed interest stock or equities on the advice received from Cheviots Investment Asset Managers, who manage the stock under their investment management service on a referral basis. The trustees regularly monitor and review the investments and take advice as appropriate. We continue to receive updates and advice from Mr William Reid as our Investment Asset Manager, and his team. During the year, we reviewed, under the team's guidance, the whole portfolio with a view to better returns on our investments.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Congregation of the Franciscan Sisters (Littlehampton) is an English Roman Catholic Religious Order, founded in 1911 in Littlehampton. The accounts accompanying this report are the accounts of the charitable trust on which the assets of the order are held. The trust is governed by a trust deed dated 13th December 1963 and is registered under the Charities Act 1993 - Charity Registration No. 232931.

Organisation

The trustees are appointed by the Finally Professed members of the Congregation during their 3 yearly Chapter. Term of Office runs from Chapter to Chapter. The trustees may be re-elected for a second term but not for longer than a third term. The Superior General is a Chairperson during her term of office. The current trustees were appointed at General Chapter meeting held in 2022 except as indicated and their names are set out in the fly sheet accompanying the report and accounts.

**The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

**Report of the Trustees
for the Year Ended 31 March 2025**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Senior management team and pay policy for senior staff

The trustees consider the board of trustees are the senior management team as they comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give of their time freely and no trustees received remuneration from the charity in the year. Details of trustees' expenses and related party transactions are disclosed in the notes to the accounts.

Salaries of the senior employees are set by the Board of Trustees in line with sector pay levels and market rates.

Principal risks and uncertainties

The Charity has a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks we may face, prioritising them in terms of potential impact and likelihood of occurrence, and identifying the means of mitigating each potential risk. This is reviewed regularly by the trustees and where risks are identified, appropriate mitigations are put in place.

The main operational risks that the charity faces is loss of income through low levels of resident occupancy in the care homes and poor CQC ratings.

The main financial risk is from under-performing investment funds and the need to withdraw funds from the investment portfolio to supplement shortfalls in income from other sources. We currently withdraw £50,000 each month from Quilter Cheviot for staff wages. However some months this amount and more is returned to Quilter Cheviot. With more Sisters now receiving Care the amount drawn from Cheviot is likely to rise in spite of receiving funding from W.S.C.C.

The trustees believe that maintaining reserves at current levels, combined with the annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

Recruitment and appointment of trustees

Appointment of trustees is governed by the Trust Deed of the charity. The Trustees are authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee according to the Trust Deed.

The Trustees are elected every three years by the Finally Professed Sisters of the Congregation. During the preparations for the elections the Sisters are reminded of the Role and Responsibilities of a Trustee. As a Board of Trustees we follow the guidance of the Charity Commission on the Role and Responsibilities of Trustees.

Induction and training of trustees

All trustees are already familiar with the practical work of the charity. If new trustees were to be appointed, short training sessions would be undertaken to familiarise new trustees with the charity and the context within which it operates.

Plans for the Future

The Congregation plans to continue to provide residential and welfare services and pastoral care through its homes and communities. The purchase or letting of other properties is being pursued, with two properties already purchased, One flat rented and one more in process of being purchased in Derry. The maintenance programme, already started, will continue throughout the year.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust

Report of the Trustees
for the Year Ended 31 March 2025

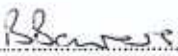
TRUSTEES' RESPONSIBILITY STATEMENT

Charity law requires the trustees to prepare accounts that give a true and fair view of the state of affairs of the charitable trust and of the surplus or deficit for its financial year. In doing so the trustees are required to:

- * Select suitable accounting policies and then apply them consistently;
- * Observe the methods and principles in the charity SORP;
- * Make judgements and estimates that are reasonable and prudent;
- * State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- * Prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue to function.

The trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable trust and to enable them to ensure that the accounts comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charitable trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 13.11.2025 and signed on its behalf by:


.....
Sister B Bowers - Trustee

**Report of the Independent Auditors to the Trustees of
The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

Opinion

We have audited the financial statements of The Congregation of the Franciscan Sisters (Littlehampton) Charitable Trust (the 'charity') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Report of the Independent Auditors to the Trustees of
The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities 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.

- * Obtaining an understanding of the legal and regulatory frameworks that the charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- * Enquiry of management about any instances of non-compliance with laws and regulations;
- * Enquiry of management to identify any instances of known or suspected instances of fraud;
- * Enquiry of management and those charged with governance around actual and potential litigation and claims;
- * Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- * Reviewing minutes of meetings of those charged with governance; and
- * Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations. If a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of
The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 auditors' 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.



Hodson & Co
Statutory Auditor
Wiston House
1 Wiston Avenue
Worthing
West Sussex
BN14 7QL

Date: 13/11/2025

**The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

**Statement of Financial Activities
for the Year Ended 31 March 2025**

		31.3.25 Unrestricted funds £	31.3.24 Total funds £
	Notes		
INCOME FROM			
Voluntary income	2	190,381	21,934
Activities in furtherance of the charity's objects	3	1,958,787	1,840,741
Investment income	4	239,074	256,266
Profit on disposal of fixed assets		4,575	682,500
Total		<u>2,392,817</u>	<u>2,801,441</u>
EXPENDITURE ON			
Raising funds	5	(16,085)	46,184
Charitable activities	6		
Upkeep of Congregation		210,609	162,299
Cost of providing residential care services		2,257,093	2,066,229
Missionary work and charitable donations		19,334	18,996
Total		<u>2,470,951</u>	<u>2,293,708</u>
Net gains/(losses) on investments		<u>(371,690)</u>	<u>681,983</u>
NET INCOME/(EXPENDITURE)		(449,824)	1,189,716
RECONCILIATION OF FUNDS			
Total funds brought forward		11,788,090	10,598,374
TOTAL FUNDS CARRIED FORWARD		<u>11,338,266</u>	<u>11,788,090</u>

CONTINUING OPERATIONS

All disclosures relate only to continuing operations.

There are no recognised gains for losses other than the net income for the year.

All incoming resources and expended resources in the current and previous year, came from unrestricted funds.

The notes form part of these financial statements

**The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

**Balance Sheet
31 March 2025**

		31.3.25 Unrestricted funds £	31.3.24 Total funds £
	Notes		
FIXED ASSETS			
Tangible assets	12	2,965,106	2,728,223
Investments	13	<u>7,863,560</u>	<u>8,831,628</u>
		10,828,666	11,559,851
CURRENT ASSETS			
Debtors	14	163,616	148,396
Cash at bank		<u>491,851</u>	<u>181,372</u>
		655,467	329,768
CREDITORS			
Amounts falling due within one year	15	(145,867)	(101,529)
		<u>509,600</u>	<u>228,239</u>
NET CURRENT ASSETS		<u>509,600</u>	<u>228,239</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>11,338,266</u>	<u>11,788,090</u>
NET ASSETS		<u>11,338,266</u>	<u>11,788,090</u>
FUNDS	16		
Unrestricted funds:			
General fund		3,973,160	4,659,867
Property and Equipment Fund		2,965,106	2,728,223
Medical & Retirement provision		4,000,000	4,000,000
Formations fund		<u>400,000</u>	<u>400,000</u>
		<u>11,338,266</u>	<u>11,788,090</u>
TOTAL FUNDS		<u>11,338,266</u>	<u>11,788,090</u>

The financial statements were approved by the Board of Trustees and authorised for issue on13.....11.....2025. and were signed on its behalf by:

B Bowers
B Bowers - Trustee

The notes form part of these financial statements

**The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

**Cash Flow Statement
for the Year Ended 31 March 2025**

	Notes	31.3.25 £	31.3.24 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(174,995)</u>	<u>(343,381)</u>
Net cash used in operating activities		<u>(174,995)</u>	<u>(343,381)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(358,878)	(11,851)
Purchase of fixed asset investments		(2,136,313)	(7,573,953)
Sale of tangible fixed assets		8,900	793,932
Sale of fixed asset investments		2,325,887	6,802,988
Unrealised losses on investments		406,804	161,515
Dividends received		<u>239,074</u>	<u>256,266</u>
Net cash provided by investing activities		<u>485,474</u>	<u>428,897</u>
Change in cash and cash equivalents in the reporting period		310,479	85,516
Cash and cash equivalents at the beginning of the reporting period		<u>181,372</u>	<u>95,856</u>
Cash and cash equivalents at the end of the reporting period		<u>491,851</u>	<u>181,372</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 March 2025

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES			
	31.3.25		31.3.24
	£		£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(449,824)		1,189,716
Adjustments for:			
Depreciation charges	117,670		109,750
Losses/(gain) on investments	371,690		(681,983)
Profit on disposal of fixed assets	(4,575)		(682,500)
Dividends received	(239,074)		(256,266)
Increase in debtors	(15,220)		(27,191)
Increase in creditors	<u>44,338</u>		<u>5,093</u>
Net cash used in operations	<u>(174,995)</u>		<u>(343,381)</u>
2. ANALYSIS OF CHANGES IN NET FUNDS			
	At 1.4.24	Cash flow	At 31.3.25
	£	£	£
Net cash			
Cash at bank	<u>181,372</u>	<u>310,479</u>	<u>491,851</u>
	<u>181,372</u>	<u>310,479</u>	<u>491,851</u>
Total	<u>181,372</u>	<u>310,479</u>	<u>491,851</u>

Notes to the Financial Statements
for the Year Ended 31 March 2025

1. ACCOUNTING POLICIES

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)) and the Charities Act 2011.

The Congregation of the Franciscan Sisters is a charitable trust. The charity's principal address is St Joseph's Convent, East Street, Littlehampton, West Sussex, BN17 6AU. The registered charity number is 232931.

Basis of preparation

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The presentation currency of these financial statements is Sterling (£). All amounts in these financial statements have been rounded to the nearest pound unless stated otherwise.

Liabilities and provisions

Liabilities 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.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risk specific to the liability. The unwinding discount is recognised in the Statement of Financial Activities as a finance cost.

Going concern

The Trustees consider that it is appropriate to draw up the charity's accounts on a Going Concern basis because of its substantial cash resources, and investments with continuing income streams from charitable activities and its control over its costs. Its financial position is subject to regular review by the Trustees.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The most significant estimates and assumptions which affect the carrying amount of assets and liabilities in the accounts relate to:

Cost of fixed assets prior to 1997 was estimated based on depreciated current use value. The proportion of land and buildings disposed off is based on an estimate of the proportion of the total estate disposed off as there are no records identifying the original split.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

I. ACCOUNTING POLICIES - continued

Critical accounting judgements and key sources of estimation uncertainty

Useful Economic Lives - The annual depreciation charge for property, plant and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See note 6 for the debtor note.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Income represents fees, legacies and donations and other amounts receivable.

Expenditure

All expenditure is accounted for gross, and when incurred.

Charitable expenditure includes the direct costs of the activities and depreciation on related assets. Where such costs relate to more than one functional cost category, they have been split on either an estimate of time or floor space basis, as appropriate. It includes support costs.

Cost of generating funds represent the investment management fees charge for managing the charity's investment portfolio.

Governance costs comprise those costs associated with the meeting the constitutional and statutory requirements of the charity and are now included within support costs.

Tangible fixed assets

Freehold land and buildings

These have been included in the balance sheet at the trustees estimation of their continuing current use value as at 31st March 1997, or at cost if the expenditure was incurred after 31st March 1997.

Furniture, fittings and equipment

These have been included in the balance sheet at the trustees estimation of their continuing current use value at 31st March 1997, or at cost if the expenditure was incurred after 31st March 1997.

Motor vehicles

These have been included at cost less accumulated depreciation brought forward and depreciation in the current year.

Depreciation is provided on all tangible fixed assets other than freehold land so as to write them off over their anticipated useful lives on a straight line basis:

Freehold property		2% per annum
Furniture, fittings & equipment	Solar panels	Over 20 years
	Other	25% per annum
Motor vehicles		25% per annum

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Investments

Investments are included at their market value at the balance sheet date. Unrealised gains and losses on investments are reported in the Statement of Financial Activities under the separate heading of Net losses/gains on investment assets.

Taxation

The trust is a registered charity and is not subject to corporation tax on its current activities.

Fund accounting

Designated funds comprise amounts which has been set aside at the discretion of the trustees for specific purposes. The purpose and use of the designated unrestricted fund is set out in the notes.

Accumulated funds comprise general funds available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange differences are taken into account in arriving at operating profit.

Defined contribution plan

Pensions and other post retirement obligations

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

2. VOLUNTARY INCOME

	31.3.25	31.3.24
	£	£
Donations & legacies	<u>190,381</u>	<u>21,934</u>

3. ACTIVITIES IN FURTHERANCE OF THE CHARITY'S OBJECTS

	31.3.25	31.3.24
	£	£
Fees and charges for residential and care services	1,797,855	1,673,198
Sisters' salaries and pensions	154,623	139,061
Sundry income	<u>6,309</u>	<u>28,482</u>
	<u>1,958,787</u>	<u>1,840,741</u>

**The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

4. INVESTMENT INCOME		31.3.25	31.3.24
		£	£
Investment income		<u>239,074</u>	<u>256,266</u>
5. RAISING FUNDS			
Other trading activities		31.3.25	31.3.24
		£	£
Foreign exchange gain/loss		2,025	1,721
Investment charges		<u>(18,110)</u>	<u>44,463</u>
		<u>(16,085)</u>	<u>46,184</u>
6. CHARITABLE ACTIVITIES COSTS			
	Direct	Support	Totals
	Costs	costs (see	
	£	note 7)	£
Upkeep of Congregation	164,950	45,659	210,609
Cost of providing residential care services	1,697,957	559,136	2,257,093
Missionary work and charitable donations	<u>19,334</u>	-	<u>19,334</u>
	<u>1,882,241</u>	<u>604,795</u>	<u>2,487,036</u>
7. SUPPORT COSTS			
	Management	Governance	Totals
	£	costs	£
Upkeep of Congregation	45,659	-	45,659
Cost of providing residential care services	<u>551,336</u>	<u>7,800</u>	<u>559,136</u>
	<u>596,995</u>	<u>7,800</u>	<u>604,795</u>
8. AUDITORS' REMUNERATION		31.3.25	31.3.24
		£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements		<u>7,800</u>	<u>7,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

9. TRUSTEES' REMUNERATION AND BENEFITS

The trustees who are also the senior management team received no remuneration during the year.

Trustees' expenses

The trustees were reimbursed for reasonable travel costs incurred in the performance of their duties.

10. STAFF COSTS

	31.3.25	31.3.24
	£	£
Wages and salaries	<u>1,371,884</u>	<u>1,278,051</u>
	<u>1,371,884</u>	<u>1,278,051</u>

Wages and salaries expense can be further broken down as follows:

	31.3.25	31.3.24
	£	£
Wages and salaries	1,277,373	1,189,784
Social security costs	74,180	69,113
Employer contributions to defined contribution pension schemes	<u>20,331</u>	<u>19,154</u>
	<u>1,371,884</u>	<u>1,278,051</u>

The average monthly number of employees during the year was as follows:

	31.3.25	31.3.24
Care home staff	<u>79</u>	<u>80</u>

No employees received enrolments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds
	£
INCOME FROM	
Voluntary income	21,934
Activities in furtherance of the charity's objects	1,840,741
Investment income	256,266
Profit on disposal of fixed assets	<u>682,500</u>
Total	<u>2,801,441</u>
EXPENDITURE ON	
Raising funds	46,184
Charitable activities	
Upkeep of Congregation	162,299
Cost of providing residential care services	2,066,229
Missionary work and charitable donations	18,996

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued		Unrestricted funds		
		<u>£</u>		
Total		<u>2,293,708</u>		
Net gains on investments		<u>681,983</u>		
NET INCOME		1,189,716		
RECONCILIATION OF FUNDS				
Total funds brought forward		<u>10,598,374</u>		
TOTAL FUNDS CARRIED FORWARD		<u><u>11,788,090</u></u>		
12. TANGIBLE FIXED ASSETS				
	Freehold property £	Fixtures, fittings & equipment £	Motor vehicles £	Totals £
COST				
At 1 April 2024	3,763,388	1,241,418	258,141	5,262,947
Additions	330,260	4,620	23,998	358,878
Disposals	<u>-</u>	<u>-</u>	<u>(17,298)</u>	<u>(17,298)</u>
At 31 March 2025	<u>4,093,648</u>	<u>1,246,038</u>	<u>264,841</u>	<u>5,604,527</u>
DEPRECIATION				
At 1 April 2024	1,197,362	1,107,387	229,975	2,534,724
Charge for year	69,592	32,570	15,508	117,670
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>(12,973)</u>	<u>(12,973)</u>
At 31 March 2025	<u>1,266,954</u>	<u>1,139,957</u>	<u>232,510</u>	<u>2,639,421</u>
NET BOOK VALUE				
At 31 March 2025	<u>2,826,694</u>	<u>106,081</u>	<u>32,331</u>	<u>2,965,106</u>
At 31 March 2024	<u>2,566,026</u>	<u>134,031</u>	<u>28,166</u>	<u>2,728,223</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

13. FIXED ASSET INVESTMENTS

	Listed investments £	Cash at brokers £	Totals £
MARKET VALUE			
At 1 April 2024	8,484,843	346,785	8,831,628
Additions	2,136,313	-	2,136,313
Disposals	(2,454,044)	(243,533)	(2,697,577)
Revaluations	(406,804)	-	(406,804)
At 31 March 2025	<u>7,760,308</u>	<u>103,252</u>	<u>7,863,560</u>
NET BOOK VALUE			
At 31 March 2025	<u>7,760,308</u>	<u>103,252</u>	<u>7,863,560</u>
At 31 March 2024	<u>8,484,843</u>	<u>346,785</u>	<u>8,831,628</u>
Analysis of listed investments			
		2025 £	2024 £
UK		3,443,016	3,766,439
Overseas		<u>4,317,292</u>	<u>4,718,404</u>
		7,760,308	8,484,843
Historic cost		<u>8,094,649</u>	<u>8,415,096</u>

All investments are held primarily to provide an investment return for the charity.

Listed investments are measured at fair value. The basis for determining the fair value is the quoted market price in the active market at the period end.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25 £	31.3.24 £
Debtors & prepayments	<u>163,616</u>	<u>148,396</u>

The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25	31.3.24
	£	£
Trade creditors	<u>145,867</u>	<u>101,529</u>

16. MOVEMENT IN FUNDS

	At 1.4.24 £	Net movement in funds £	Transfers between funds £	At 31.3.25 £
Unrestricted funds				
General fund	4,659,867	(449,824)	(236,883)	3,973,160
Property and Equipment Fund	2,728,223	-	236,883	2,965,106
Medical & Retirement provision	4,000,000	-	-	4,000,000
Formations fund	400,000	-	-	400,000
	<u>11,788,090</u>	<u>(449,824)</u>	<u>-</u>	<u>11,338,266</u>
TOTAL FUNDS	<u>11,788,090</u>	<u>(449,824)</u>	<u>-</u>	<u>11,338,266</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,392,817	(2,470,951)	(371,690)	(449,824)
	<u>2,392,817</u>	<u>(2,470,951)</u>	<u>(371,690)</u>	<u>(449,824)</u>
TOTAL FUNDS	<u>2,392,817</u>	<u>(2,470,951)</u>	<u>(371,690)</u>	<u>(449,824)</u>

Comparatives for movement in funds

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	3,260,820	1,189,716	209,331	4,659,867
Property and Equipment Fund	2,937,554	-	(209,331)	2,728,223
Medical & Retirement provision	4,000,000	-	-	4,000,000
Formations fund	400,000	-	-	400,000
	<u>10,598,374</u>	<u>1,189,716</u>	<u>-</u>	<u>11,788,090</u>
TOTAL FUNDS	<u>10,598,374</u>	<u>1,189,716</u>	<u>-</u>	<u>11,788,090</u>

**The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,801,441	(2,293,708)	681,983	1,189,716
	<u>2,801,441</u>	<u>(2,293,708)</u>	<u>681,983</u>	<u>1,189,716</u>
TOTAL FUNDS	<u>2,801,441</u>	<u>(2,293,708)</u>	<u>681,983</u>	<u>1,189,716</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.25 £
Unrestricted funds				
General fund	3,260,820	739,892	(27,552)	3,973,160
Property and Equipment Fund	2,937,554	-	27,552	2,965,106
Medical & Retirement provision	4,000,000	-	-	4,000,000
Formations fund	400,000	-	-	400,000
	<u>10,598,374</u>	<u>739,892</u>	<u>-</u>	<u>11,338,266</u>
TOTAL FUNDS	<u>10,598,374</u>	<u>739,892</u>	<u>-</u>	<u>11,338,266</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	5,194,258	(4,764,659)	310,293	739,892
	<u>5,194,258</u>	<u>(4,764,659)</u>	<u>310,293</u>	<u>739,892</u>
TOTAL FUNDS	<u>5,194,258</u>	<u>(4,764,659)</u>	<u>310,293</u>	<u>739,892</u>

The purposes imposed on each individual fund, and the planned usage of the funds, are explained in the Reserves, Policy, and Financial Position section of the Financial Review in the Trustees Report on Page 4 of the accounts.

A transfer of £236,883 has been made from the general fund to the property and equipment fund in the year to cover the increase in the value of tangible fixed assets in the year.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

17. RELATED PARTY DISCLOSURES

As a religious community any income received by the members is received into the charity, including salaries and pensions. The charity provides housing and subsistence to its members including trustees. Each member receives an income for their office together with living accommodation, living expenses and reimbursement of costs. This expenditure is shown under 'support costs'.

At the balance sheet date the amount due to/from The Religious Community was £Nil (2024 - £Nil).

18. NON-ADJUSTING EVENTS AFTER THE END OF THE REPORTING PERIOD

As at 31 March 2025 the Trustees had made the decision to sell St Anne's Residential Care Home and Convent, Burgess Hill and were actively marketing the Care Home. On the 20th October the sale of St Anne's was completed. St Anne's contributed income of £780,000 in the 2025 financial statements.

Accounts

REGISTERED CHARITY NUMBER: 232931

**The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

**Report of the Trustees and
Financial Statements for the Year Ended 31 March 2024**

**The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

**Contents of the Financial Statements
for the Year Ended 31 March 2024**

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**The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

**Reference and Administrative Details
for the Year Ended 31 March 2024**

REVEREND MOTHER GENERAL (TRUSTEE)	Sister B Bowers
GENERAL COUNCIL (TRUSTEES)	Sister C A McLaughlin Sister E Morris Sister C B Knowles Sister Promodini Ekka
PROVINCIAL BURSAR	Ms Jane Sheppard
PRINCIPAL ADDRESS	St Joseph's Convent East Street Littlehampton West Sussex BN17 6AU
REGISTERED CHARITY NUMBER	232931
AUDITORS	Hodson & Co Wiston House 1 Wiston Avenue Worthing West Sussex BN14 7QL
BANKERS	Lloyds Bank plc 33-37 High Street Bognor Regis West Sussex PO21 1RS
SOLICITORS	SBP Law Solicitors Glade House 52-54 Carter Lane London EC4V 5EL
OTHER ADVISORS	Sister Helen Costigane SHCJ 262 Latymer Court Hammersmith Road W6 7LB Investment Asset Managers Quilter Cheviot 85 Queen Victoria Street London EC4V 4AB

Report of the Trustees
for the Year Ended 31 March 2024

The trustees present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives, aims, and principle activities

The charitable trust aims to support the religious and other charitable works carried on by the order and by the Roman Catholic Church and others. These works fall into the following three main areas:

1) Providing residential, social welfare and pastoral work

To care for the elderly, nursing the elderly, visiting families and elderly and frail in their own homes; visiting hospitals, organising group activities with young, and not so young, pastoral work in any area where there is a need or where there is a request for support.

Operations of residential and care establishments

The sisters provide care and assistance at the following establishments:

UK Establishments

St Joseph's Nursing Home
Old House/St. Clare's (Annexe to St Josephs)

Activities

Nursing care for 24 residents.
Support for relatives etc.

St Anne's, Burgess Hill

Residential Care Home for 19 residents.

St Anthony's Convent, Bradford

We accepted an offer of £800,000 for this the property, with exchange of contracts and completion occurring in November 2023.

2) Missionary work and charitable donations

To carry out and support missionary work throughout the world through the activities of the sisters. To support Catholic and appropriate charities and charitable works through donation throughout the world where funds allow. eg coffee mornings for Haiti, Nigeria and refugees.

The sisters provide care and assistance at the following establishments:

St Mary of the Angels, Knock (Ireland)

FMSL presence and accommodation for people who visit Knock. Also a spiritual outreach through an online Gospel sharing group.

Also at the related charity set up in India:

St Francis Convent, Mysore, India
St Anthony's Convent, Belwadi, India

House of Formation and service to local people including in Education as teachers in local schools.

House of Formation and service to local people, including prison visiting, and in planning, help for children with learning disabilities.

House in MATTATHIPARA, Kerala, India

On land purchased by excess money March 2023. Not yet occupied. For Formation, work in the Parish and service to local population.

**The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

**Report of the Trustees
for the Year Ended 31 March 2024**

OBJECTIVES AND ACTIVITIES

3) Upkeep and support of the Congregation

To maintain, develop, care for and support the sisters and the Congregation, and maintain and subsidise apostolates and develop and support Sisters in Formation.

The Trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Achievements and Performance

1) Providing residential and social welfare and pastoral care

The Congregation continued to provide care and support through its establishments and through the sisters activities in the local communities. Occupancy levels were affected by the Covid pandemic (see below) at the residential care homes throughout the period. There was continued pressure on costs particularly utilities, food and staff costs requiring careful financial management. Although we survived the Covid pandemic, ensuring the safety of residents, occupancy has never really picked up. Full occupancy has still to be achieved.

2) Missionary work and charitable donations

The Mysore Formation Community continues to benefit from the Congregation's support of their work and mission, just as the local community benefits from the Sisters' presence and simple lifestyles. We have had further building work completed in the Belwadi area to enable further apostolates.

In March 2023 a quarter acre plot of land in the Pala Diocese of Kerala was purchased by FMSL in India, no funds from the UK charity were used for this purpose. There is potential to build on the land in the future and provide a community of FMSL Sisters in an area with no Religious Congregation presence. Thanks to Benefactors and people in the Parish, the House, estimated to take two years to build is now complete and ready for occupancy.

3) Upkeep and support of the Congregation

During the year the charity continued to support members of the congregation with their charitable and religious work. Assessment is made continuously on the viability of each house and its apostolate. Adaptation is always on the agenda.

Medical care continued to be provided for all the Sisters within our establishments.

Our properties that needed major refurbishment and maintenance were treated to an overhaul. A maintenance survey was completed on all properties and repair work commenced in order of priority, as recommended in the survey.

The number of Residents in each of our Care Homes means that we have to ensure that we have a reserve to meet the ever increasing bills in utilities, food and staff costs.

The trustees continue to monitor the overall financial performance of the trust, in association with advice from its financial and professional advisers. In particular, a more detailed and regular review of the monthly management reports is undertaken to measure performance against budget and to evaluate the cost effectiveness of the various operations of the trust.

The Finance Committee, appointed as a result of the Chapter in November 2022, are in the process of compiling 3/5/10 year plan, re the future in relation to finance and advancing age of the Sisters, lack of new, younger Sisters and the size of the properties. We have only 6 Finally Professed Sisters 70 years and under in this country, which effects future management and Trustees.

Report of the Trustees
for the Year Ended 31 March 2024

FINANCIAL REVIEW

Financial Review

The results for the year are shown on page 10. The income from residents has been maintained but operational expenditure increased due to inflationary pressures and had to be kept under careful control during the year. Donations were made to support the work of local charities and those related to the Congregation or its works. The charity achieved realised and unrealised gains of £681,983 on its investment assets in the year, which can be mainly attributable to decreases in worldwide inflation and interest rate reductions.

During the year, the charity's surplus cash funds were invested in a mix of fixed interest and equities in order to get the best possible but safe return to meet the demands for the future, following advice from bank advisers and investment brokers. The funds invested are shown under investments on the balance sheet.

Reserves Policy and Financial Position

Designated funds have been set up by the trustees for specific purposes. Firstly, a property and equipment fund which represents the amount of the trust's money which is tied up in property and equipment used to support the residential care activities of the trust and religious activities of the sisters. Secondly, £4,000,000 is set aside to provide for the sisters' medical and retirement care. Future income has to cope with more of our Convents being dependent on Congregational resources. The Formation fund was set up to support continuous formation, both in the UK and overseas.

The remaining funds represent just under two years expenditure, which the trustees believe are sufficient and necessary to meet the trust's ongoing working capital needs as well as funds required to maintain the operational assets and a continuous service provision, particularly in relation to the provision to our vulnerable beneficiaries should there be a unexpected down turn in income, and funds to provide for the rising costs of employing paid staff.

The trustees recognise the need to continue to build up future reserves, because at present all the Sisters who hold positions of responsibility in trust's Care Homes or who give a service whatever, do so on a voluntary unpaid capacity. In the longer term the Trust will have to employ staff to take over these roles and there will be a need for cash to meet such appointments.

Once the Mandates from the General Chapter have been investigated in 2023-2024 the Trustees will be in a better position to review the viability of the two care homes and look at the financial sustainability for the entire Congregation.

Investment Policy

The trustees have adopted a prudent and ethical approach to investment and invested in fixed interest stock or equities on the advice received from Cheviots Investment Asset Managers, who manage the stock under their investment management service on a referral basis. The trustees regularly monitor and review the investments and take advice as appropriate. In the current financial year Mr William Reid has taken over as our Investment Asset Manager, so under his guidance we will be reviewing the whole portfolio with a view to better returns on our investments.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Congregation of the Franciscan Sisters (Littlehampton) is an English Roman Catholic Religious Order, founded in 1911 in Littlehampton. The accounts accompanying this report are the accounts of the charitable trust on which the assets of the order are held. The trust is governed by a trust deed dated 13th December 1963 and is registered under the Charities Act 1993 - Charity Registration No. 232931.

Organisation

The trustees are appointed by the Finally Professed members of the Congregation during their 3 yearly Chapter. Term of Office runs from Chapter to Chapter. The trustees may be re-elected for a second term but not for longer than a third term. The Superior General is a Chairperson during her term of office. The current trustees were appointed at General Chapter meeting held in 2022 except as indicated and their names are set out in the fly sheet accompanying the report and accounts.

Report of the Trustees
for the Year Ended 31 March 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Senior management team and pay policy for senior staff

The trustees consider the board of trustees are the senior management team as they comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give of their time freely and no trustees received remuneration from the charity in the year. Details of trustees' expenses and related party transactions are disclosed in the notes to the accounts.

Salaries of the senior employees are set by the Board of Trustees in line with sector pay levels and market rates.

Principal risks and uncertainties

The Charity has a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks we may face, prioritising them in terms of potential impact and likelihood of occurrence, and identifying the means of mitigating each potential risk. This is reviewed regularly by the trustees and where risks are identified, appropriate mitigations are put in place.

The main operational risks that the charity faces is loss of income through low levels of resident occupancy in the care homes and poor CQC ratings.

The main financial risk is from under-performing investment funds and the need to withdraw funds from the investment portfolio to supplement shortfalls in income from other sources. We currently withdraw £50,000 each month from Quilter Cheviot for staff wages. However some months this amount and more is returned to Quilter Cheviot.

The trustees believe that maintaining reserves at current levels, combined with the annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

Recruitment and appointment of trustees

Appointment of trustees is governed by the Trust Deed of the charity. The Trustees are authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee according to the Trust Deed.

The Trustees are elected every three years by the Finally Professed Sisters of the Congregation. During the preparations for the elections the Sisters are reminded of the Role and Responsibilities of a Trustee. As a Board of Trustees we follow the guidance of the Charity Commission on the Role and Responsibilities of Trustees.

Induction and training of trustees

All trustees are already familiar with the practical work of the charity. If new trustees were to be appointed, short training sessions would be undertaken to familiarise new trustees with the charity and the context within which it operates.

Plans for the Future

The Congregation plans to continue to provide residential and welfare services and pastoral care through its homes and communities. The sale or letting of other properties will be considered on the basis of the availability of members to occupy these properties and their financial viability. The maintenance programme, already started, will continue throughout the year.

The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust

Report of the Trustees
for the Year Ended 31 March 2024

TRUSTEES' RESPONSIBILITY STATEMENT

Charity law requires the trustees to prepare accounts that give a true and fair view of the state of affairs of the charitable trust and of the surplus or deficit for its financial year. In doing so the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue to function.

The trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable trust and to enable them to ensure that the accounts comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charitable trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on13.12.2024..... and signed on its behalf by:

B Bowers
Sister B Bowers - Trustee

**Report of the Independent Auditors to the Trustees of
The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

Opinion

We have audited the financial statements of The Congregation of the Franciscan Sisters (Littlehampton) Charitable Trust (the 'charity') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Report of the Independent Auditors to the Trustees of
The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities 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.

- * Obtaining an understanding of the legal and regulatory frameworks that the charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- * Enquiry of management about any instances of non-compliance with laws and regulations;
- * Enquiry of management to identify any instances of known or suspected instances of fraud;
- * Enquiry of management and those charged with governance around actual and potential litigation and claims;
- * Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- * Reviewing minutes of meetings of those charged with governance; and
- * Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations. If a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of
The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 auditors' 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.



Hodson & Co
Statutory Auditor
Wiston House
1 Wiston Avenue
Worthing
West Sussex
BN14 7QL

Date:13/12/2024.....

The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust

Statement of Financial Activities
for the Year Ended 31 March 2024

	Notes	31.3.24 Unrestricted funds £	31.3.23 Total funds £
INCOME FROM			
Voluntary income	2	21,934	88,642
Activities in furtherance of the charity's objects	3	1,840,741	1,928,241
Investment income	4	256,266	218,827
Profit on disposal of fixed assets		<u>682,500</u>	<u>8,600</u>
Total		<u>2,801,441</u>	<u>2,244,310</u>
 EXPENDITURE ON			
Raising funds	5	46,184	42,612
Charitable activities	6		
Upkeep of Congregation		162,299	230,704
Cost of providing residential care services		2,066,229	2,110,236
Missionary work and charitable donations		<u>18,996</u>	<u>13,745</u>
Total		<u>2,293,708</u>	<u>2,397,297</u>
 Net gains/(losses) on investments		<u>681,983</u>	<u>(1,192,658)</u>
NET INCOME/(EXPENDITURE)		1,189,716	(1,345,645)
 RECONCILIATION OF FUNDS			
Total funds brought forward		<u>10,598,374</u>	<u>11,944,019</u>
 TOTAL FUNDS CARRIED FORWARD		<u>11,788,090</u>	<u>10,598,374</u>

CONTINUING OPERATIONS

All disclosures relate only to continuing operations.

There are no recognised gains for losses other than the net income for the year.

All incoming resources and expended resources in the current and previous year, came from unrestricted funds.

The notes form part of these financial statements

The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust

Balance Sheet
31 March 2024

	Notes	31.3.24 Unrestricted funds £	31.3.23 Total funds £
FIXED ASSETS			
Tangible assets	12	2,728,223	2,937,554
Investments	13	<u>8,831,628</u>	<u>7,540,195</u>
		11,559,851	10,477,749
CURRENT ASSETS			
Debtors	14	148,396	121,205
Cash at bank		<u>181,372</u>	<u>95,856</u>
		329,768	217,061
CREDITORS			
Amounts falling due within one year	15	(101,529)	(96,436)
		<u>228,239</u>	<u>120,625</u>
NET CURRENT ASSETS			
		<u>11,788,090</u>	<u>10,598,374</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>11,788,090</u>	<u>10,598,374</u>
NET ASSETS			
FUNDS			
Unrestricted funds:			
General fund		4,659,867	3,260,820
Property and Equipment Fund		2,728,223	2,937,554
Medical & Retirement provision		4,000,000	4,000,000
Formations fund		<u>400,000</u>	<u>400,000</u>
		11,788,090	10,598,374
TOTAL FUNDS			
		<u>11,788,090</u>	<u>10,598,374</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 13.12.2024 and were signed on its behalf by:

B Bowers
B Bowers - Trustee

The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust

Cash Flow Statement
for the Year Ended 31 March 2024

	Notes	31.3.24 £	31.3.23 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(343,381)</u>	<u>(341,108)</u>
Net cash used in operating activities		<u>(343,381)</u>	<u>(341,108)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(11,851)	(23,908)
Purchase of fixed asset investments		(7,573,953)	(1,720,496)
Sale of tangible fixed assets		793,932	8,600
Sale of fixed asset investments		6,802,988	1,314,097
Cash at broker - Movement in year		-	518,552
Unrealised losses on investments		161,515	-
Dividends received		<u>256,266</u>	<u>218,827</u>
Net cash provided by investing activities		<u>428,897</u>	<u>315,672</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		<u>85,516</u>	<u>(25,436)</u>
Cash and cash equivalents at the end of the reporting period		<u>181,372</u>	<u>95,856</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 March 2024

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM
OPERATING ACTIVITIES

	31.3.24	31.3.23
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	1,189,716	(1,345,645)
Adjustments for:		
Depreciation charges	109,750	122,476
(Gain)/losses on investments	(681,983)	1,192,658
Profit on disposal of fixed assets	(682,500)	(8,600)
Dividends received	(256,266)	(218,827)
Increase in debtors	(27,191)	(71,810)
Increase/(decrease) in creditors	<u>5,093</u>	<u>(11,360)</u>
Net cash used in operations	<u>(343,381)</u>	<u>(341,108)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23	Cash flow	At 31.3.24
	£	£	£
Net cash			
Cash at bank	<u>95,856</u>	<u>85,516</u>	<u>181,372</u>
	<u>95,856</u>	<u>85,516</u>	<u>181,372</u>
Total	<u>95,856</u>	<u>85,516</u>	<u>181,372</u>

Notes to the Financial Statements
for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)) and the Charities Act 2011.

The Congregation of the Franciscan Sisters is a charitable trust. The charity's principal address is St Joseph's Convent, East Street, Littlehampton, West Sussex, BN17 6AU. The registered charity number is 232931.

Basis of preparation

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The presentation currency of these financial statements is Sterling (£). All amounts in these financial statements have been rounded to the nearest pound unless stated otherwise.

Liabilities and provisions

Liabilities 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.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risk specific to the liability. The unwinding discount is recognised in the Statement of Financial Activities as a finance cost.

Going concern

The Trustees consider that it is appropriate to draw up the charity's accounts on a Going Concern basis because of its substantial cash resources, and investments with continuing income streams from charitable activities and its control over its costs. Its financial position is subject to regular review by the Trustees.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The most significant estimates and assumptions which affect the carrying amount of assets and liabilities in the accounts relate to:

Cost of fixed assets prior to 1997 was estimated based on depreciated current use value. The proportion of land and buildings disposed off is based on an estimate of the proportion of the total estate disposed off as there are no records identifying the original split.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES - continued

Critical accounting judgements and key sources of estimation uncertainty

Useful Economic Lives - The annual depreciation charge for property, plant and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See note 6 for the debtor note.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Income represents fees, legacies and donations and other amounts receivable.

Expenditure

All expenditure is accounted for gross, and when incurred.

Charitable expenditure includes the direct costs of the activities and depreciation on related assets. Where such costs relate to more than one functional cost category, they have been split on either an estimate of time or floor space basis, as appropriate. It includes support costs.

Cost of generating funds represent the investment management fees charge for managing the charity's investment portfolio.

Governance costs comprise those costs associated with the meeting the constitutional and statutory requirements of the charity and are now included within support costs.

Tangible fixed assets

Freehold land and buildings

These have been included in the balance sheet at the trustees estimation of their continuing current use value as at 31st March 1997, or at cost if the expenditure was incurred after 31st March 1997.

Furniture, fittings and equipment

These have been included in the balance sheet at the trustees estimation of their continuing current use value at 31st March 1997, or at cost if the expenditure was incurred after 31st March 1997.

Motor vehicles

These have been included at cost less accumulated depreciation brought forward and depreciation in the current year.

Depreciation is provided on all tangible fixed assets other than freehold land so as to write them off over their anticipated useful lives on a straight line basis:

Freehold property		2% per annum
Furniture, fittings & equipment	Solar panels	Over 20 years
	Other	25% per annum
Motor vehicles		25% per annum

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Investments

Investments are included at their market value at the balance sheet date. Unrealised gains and losses on investments are reported in the Statement of Financial Activities under the separate heading of Net losses/gains on investment assets.

Taxation

The trust is a registered charity and is not subject to corporation tax on its current activities.

Fund accounting

Designated funds comprise amounts which has been set aside at the discretion of the trustees for specific purposes. The purpose and use of the designated unrestricted fund is set out in the notes.

Accumulated funds comprise general funds available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange differences are taken into account in arriving at operating profit.

2. VOLUNTARY INCOME

	31.3.24	31.3.23
	£	£
Donations & legacies	<u>21,934</u>	<u>88,642</u>

3. ACTIVITIES IN FURTHERANCE OF THE CHARITY'S OBJECTS

	31.3.24	31.3.23
	£	£
Fees and charges for residential and care services	1,673,198	1,791,088
Sisters' salaries and pensions	139,061	116,402
Sundry income	<u>28,482</u>	<u>20,751</u>
	<u>1,840,741</u>	<u>1,928,241</u>

4. INVESTMENT INCOME

	31.3.24	31.3.23
	£	£
Investment income	<u>256,266</u>	<u>218,827</u>

The Congregation of the Franciscan Sisters (Littlehampton) Charitable Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

5. RAISING FUNDS

Other trading activities	31.3.24	31.3.23
	£	£
Foreign exchange gain/loss	1,721	(980)
Investment charges	<u>44,463</u>	<u>43,592</u>
	<u>46,184</u>	<u>42,612</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 7)	Totals
	£	£	£
Upkeep of Congregation	127,876	34,423	162,299
Cost of providing residential care services	1,610,716	455,513	2,066,229
Missionary work and charitable donations	<u>18,996</u>	<u>-</u>	<u>18,996</u>
	<u>1,757,588</u>	<u>489,936</u>	<u>2,247,524</u>

7. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Upkeep of Congregation	34,423	-	34,423
Cost of providing residential care services	<u>448,513</u>	<u>7,000</u>	<u>455,513</u>
	<u>482,936</u>	<u>7,000</u>	<u>489,936</u>

8. AUDITORS' REMUNERATION

	31.3.24	31.3.23
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>7,000</u>	<u>7,000</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

The trustees who are also the senior management team received no remuneration during the year.

The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

9. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

The trustees were reimbursed for reasonable travel costs incurred in the performance of their duties.

10. STAFF COSTS

	31.3.24	31.3.23
	£	£
Wages and salaries	<u>1,278,051</u>	<u>1,246,125</u>
	<u>1,278,051</u>	<u>1,246,125</u>

The average monthly number of employees during the year was as follows:

	31.3.24	31.3.23
Care home staff	<u>80</u>	<u>75</u>

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
INCOME FROM	
Voluntary income	88,642
Activities in furtherance of the charity's objects	1,928,241
Investment income	218,827
Profit on disposal of fixed assets	<u>8,600</u>
Total	<u>2,244,310</u>
EXPENDITURE ON	
Raising funds	42,612
Charitable activities	
Upkeep of Congregation	230,704
Cost of providing residential care services	2,110,236
Missionary work and charitable donations	<u>13,745</u>
Total	<u>2,397,297</u>
Net gains/(losses) on investments	<u>(1,192,658)</u>
NET INCOME/(EXPENDITURE)	<u>(1,345,645)</u>
RECONCILIATION OF FUNDS	
Total funds brought forward	11,944,019

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

Unrestricted
funds
£

TOTAL FUNDS CARRIED FORWARD

10,598,374

12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures, fittings & equipment £	Motor vehicles £	Totals £
COST				
At 1 April 2023	3,963,087	1,237,566	250,142	5,450,795
Additions	-	3,852	7,999	11,851
Disposals	<u>(199,699)</u>	<u>-</u>	<u>-</u>	<u>(199,699)</u>
At 31 March 2024	<u>3,763,388</u>	<u>1,241,418</u>	<u>258,141</u>	<u>5,262,947</u>
DEPRECIATION				
At 1 April 2023	1,223,441	1,073,658	216,142	2,513,241
Charge for year	62,188	33,729	13,833	109,750
Eliminated on disposal	<u>(88,267)</u>	<u>-</u>	<u>-</u>	<u>(88,267)</u>
At 31 March 2024	<u>1,197,362</u>	<u>1,107,387</u>	<u>229,975</u>	<u>2,534,724</u>
NET BOOK VALUE				
At 31 March 2024	<u>2,566,026</u>	<u>134,031</u>	<u>28,166</u>	<u>2,728,223</u>
At 31 March 2023	<u>2,739,646</u>	<u>163,908</u>	<u>34,000</u>	<u>2,937,554</u>

13. FIXED ASSET INVESTMENTS

	Listed investments £	Cash at brokers £	Totals £
MARKET VALUE			
At 1 April 2023	7,184,356	355,839	7,540,195
Additions	7,573,953	-	7,573,953
Disposals	(6,111,951)	(9,054)	(6,121,005)
Revaluations	<u>(161,515)</u>	<u>-</u>	<u>(161,515)</u>
At 31 March 2024	<u>8,484,843</u>	<u>346,785</u>	<u>8,831,628</u>
NET BOOK VALUE			
At 31 March 2024	<u>8,484,843</u>	<u>346,785</u>	<u>8,831,628</u>
At 31 March 2023	<u>7,184,356</u>	<u>355,839</u>	<u>7,540,195</u>

The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

13. FIXED ASSET INVESTMENTS - continued

	2024	2023
	£	£
Analysis of listed investments		
UK	3,766,439	3,389,813
Overseas	4,718,404	3,794,543
	<u>8,484,843</u>	<u>7,184,356</u>
Historic cost	<u>8,415,096</u>	<u>6,970,530</u>

All investments are held primarily to provide an investment return for the charity.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23
	£	£
Debtors & prepayments	<u>148,396</u>	<u>121,205</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23
	£	£
Trade creditors	<u>101,529</u>	<u>96,436</u>

16. MOVEMENT IN FUNDS

	At 1.4.23	Net movement in funds	Transfers between funds	At 31.3.24
	£	£	£	£
Unrestricted funds				
General fund	3,260,820	1,189,716	209,331	4,659,867
Property and Equipment Fund	2,937,554	-	(209,331)	2,728,223
Medical & Retirement provision	4,000,000	-	-	4,000,000
Formations fund	400,000	-	-	400,000
	<u>10,598,374</u>	<u>1,189,716</u>	<u>-</u>	<u>11,788,090</u>
TOTAL FUNDS	<u>10,598,374</u>	<u>1,189,716</u>	<u>-</u>	<u>11,788,090</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	2,801,441	(2,293,708)	681,983	1,189,716
	<u>2,801,441</u>	<u>(2,293,708)</u>	<u>681,983</u>	<u>1,189,716</u>
TOTAL FUNDS	<u>2,801,441</u>	<u>(2,293,708)</u>	<u>681,983</u>	<u>1,189,716</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	4,507,897	(1,345,645)	98,568	3,260,820
Property and Equipment Fund	3,036,122	-	(98,568)	2,937,554
Medical & Retirement provision	4,000,000	-	-	4,000,000
Formations fund	400,000	-	-	400,000
	<u>11,944,019</u>	<u>(1,345,645)</u>	<u>-</u>	<u>10,598,374</u>
TOTAL FUNDS	<u>11,944,019</u>	<u>(1,345,645)</u>	<u>-</u>	<u>10,598,374</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,244,310	(2,397,297)	(1,192,658)	(1,345,645)
	<u>2,244,310</u>	<u>(2,397,297)</u>	<u>(1,192,658)</u>	<u>(1,345,645)</u>
TOTAL FUNDS	<u>2,244,310</u>	<u>(2,397,297)</u>	<u>(1,192,658)</u>	<u>(1,345,645)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	4,507,897	(155,929)	307,899	4,659,867
Property and Equipment Fund	3,036,122	-	(307,899)	2,728,223
Medical & Retirement provision	4,000,000	-	-	4,000,000
Formations fund	400,000	-	-	400,000
	<u>11,944,019</u>	<u>(155,929)</u>	<u>-</u>	<u>11,788,090</u>
TOTAL FUNDS	<u>11,944,019</u>	<u>(155,929)</u>	<u>-</u>	<u>11,788,090</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	5,045,751	(4,691,005)	(510,675)	(155,929)
TOTAL FUNDS	<u>5,045,751</u>	<u>(4,691,005)</u>	<u>(510,675)</u>	<u>(155,929)</u>

17. RELATED PARTY DISCLOSURES

As a religious community any income received by the members is received into the charity, including salaries and pensions. The charity provides housing and subsistence to its members including trustees. Each member receives an income for their office together with living accommodation, living expenses and reimbursement of costs. This expenditure is shown under 'support costs'.

At the balance sheet date the amount due to/from The Religious Community was £Nil (2023 - £Nil).

Accounts

**THE CONGREGATION OF THE FRANCISCAN SISTERS
(LITTLEHAMPTON)
CHARITABLE TRUST**

Registered Charity No. 232931

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MARCH 2023

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
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The Congregation of the Franciscan Sisters (Littlehampton) Charitable Trust

Reference and Administrative Information

Charity Registration Number:	232931
Address	The Generalate St. Joseph's Convent East Street Littlehampton West Sussex BN17 6AU
Reverend Mother General (Trustee)	Sister B. Bowers
General Council (Trustees)	Sister C. A. McLaughlin Sister E. Morris Sister C. B. Knowles Sister Promodini Ekka
Provincial Bursar	Ms Jane Sheppard
Auditors	Hodson & Co Wiston House 1 Wiston Avenue Worthing BN14 7QL
Solicitor	SBP Law Solicitors, Glade House 52-54 Carter Lane London EC4V 5EL
Bankers	Lloyds Bank plc 1 Beach Road Littlehampton West Sussex BN17 5HY
Financial Advisors	Moore Kingston Smith Financial Advisers Ltd 105 St Peters Street St Albans Herts. AL1 3EJ
Investment Asset Managers	Quilter Cheviot 85 Queen Victoria Street London EC4V 4AB

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Report of the Trustees
For the year ended 31st March 2023

The trustees present their Report and the financial statements for the year ended 31st March 2023

Structure, Governance and Management

The Congregation of the Franciscan Sisters (Littlehampton) is an English Roman Catholic Religious Order, founded in 1911 in Littlehampton. The accounts accompanying this report are the accounts of the charitable trust on which the assets of the order are held. The trust is governed by a trust deed dated 13th December 1963 and is registered under the Charities Act 1993 - Charity Registration No. 232931.

Organisation

The trustees are appointed by the Finally Professed members of the Congregation during their 3 yearly Chapter. Term of Office runs from Chapter to Chapter. The trustees may be re-elected for a second term but not for longer than a third term. The Superior General is a Chairperson during her term of office. The current trustees were appointed at General Chapter meeting held in 2022 except as indicated and their names are set out in the fly sheet accompanying the report and accounts.

Senior Management Team and Pay policy for senior staff

The trustees consider the board of trustees are the senior management team as they comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give of their time freely and no trustees received remuneration from the charity in the year. Details of trustees' expenses and related party transactions are disclosed in the notes to the accounts.

Salaries of the senior employees are set by the Board of Trustees in line with sector pay levels and market rates.

Trustees' Responsibility Statement

Charity law requires the trustees to prepare accounts that give a true and fair view of the state of affairs of the charitable trust and of the surplus or deficit for its financial year. In doing so the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue to function.

The trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable trust and to enable them to ensure that the accounts comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charitable trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal Risks and Uncertainties

The Charity has a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks we may face, prioritising them in terms of potential impact and likelihood of occurrence, and identifying the means of mitigating each potential risk. This is reviewed regularly by the trustees and where risks are identified, appropriate mitigations are put in place.

The main operational risks that the charity faces is loss of income through low levels of resident occupancy in the care homes and poor CQC ratings.

The main financial risk is from under-performing investment funds and the need to withdraw funds from the investment portfolio to supplement shortfalls in income from other sources.

The trustees believe that maintaining reserves at current levels, combined with the annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

Objectives, Aims and Principal Activities

The charitable trust aims to support the religious and other charitable works carried on by the order and by the Roman Catholic Church and others. These works fall into the following three main areas:

1) Providing residential, social welfare and pastoral work

To care for the elderly, nursing the elderly, visiting families and elderly and frail in their own homes; visiting hospitals, organising group activities with young, and not so young, pastoral work in any area where there is a need or where there is a request for support.

**The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Report of the Trustees
For the year ended 31st March 2023 (Continued)**

1) Providing residential and social welfare and pastoral work (continued)

Operations of residential and care establishments

The sisters provide care and assistance at the following establishments:

UK Establishments	Activities
St. Joseph's Nursing Home	Nursing care for 24 residents.
Old House/St. Clare's (Annexe to St. Joseph's)	Support for relatives etc.
St. Anne's Burgess Hill	Residential Care Home for 19 residents.
St. Anthony's Convent, Bradford	The Bradford property was let to tenants, who initially covered the cost of insuring the building but the charity concerned ceased trading in December 2019. The property has been empty since that date. However we have two people who reside there once a week to comply with the building insurance requirements. We put the property on the market in December 2021 and had numerous viewings. We accepted an offer of £800,000 for this the property, with exchange of contracts and completion occurring in November 2023.
La Verna Novitiate House in Hollington	We had been leasing this property as a formation house. This ceased on 28th September 2022.

2) Missionary work and charitable donations

To carry out and support missionary work throughout the world through the activities of the sisters. To support Catholic and appropriate charities and charitable works through donation throughout the world where funds allow. eg coffee mornings for Haiti, Nigeria and refugees.

The sisters provide care and assistance at the following establishments:

St Mary of the Angels, Knock (Ireland)	FMSL Presence and accomodation for people who visit Knock Also a spiritual outreach through an online Gospel sharing group.
Also at the related charity set up in India:	House of Formation and service to local people including
St. Francis Convent, Mysore, India	in Education as teachers in local schools.
St Anthony's Convent, Belwadi India	House of Formation and service to local people, including prison visiting, and in planning, help for children with learning disabilities.

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Report of the Trustees
For the year ended 31st March 2023 (Continued)

3) **Upkeep and support of the Congregation**

To maintain, develop, care for and support the sisters and the Congregation, and maintain and subsidise apostolates and develop and support Sisters in Formation.

The Trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Achievements and Performance

1) **Providing residential and social welfare and pastoral care**

The Congregation continued to provide care and support through its establishments and through the sisters activities in the local communities. Occupancy levels were affected by the Covid pandemic (see below) at the residential care homes throughout the period. There was continued pressure on costs particularly utilities, food and staff costs requiring careful financial management.

Following the Covid pandemic and the period of lockdown, occupancy was slow to pick up so respite admissions helped breach the gap. A poor CQC Inspection rating for St. Joseph's Nursing Home did not help matters and although there have been many enquiries few admissions followed. A further CQC Inspection could remedy that.

2) **Missionary work and charitable donations**

The Mysore Formation Community continues to benefit from the Congregation's support of their work and mission, just as the local community benefits from the Sisters' presence and simple lifestyles. We have had further building work completed in the Belwadi area to enable further apostolates.

In March 2023 a quarter acre plot of land in the Pala Diocese of Kerala was purchased by FMSL in India, no funds from the UK charity were used for this purpose. There is potential to build on the land in the future and provide a community of FMSL Sisters in an area with no Religious Congregation presence.

3) **Upkeep and support of the Congregation**

During the year the charity continued to support members of the congregation with their charitable and religious work. Assessment is made continuously on the viability of each house and its apostolate. Adaptation is always on the agenda.

Medical care continued to be provided for all the Sisters within our establishments.

Our properties that needed major refurbishment and maintenance were treated to an overhaul.

The number of Residents in each of our Care Homes means that we have to ensure that we have a reserve to meet the ever increasing bills in utilities, food and staff costs.

The trustees continue to monitor the overall financial performance of the trust, in association with advice from its financial and professional advisers. In particular, a more detailed and regular review of the monthly management reports is undertaken to measure performance against budget and to evaluate the cost effectiveness of the various operations of the trust.

Following the General Chapter in November 2022, a finance group was established to review all financial aspects of the Congregation.

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Report of the Trustees
For the year ended 31st March 2023 (Continued)

Financial Review

The results for the year are shown on page 10. The income from residents has been maintained but operational expenditure increased due to inflationary pressures and had to be kept under careful control during the year. Donations were made to support the work of local charities and those related to the Congregation or its works. The charity sustained an unrealised loss of £1,192,658 on its investment assets in the year, which can be mainly attributable to worldwide inflation rises and high interest rates causing a reduction in equity and bond values.

During the year, the charity's surplus cash funds were invested in a mix of fixed interest and equities in order to get the best possible but safe return to meet the demands for the future, following advice from bank advisers and investment brokers. The funds invested are shown under investments on the balance sheet.

Reserves Policy and Financial Position

Designated funds have been set up by the trustees for specific purposes. Firstly, a property and equipment fund which represents the amount of the trust's money which is tied up in property and equipment used to support the residential care activities of the trust and religious activities of the sisters. Secondly, £4,000,000 is set aside to provide for the sisters' medical and retirement care. Future income has to cope with more of our Convents being dependent on Congregational resources. The Formation fund was set up to support continuous formation, both in the UK and overseas.

The remaining funds represent just under two years expenditure, which the trustees believe are sufficient and necessary to meet the trust's ongoing working capital needs as well as funds required to maintain the operational assets and a continuous service provision, particularly in relation to the provision to our vulnerable beneficiaries should there be an unexpected down turn in income, and funds to provide for the rising costs of employing paid staff.

The trustees recognise the need to continue to build up future reserves, because at present all the Sisters who hold positions of responsibility in trust's Care Homes or who give a service whatever, do so on a voluntary unpaid capacity. In the longer term the Trust will have to employ staff to take over these roles and there will be a need for cash to meet such appointments.

Once the Mandates from the General Chapter have been investigated in 2023-2024 the Trustees will be in a better position to review the viability of the two care homes and look at the financial sustainability for the entire Congregation.

Investment Policy

The trustees have adopted a prudent and ethical approach to investment and invested in fixed interest stock or equities on the advice received from Cheviots Investment Asset Managers, who manage the stock under their investment management service on a referral basis. The trustees regularly monitor and review the investments and take advice as appropriate. In the current financial year Mr William Reid has taken over as our Investment Asset Manager, so under his guidance we will be reviewing the whole portfolio with a view to better returns on our investments.

**The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Report of the Trustees
For the year ended 31st March 2023 (Continued)**

Recruitment and appointment of trustees

Appointment of trustees is governed by the Trust Deed of the charity. The Trustees are authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee according to the Trust Deed.

The Trustees are elected every three years by the Finally Professed Sisters of the Congregation.

During the preparations for the elections the Sisters are reminded of the Role and Responsibilities of a Trustee.

As a Board of Trustees we follow the guidance of the Charity Commission on the Role and Responsibilities of Trustees.

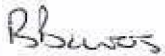
Induction and training of trustees

All trustees are already familiar with the practical work of the charity. If new trustees were to be appointed, short training sessions would be undertaken to familiarise new trustees with the charity and the context within which it operates.

Plans for the Future

The Congregation plans to continue to provide residential and welfare services and pastoral care through its homes and communities. The sale or letting of other properties will be considered on the basis of the availability of members to occupy these properties and their financial viability.

By Order of the Trustees



Sister B Bowers

Date: 10.01.2024

Independent Auditors' Report to the Trustees of The Congregation of the Franciscan Sisters (Littlehampton) Charitable Trust

Opinion

We have audited the financial statements of The Congregation of the Franciscan Sisters (Littlehampton) Limited ('the charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources 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 s144 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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Independent Auditors' Report to the Trustees of The Congregation of the Franciscan Sisters (Littlehampton) Charitable Trust (Continued)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities 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.

- Obtaining an understanding of the legal and regulatory frameworks that the charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Enquiry of management to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations. If a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

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

Independent Auditors' Report to the Trustees of The Congregation of the Franciscan Sisters (Littlehampton) Charitable Trust (Continued)

Use of our report

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



Hodson & Co
Statutory Auditor
Wiston House
1 Wiston Avenue
Worthing
West Sussex
BN14 7QL

19/01/2024

**The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust**

**Statement of Financial Activities
For the year ended 31st March 2023**

	Note	Unrestricted Funds 2023 £	Unrestricted Funds 2022 £
Income			
Voluntary income:			
Donations and legacies		88,642	14,713
Activities in furtherance of the charity's objects:			
Fees and charges for residential and care services		1,791,088	1,678,806
Sisters' salaries and pensions		116,402	108,700
Government Covid-19 grants		0	55,852
Investment income		218,827	170,924
Sundry income		20,751	28,721
Profit on disposal of fixed assets		8,600	1,002,638
Total Income		<u>2,244,310</u>	<u>3,060,354</u>
Expenditure			
<i>Raising Funds</i>			
Investment management fees		43,592	65,552
<i>Charitable expenditure</i>			
Costs of activities in furtherance of the Trust's objects:			
Cost of providing residential and care services		2,109,256	2,006,465
Missionary work and charitable donations:		13,745	11,648
Upkeep of Congregation		230,704	183,219
Total Expenditure		<u>2,397,297</u>	<u>2,266,884</u>
Net Income/(Expenditure) before gains/(losses) on investments		-152,987	795,470
Net gains on investment assets	5	<u>(1,192,658)</u>	<u>-28,164</u>
Net (expenditure)/income		-1,345,645	765,306
Fund balance brought forward		<u>11,944,019</u>	<u>11,178,713</u>
Fund balance carried forward	8	<u>10,598,374</u>	<u>11,944,019</u>

All disclosures relate only to continuing operations.

There are no recognised gains or losses other than the net income for the year.

All incoming resources and expended resources in the current and previous year, came from unrestricted funds.

**The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Balance Sheet as at 31st March 2023**

	Note	2023 £	2023 £	2022 £	2022 £
Fixed Assets					
Tangible assets	4		2,937,554		3,036,122
Investments	5		<u>7,540,195</u>		<u>8,845,005</u>
			10,477,749		11,881,127
Current Assets					
Debtors	6	121,205		49,396	
Cash at bank and in hand		<u>95,856</u>		<u>121,292</u>	
		217,061		170,688	
Creditors: Amounts falling due within one year					
Accruals	7	<u>(96,436)</u>		<u>(107,796)</u>	
Net Current Assets			<u>120,625</u>		<u>62,892</u>
Total Assets less Current Liabilities			<u>10,598,374</u>		<u>11,944,019</u>
Unrestricted Funds and Reserves					
Property and Equipment fund	8		2,937,554		3,036,122
Medical and Retirement provision			4,000,000		4,000,000
Formations fund			400,000		400,000
Accumulated fund			<u>3,260,820</u>		<u>4,507,897</u>
			<u>10,598,374</u>		<u>11,944,019</u>

Approved by the Council on 10.01.2024

B. Bowers

Sister B. Bowers
Trustee

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Cash Flow Statement
For the year ended 31st March 2023

	2023	2023	2022	2022
	£	£	£	£
Cashflows from Operating Activities				
Net cash provided by/(used in) Operating Activities		(341,108)		(270,380)
Cashflows from Investing Activities				
Interest received	218,827		170,924	
Purchase of tangible fixed assets	(23,908)		(46,631)	
Disposal of fixed assets	8,600		1,008,894	
Disposal of investments	1,314,097		2,120,024	
Purchase of investments	<u>(1,720,496)</u>		<u>(2,438,057)</u>	
Net Cash provided by/(used in) Investing Activities		<u>(202,880)</u>		<u>815,154</u>
Net Cash provided/(used) in the year		<u>(543,988)</u>		<u>544,774</u>
Increase/(Decrease) in Cash and Cash Equivalents		<u>(543,988)</u>		<u>544,774</u>

**The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Notes to the Financial Statements
For the year ended 31st March 2023**

1 Accounting Policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)) and the Charities Act 2011.

The Congregation of the Franciscan Sisters is a charitable trust. The charity's principal address is St Joseph's Convent, East Street, Littlehampton, West Sussex, BN17 6AU. The registered charity number is 232931.

Basis of preparation

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The presentation currency of these financial statements is Sterling (£). All amounts in these financial statements have been rounded to the nearest pound unless stated otherwise.

Liabilities and provisions

Liabilities 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.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risk specific to the liability. The unwinding discount is recognised in the Statement of Financial Activities as a finance cost.

Going concern

The Trustees consider that it is appropriate to draw up the charity's accounts on a Going Concern basis because of its substantial cash resources, and investments with continuing income streams from charitable activities and its control over its costs. Its financial position is subject to regular review by the Trustees.

Income

Income represents fees, legacies and donations and other amounts receivable.

Expenditure

All expenditure is accounted for gross, and when incurred.

Charitable expenditure includes the direct costs of the activities and depreciation on related assets. Where such costs relate to more than one functional cost category, they have been split on either an estimate of time or floor space basis, as appropriate. It includes support costs.

Cost of generating funds represent the investment management fees charge for managing the charity's investment portfolio.

Governance costs comprise those costs associated with the meeting the constitutional and statutory requirements of the charity and are now included within support costs.

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Notes to the Financial Statements
For the year ended 31st March 2023 (Continued)

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The most significant estimates and assumptions which affect the carrying amount of assets and liabilities in the accounts relate to:

Cost of fixed assets prior to 1997 was estimated based on depreciated current use value. The proportion of land and buildings disposed off is based on an estimate of the proportion of the total estate disposed off as there are no records identifying the original split.

Useful Economic Lives - The annual depreciation charge for property, plant and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See note 6 for the debtor note.

**The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust**

**Notes to the Financial Statements
For the year ended 31st March 2023 (Continued)**

2 Analysis of Total Resources - 2023	Staff & agency Costs	Depreciation	Other costs including Support costs	Total 2023	Total 2022
	£	£	£	£	£
Cost of generating funds			43,592	43,592	65,552
Activities in furtherance of objects	1,246,125	122,476	985,104	2,353,705	2,201,332
	<u>1,246,125</u>	<u>122,476</u>	<u>1,028,696</u>	<u>2,397,297</u>	<u>2,266,884</u>

Analysis of Total Resources - 2022	Staff & agency Costs	Depreciation	Other costs including Support costs	Total 2022
	£	£	£	£
Cost of generating funds			65,552	65,552
Activities in furtherance of objects	1,188,627	126,283	886,422	2,201,332
	<u>1,188,627</u>	<u>126,283</u>	<u>951,974</u>	<u>2,266,884</u>

Governance costs included in support cost	2023	2022
	£	£
Audit fee	7000	5750
Staff costs include the following:		
Wages and salaries	1,160,649	1,104,132
Social security costs	67,307	67,942
Pension costs	18,169	16,553
	<u>1,246,125</u>	<u>1,188,627</u>
Average number of persons employed during the year was	<u>75</u>	<u>72</u>

The trustees who are also the senior management team received no remuneration during the year.
The trustees were reimbursed for reasonable travel costs incurred in performance of their duties.
No employees emoluments were in excess of £60,000.

3 Net income/expenditure is stated after charging/crediting:	2023	2022
Depreciation	<u>122,476</u>	<u>126,283</u>

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Notes to the Financial Statements
For the year ended 31st March 2023 (Continued)

4 Tangible Fixed Assets		Furniture, Fittings and Equipment	Motor Vehicle	Total
	Land and Buildings			
Cost or Valuation	£	£	£	£
At 1st April 2022	3,963,087	1,226,658	252,565	5,442,310
Additions at cost/valuation		10,908	13,000	23,908
Disposals			(15,423)	(15,423)
	<u>3,963,087</u>	<u>1,237,566</u>	<u>250,142</u>	<u>5,450,795</u>
At 31st March 2023				
Depreciation				
At 1st April 2022	1,157,259	1,033,948	214,981	2,406,188
Charge for the year	66,182	39,710	16,584	122,476
Disposals			(15,423)	(15,423)
	<u>1,223,441</u>	<u>1,073,658</u>	<u>216,142</u>	<u>2,513,241</u>
At 31st March 2023				
Net Book Value				
At 31st March 2023	<u>2,739,646</u>	<u>163,908</u>	<u>34,000</u>	<u>2,937,554</u>
At 31st March 2022	<u>2,805,828</u>	<u>192,710</u>	<u>37,584</u>	<u>3,036,122</u>
5 Fixed Asset Investments		2023	2022	
		£	£	
Market value: Listed investments				
At 1st April 2022				
Additions		7,970,615	7,680,746	
Disposals proceeds		1,720,496	2,438,057	
Net gains/(losses)		(1,314,097)	(2,120,024)	
		<u>(1,192,658)</u>	<u>(28,164)</u>	
Cash at Brokers		7,184,356	7,970,615	
		<u>355,839</u>	<u>874,390</u>	
At 31st March 2023		<u>7,540,195</u>	<u>8,845,005</u>	
Analysis of listed investments				
UK		3,745,652	4,639,695	
Overseas		<u>3,794,544</u>	<u>3,480,613</u>	
		7,540,196	7,970,615	
Historic Cost		<u>6,970,530</u>	<u>6,183,220</u>	
All investments are held primarily to provide an investment return for the charity.				
6 Debtors		2023	2022	
		£	£	
Trade debtors		60,667	26,873	
Prepayments and accrued income		<u>60,538</u>	<u>22,523</u>	
		<u>121,205</u>	<u>49,396</u>	
7 Creditors		2023	2022	
		£	£	
Other creditors and accruals		<u>82,406</u>	<u>107,796</u>	

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Notes to the Financial Statements
For the year ended 31st March 2023 (Continued)

8 Unrestricted Funds and Reserves	Property and Equipment Fund	Medical and Retirement Fund	Formations Funds	Accumulated Fund	Total Funds
	£	£	£	£	£
Balance at 1st April 2022	3,036,122	4,000,000	400,000	4,507,897	11,944,019
Net incoming resources & transfers	(98,568)			(1,247,077)	(1,345,645)
Balance at 31st March 2023	<u>2,937,554</u>	<u>4,000,000</u>	<u>400,000</u>	<u>3,260,820</u>	<u>10,598,374</u>

The property and equipment fund is a sum apportioned at the discretion of the trustees to reflect the amount of the charity's money tied up in fixed assets and so not freely spendable.

The medical and retirement care fund is a sum apportioned at the discretion of the trustees for the medical care and retirement care of members of the Congregation. This was utilised throughout the year and the balance topped to the level expected to be required for the future care of the Sisters in their old age. It will be continue to be utilised over the remaining lives of the elderly sisters when needed.

The Formation fund is a sum aside at the discretion of the trustees to provide funds for formation both in the UK and throughout the world, particularly India. The Fund is also apportioned at the discretion of the trustees to support the activities of our Sisters and the needs of the people in India.

9 Reconciliation of Net Income/(Expenditure to net Cash Inflow/(Outflow) from Operating Activities	2023	2022
	£	£
Net income/ (expenditure) before gains	(152,987)	793,470
Interest receivable	(218,827)	(170,924)
Depreciation	113,876	(876,356)
(Increase)/Decrease in debtors	(71,809)	1,390
Increase/(Decrease) in creditors	(11,360)	(17,960)
	<u>(541,107)</u>	<u>(270,380)</u>

10 Analysis of Changes in Cash and Cash Equivalents during the Year	2023	2022
	£	£
Balance at 1st April 2022	995,683	450,909
Net cash inflow/(outflow)	(543,988)	544,774
Balance at 31st March 2023	<u>451,695</u>	<u>995,683</u>

Summary of Cash and Cash Equivalents

Cash at bank	95,856	121,293
Cash at brokers	<u>355,839</u>	<u>874,390</u>
	<u>451,695</u>	<u>995,683</u>

11 Related Parties

As a religious community any income received by the members is received into the charity, including salaries and pensions. The charity provides housing and subsistence to its members including trustees. Each member receives an income for their office together with living accommodation, living expenses and reimbursement of costs. This expenditure is shown under 'support costs'.

At the balance sheet date the amount due to/from The Religious Community was £Nil (2022 - £Nil).

Accounts

**THE CONGREGATION OF THE FRANCISCAN SISTERS
(LITTLEHAMPTON)
CHARITABLE TRUST**

Registered Charity No. 232931

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MARCH 2022

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
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The Congregation of the Franciscan Sisters (Littlehampton) Charitable Trust

Reference and Administrative Information

Charity Registration Number:	232931
Address	The Generalate St. Joseph's Convent East Street Littlehampton West Sussex BN17 6AU
Reverend Mother General (Trustee)	Sister E. Morris
General Council (Trustees)	Sister B Bowers Sister J Arden-Close (resigned 12.1.23) Sister S Rudkin (resigned 12.1.23) Sister Promodini Ekka Sister C A McLaughlin (appointed 12.1.23) Sister C B Knowles (appointed 12.1.23)
Provincial Bursar	Ms Jane Sheppard
Auditors	Hodson & Co Wiston House 1 Wiston Avenue Worthing BN14 7QL
Solicitor	Messrs. Blount Petre Kramer 29 Weymouth Street London W1N 4QL
Bankers	Lloyds Bank plc 1 Beach Road Littlehampton West Sussex BN17 5HY
Financial Advisors	Moore Kingston Smith Financial Advisers Ltd 105 St Peters Street St Albans Herts. AL1 3EJ
Investment Asset Managers	Quilter Cheviot One Kingswy London WC2B 6AN

The Congregation of the Franciscan Sisters The Congregation of the Franciscan Sisters (Littlehampton) Charitable Trust Report of the Trustees For the year ended 31st March 2022

The trustees present their Report and the financial statements for the year ended 31st March 2022

Structure, Governance and Management

The Congregation of the Franciscan Sisters (Littlehampton) is an English Roman Catholic Religious Order, founded in 1911 in Littlehampton. The accounts accompanying this report are the accounts of the charitable trust on which the assets of the order are held. The trust is governed by a trust deed dated 13th December 1963 and is registered under the Charities Act 1993 - Charity Registration No. 232931.

Organisation

The trustees are appointed by the Finally Professed members of the Congregation during their 3 yearly Chapter. Term of Office runs from Chapter to Chapter. The trustees may be re-elected for a second term but not for longer than a third term. The Superior General is a Chairperson during her term of office. The current trustees were appointed at General Chapter meeting held in 2017 except as indicated and their names are set out in the fly sheet accompanying the report and accounts.

Senior Management Team and Pay policy for senior staff

The trustees consider the board of trustees are the senior management team as they comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give of their time freely and no trustees received remuneration from the charity in the year. Details of trustees' expenses and related party transactions are disclosed in the notes to the accounts.

Salaries of the senior employees are set by the Board of Trustees in line with sector pay levels and market rates.

Trustees' Responsibility Statement

Charity law requires the trustees to prepare accounts that give a true and fair view of the state of affairs of the charitable trust and of the surplus or deficit for its financial year. In doing so the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue to function.

The trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable trust and to enable them to ensure that the accounts comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charitable trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Risk Assessment

The trustees are always undertaking the risk assessment procedure required under Charities SORP . They are continuously evaluating the strategic business and operational risk which the charity faces and reviewing the controls which mitigate those risks. The key risks include the aging of the members of the congregation and the demand for medical and care support, the pressures on funding of the care the Congregation provide in their care homes and the potential volatility of the Congregation's investments.

Objectives, Aims and Principal Activities

The charitable trust aims to support the religious and other charitable works carried on by the order and by the Roman Catholic Church and others. These works fall into the following three main areas:

1) Providing residential, social welfare and pastoral work

To care for the elderly, nursing the elderly, visiting families and elderly and frail in their own homes; visiting hospitals, organising group activities with young, and not so young, pastoral work in any area where there is a need or where there is a request for support.

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Report of the Trustees
For the year ended 31st March 2022 (Continued)

1) Providing residential and social welfare and pastoral work (continued)

Operations of residential and care establishments

The sisters provide care and assistance at the following establishments:

UK Establishments	Activities
St. Joseph's Nursing Home Old House/St. Clare's (Annexe to St. Joseph's)	Nursing care for 24 residents. Support for relatives etc.
St. Anne's Burgess Hill	Residential Care Home for 19 residents.
Montre Bre, Canterbury	Providing accomodation for students and teachers. We completed the sale of Monte Bre on the 27th October 2021. The sale price was £1,025,000. After expenses, £1,002,437 was transferred into the investment account.
St. Anthony's Convent, Bradford	The Bradford property was let to tenants, who initially covered the cost of insuring the building but the charity concerned ceased trading in December 2019. The propety has been empty since that date. However we have two people who reside there once a week to comply with the building insurance requirements. We put the property on the market in December 2021 and had numerous viewings. There were a few charities interested in the property but none with sufficient funds and we were not prepared to lease it again.
La Verna Novitiate House in Hollington	Since April 2019, the Chairty has leased a house from the Diocese of Arundel and Brighton as a formation house for the training of novices. There is a community of Poor Clares sisters nearby and our community help them out as and when is necessary and when they can. We withdrew the novices at Easter 2021 but continued with the Lease as our furniture was still there.

2) Missionary work and charitable donations

To carry out and support missionary work throughout the world through the activities of the sisters. To support Catholic and appropriate charities and charitable works through donation throughout the world where funds allow. eg coffee mornings for Haiti, Nigeria and refugees. The Covid restrictions and lockdowns have prevented such activities in the current financial year but it is our intention to continue with this.

The sisters provide care and assistance at the following establishments:

St Mary of the Angels, Knock (Ireland)	FMSL Presence and accomodation for people who visit Knock Also a spiritual outreach through an online Gospel sharing group.
Also at the related charity set up in India: St . Francis Convent, Mysore, India St Anthony's Convent, Belwadi India	House of Formation and service to local people including in Education as teachers in local schools. House of Formation and service to local people, including prison visiting, and in planning, help for children with learning disabilities.

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Report of the Trustees
For the year ended 31st March 2022 (Continued)

3) Upkeep and support of the Congregation

To maintain, develop, care for and support the sisters and the Congregation, and maintain and subsidise apostolates and develop and support Sisters in Formation.

The Trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Achievements and Performance

1) Providing residential and social welfare and pastoral care

The Congregation continued to provide care and support through its establishments and through the sisters activities in the local communities. Occupancy levels were affected by the Covid pandemic (see below) at the residential care homes throughout the period. There was continued pressure on costs particularly utilities, food and staff costs requiring careful financial management.

With the onset of the Covid Pandemic and in line with the Government guidelines, no members of the public were allowed into the Chapel within the Care Homes or visitors to the Care Homes. We received furlough and infection control grants which helped to buy extra PPE equipment and allowed staff to travel to work by taxi if required. It also enabled specialised cleaning equipment to be purchased to sanitise the Care Homes. As an added measure we did not admit any new residents during the extreme times of lockdown as a safety measure and risk assessment on behalf of the existing residents in both Care Homes. This inevitably has had a knock on effect on the income for the financial year as we operated for a spell without full occupancy in both Care Homes. This has been relaxed in recent months.

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Report of the Trustees
For the year ended 31st March 2022 (Continued)

2) Missionary work and charitable donations

The Mysore Formation Community continues to benefit from the Congregation's support of their work and mission, just as the local community benefits from the Sisters' presence and simple lifestyles. We have had further building work completed in the Belwadi area to enable further apostolates.

3) Upkeep and support of the Congregation

During the year the charity continued to support members of the congregation with their charitable and religious work. Assessment is made continuously on the viability of each house and its apostolate. Adaptation is always on the agenda.

Medical care continued to be provided for all the Sisters within our establishments.

Our properties that needed major refurbishment and maintenance were treated to an overhaul.

The number of Residents in each of our Care Homes means that we have to ensure that we have a reserve to meet the ever increasing bills in utilities, food and staff costs.

The trustees continue to monitor the overall financial performance of the trust, in association with advice from its financial and professional advisers. In particular, a more detailed and regular review of the monthly management reports is undertaken to measure performance against budget and to evaluate the cost effectiveness of the various operations of the trust.

Financial Review

The results for the year are shown on page 10. The income from residents has been maintained and operational expenditure kept under careful control during the year. Donations were made to support the work of local charities and those related to the Congregation or its works.

During the year, the charity's surplus cash funds were invested in a mix of fixed interest and equities in order to get the best possible but safe return to meet the demands for the future, following advice from bank advisers and investment brokers. The funds invested are shown under investments on the balance sheet.

Reserves Policy and Financial Position

Designated funds have been set up by the trustees for specific purposes. Firstly, a property and equipment fund which represents the amount of the trust's money which is tied up in property and equipment used to support the residential care activities of the trust and religious activities of the sisters. Secondly, £4,000,000 is set aside to provide for the sisters' medical and retirement care. Future income has to cope with more of our Convents being dependent on Congregational resources. The Formation fund was set up to support continuous formation, both in the UK and overseas.

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Report of the Trustees
For the year ended 31st March 2022 (Continued)

The remaining funds represent just under two years expenditure, which the trustees believe are sufficient and necessary to meet the trust's ongoing working capital needs as well as funds required to maintain the operational assets and a continuous service provision, particularly in relation to the provision to our vulnerable beneficiaries should there be a unexpected down turn in income, and funds to provide for the rising costs of employing paid staff.

The trustees recognise the need to continue to build up future reserves, because at present all the Sisters who hold positions of responsibility in trust's Care Homes or who give a service whatever, do so on a voluntary unpaid capacity. In the longer term the Trust will have to employ staff to take over these roles and there will be a need for cash to meet such appointments.

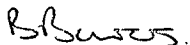
Investment Policy

The trustees have adopted a prudent and ethical approach to investment and invested in fixed interest stock or equities on the advice received from Cheviots Investment Asset Managers, who manage the stock under their investment management service on a referral basis. The trustees regularly monitor and review the investments and take advice as appropriate.

Plans for the Future

The Congregation plans to continue to provide residential and welfare services and pastoral care through its homes and communities. The sale or letting of other properties will be considered on the basis of the availability of members to occupy these properties and their financial viability.

By Order of the Trustees



Sister B Bowers

Date: 28.01.2023

Independent Auditors' Report to the Trustees of The Congregation of the Franciscan Sisters (Littlehampton) Charitable Trust

Opinion

We have audited the financial statements of The Congregation of the Franciscan Sisters (Littlehampton) Limited ('the charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources 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 s144 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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Independent Auditors' Report to the Trustees of The Congregation of the Franciscan Sisters (Littlehampton) Charitable Trust (Continued)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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:

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- We obtained an understanding of the legal and regulatory requirements applicable to the Charity and considered that the most significant are the Companies Act 2006 and UK taxation legislation.
- We obtained an understanding of how the Charity complies with these requirements by discussions with management and those charged with governance.
- We considered the nature of the industry and sector, control environment and business performance including the design of the Charity's remuneration policies, bonus levels and performance targets.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: revenue recognition and laws and regulations. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the identified revenue fraud risk, and laws and regulations: testing the revenue system and reviewing regulator reports.
-

In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

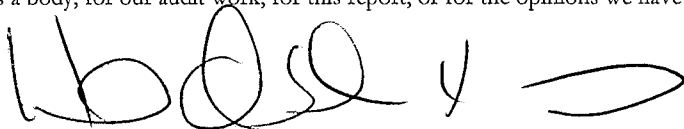
In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect noncompliance with all laws and regulations. If a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Use of our report

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



Hodson & Co
Statutory Auditor
Wiston House
1 Wiston Avenue
Worthing
West Sussex
BN14 7QL

28/01/2023

Hodson & Co is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Statement of Financial Activities
For the year ended 31st March 2022

	Note	Unrestricted Funds 2022 £	Unrestricted Funds 2021 £
Income			
Voluntary income:			
Donations and legacies		14,713	17,486
Activities in furtherance of the charity's objects:			
Fees and charges for residential and care services		1,678,806	1,485,894
Sisters' salaries and pensions		108,700	119,669
Government Covid-19 grants		55,852	139,838
Investment income		170,924	148,593
Sundry income		28,721	18,068
Profit on disposal of fixed assets		<u>1,002,638</u>	<u>2,691</u>
Total Income		<u><u>3,060,354</u></u>	<u><u>1,932,239</u></u>
Expenditure			
<i>Raising Funds</i>			
Investment management fees		65,552	51,358
<i>Charitable expenditure</i>			
Costs of activities in furtherance of the Trust's objects:			
Cost of providing residential and care services		2,006,465	1,809,951
Missionary work and charitable donations:		11,648	12,819
Upkeep of Congregation		<u>183,219</u>	<u>184,257</u>
Total Expenditure		<u><u>2,266,884</u></u>	<u><u>2,058,385</u></u>
Net Income/(Expenditure) before gains/(losses) on investments		793,470	-126,146
Net gains on investment assets	4	<u>(28,164)</u>	<u>2,111,492</u>
Net (expenditure)/income		765,306	1,985,346
Fund balance brought forward		<u>11,178,713</u>	<u>9,193,367</u>
Fund balance carried forward	7	<u><u>11,944,019</u></u>	<u><u>11,178,713</u></u>

All disclosures relate only to continuing operations.

There are no recognised gains for losses other than the net income for the year.

All incoming resources and expended resources in the current and previous year, came from unrestricted funds.

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Balance Sheet as at 31st March 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed Assets					
Tangible assets	3		3,036,122		3,122,028
Investments	4		<u>8,845,005</u>		<u>7,959,685</u>
			11,881,127		11,081,713
Current Assets					
Debtors	5	49,396		50,786	
Cash at bank and in hand		<u>121,292</u>		<u>171,970</u>	
		170,688		222,756	
Creditors: Amounts falling due within one year					
Accruals	6	<u>(107,796)</u>		<u>(125,756)</u>	
Net Current Assets			<u>62,892</u>		<u>97,000</u>
Total Assets less Current Liabilities			<u><u>11,944,019</u></u>		<u><u>11,178,713</u></u>
Unrestricted Funds and Reserves					
Property and Equipment fund	7		3,036,122		3,122,028
Medical and Retirement provision			4,000,000		4,000,000
Formations fund			400,000		400,000
Accumulated fund			<u>4,507,897</u>		<u>3,656,685</u>
			<u><u>11,944,019</u></u>		<u><u>11,178,713</u></u>

Approved by the Council on 28.01.2023

B Bowers

Sister B. Bowers
Trustee

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Cash Flow Statement
For the year ended 31st March 2022

	2022	2022	2021	2021
	£	£	£	£
Cashflows from Operating Activities				
Net cash provided by/(used in) Operating Activities		(270,380)		(77,917)
Cashflows from Investing Activities				
Interest received	170,924		148,593	
Purchase of tangible fixed assets	(46,631)		(72,910)	
Disposal of fixed assets	1,008,894		2,691	
Disposal of investments	2,120,024		2,497,898	
Purchase of investments	<u>(2,438,057)</u>		<u>(2,821,167)</u>	
Net Cash provided by/(used in) Investing Activities		<u>815,154</u>		<u>(244,895)</u>
Net Cash provided/(used) in the year		<u>544,774</u> -		<u>(322,812)</u>
Increase/(Decrease) in Cash and Cash Equivalents		<u>544,774</u>		<u>(322,812)</u>

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Notes to the Financial Statements
For the year ended 31st March 2022

1 Accounting Policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)) and the Charities Act 2011.

Basis of preparation

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

Going concern

The Trustees consider that it is appropriate to draw up the charity's accounts on a Going Concern basis because of its substantial cash resources, and investments with continuing income streams from charitable activities and its control over its costs. Its financial position is subject to regular review by the Trustees.

Income

Income represents fees, legacies and donations and other amounts receivable.

Expenditure

All expenditure is accounted for gross, and when incurred.

Charitable expenditure includes the direct costs of the activities and depreciation on related assets. Where such costs relate to more than one functional cost category, they have been split on either an estimate of time or floor space basis, as appropriate. It includes support costs.

Cost of generating funds represent the investment management fees charge for managing the charity's investment portfolio.

Governance costs comprise those costs associated with the meeting the constitutional and statutory requirements of the charity and are now included within support costs.

Tangible Fixed Assets

Freehold land and buildings

These have been included in the balance sheet at the trustees estimation of their continuing current use value as at 31st March 1997, or at cost if the expenditure was incurred after 31st March 1997.

Furniture, fittings and equipment

These have been included in the balance sheet at the trustees estimation of their continuing current use value at 31st March 1997, or at cost if the expenditure was incurred after 31st March 1997.

Motor vehicles

These have been included at cost less accumulated depreciation brought forward and depreciation in the current year.

Depreciation is provided on all tangible fixed assets other than freehold land so as to write them off over their anticipated useful lives on a straight line basis:

**The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Notes to the Financial Statements
For the year ended 31st March 2022**

Freehold property		2% per annum
Furniture, fittings and equipment:	solar panels	over 20 years
	other	25% per annum
Motor vehicles		25% per annum

Tax status

The trust is a registered charity and is not subject to corporation tax on its current activities.

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange differences are taken into account in arriving at operating profit.

Investments

Investments are included at their market value at the balance sheet date.

Unrealised gains and losses on investments are reported in the Statement of Financial Activities under the separate heading of Net losses/gains on investment assets.

Fund accounting

Designated funds comprise amounts which has been set aside at the discretion of the trustees for specific purposes. The purpose and use of the designated unrestricted fund is set out in the notes.

Accumulated funds comprise general funds available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The most significant estimates and assumptions which affect the carrying amount of assets and liabilities in the accounts relate to:

Cost of fixed assets prior to 1997 was estimated based on depreciated current use value. The proportion of land and buildings disposed off is based on an estimate of the proportion of the total estate disposed off as there are no records identifying the original split.

Useful Economic Lives - The annual depreciation charge for property, plant and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

**The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Notes to the Financial Statements
For the year ended 31st March 2022**

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See note 5 for the debtor note.

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Notes to the Financial Statements
For the year ended 31st March 2022 (Continued)

2	Staff & agency Costs	Depreciation	Other costs including Support costs	Total 2022	Total 2021
	£	£	£	£	£
Analysis of Total Resources - 2022					
Cost of generating funds			65,552	65,552	51,358
Activities in furtherance of objects	1,188,627	126,283	886,422	2,201,332	2,007,027
	<u>1,188,627</u>	<u>126,283</u>	<u>951,974</u>	<u>2,266,884</u>	<u>2,058,385</u>
Analysis of Total Resources - 2021					
Cost of generating funds			51,358	51,358	
Activities in furtherance of objects	1,126,750	117,884	762,393	2,007,027	
	<u>1,126,750</u>	<u>117,884</u>	<u>813,751</u>	<u>2,058,385</u>	
Governance costs included in support cost				2022	2021
				£	£
Audit fee				<u>5750</u>	<u>5700</u>
Staff costs include the following:					
Wages and salaries				1,104,132	1,059,839
Social security costs				67,942	52,801
Pension costs				16,553	14,110
				<u>1,188,627</u>	<u>1,126,750</u>
Average number of persons employed during the year was				<u>72</u>	<u>68</u>

The trustees who are also the senior management team received no remuneration during the year.

The trustees were reimbursed for reasonable travel costs incurred in performance of their duties.

No employees emoluments were in excess of £60,000.

3	Land and Buildings	Furniture, Fittings and Equipment	Motor Vehicle	Total
	£	£	£	£
Cost or Valuation				
At 1st April 2021	3,997,087	1,214,360	244,956	5,456,403
Additions at cost/valuation		12,298	34,334	46,632
Disposals	(34,000)		(26,725)	(60,725)
At 31st March 2022	<u>3,963,087</u>	<u>1,226,658</u>	<u>252,565</u>	<u>5,442,310</u>
Depreciation				
At 1st April 2021	1,118,821	990,618	224,936	2,334,375
Charge for the year	66,182	43,330	16,770	126,282
Disposals	(27,744)		(26,725)	(54,469)
At 31st March 2022	<u>1,157,259</u>	<u>1,033,948</u>	<u>214,981</u>	<u>2,406,188</u>
Net Book Value				
At 31st March 2022	<u>2,805,828</u>	<u>192,710</u>	<u>37,584</u>	<u>3,036,122</u>
At 31st March 2021	<u>2,878,266</u>	<u>223,742</u>	<u>20,020</u>	<u>3,122,028</u>

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Notes to the Financial Statements
For the year ended 31st March 2022 (Continued)

4	Fixed Asset Investments	2022	2021
		£	£
	Market value: Listed investments		
	At 1st April	7,680,746	5,245,985
	Additions	2,438,057	2,821,167
	Disposals proceeds	(2,120,024)	(2,497,898)
	Net gains/(losses)	<u>(28,164)</u>	<u>2,111,492</u>
		7,970,615	7,680,746
	Cash at Brokers	<u>874,390</u>	<u>278,939</u>
	At 31st March 2022	<u><u>8,845,005</u></u>	<u><u>7,959,685</u></u>
	Analysis of listed investments		
	UK	4,639,695	3,500,747
	Overseas	<u>3,480,613</u>	<u>4,179,482</u>
		7,970,615	7,680,746
	Historic Cost	<u>6,183,220</u>	<u>5,552,948</u>

All investments are held primarily to provide an investment return for the charity.

5	Debtors	2022	2021
		£	£
	Trade debtors	26,873	20,178
	Prepayments and accrued income	<u>22,523</u>	<u>30,608</u>
		<u>49,396</u>	<u>50,786</u>

6	Creditors	2022	2021
		£	£
	Other creditors and accruals	<u>107,796</u>	<u>125,756</u>

7	Unrestricted Funds and Reserves	Property and Equipment Fund	Medical and Retirement Fund	Formations Funds	Accumulated Fund	Total Funds
		£	£	£	£	£
	Balance at 1st April 2021	3,122,028	4,000,000	400,000	3,656,685	11,178,713
	Net incoming resources & transfers	<u>(85,906)</u>	<u> </u>	<u> </u>	<u>851,212</u>	<u>765,306</u>
	Balance at 31st March 2022	<u><u>3,036,122</u></u>	<u><u>4,000,000</u></u>	<u><u>400,000</u></u>	<u><u>4,507,897</u></u>	<u><u>11,944,019</u></u>

The property and equipment fund is a sum apportioned at the discretion of the trustees to reflect the amount of the charity's money tied up in fixed assets and so not freely spendable.

The medical and retirement care fund is a sum apportioned at the discretion of the trustees for the medical care and retirement care of members of the Congregation. This was utilised throughout the year and the balance topped to the level expected to be required for the future care of the Sisters in their old age. It will be continue to be utilised over the remaining lives of the elderly sisters when needed.

The Formation fund is a sum aside at the discretion of the trustees to provide funds for formation both in the UK and throughout the world, particularly India. The Fund is also apportioned at the discretion of the trustees to support the activities of our Sisters and the needs of the people in India.

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Notes to the Financial Statements
For the year ended 31st March 2022 (Continued)

8	Reconciliation of Net Income/(Expenditure to net Cash Inflow/(Outflow) from Operating Activities	2022 £	2021 £
	Net income/ (expenditure) before gains	793,470	(126,146)
	Interest receivable	(170,924)	(148,593)
	Depreciation	(876,356)	115,193
	(Increase)/Decrease in debtors	1,390	52,931
	Increase/(Decrease) in creditors	<u>(17,960)</u>	<u>28,698</u>
		<u>(270,380)</u>	<u>(77,917)</u>
9	Analysis of Changes in Cash and Cash Equivalents during the Year	2022 £	2021 £
	Balance at 1st April 2021	450,909	773,721
	Net cash inflow/(outflow)	<u>544,774</u>	<u>(322,812)</u>
	Balance at 31st March 2022	<u>995,683</u>	<u>450,909</u>
	Summary of Cash and Cash Equivalents		
	Cash at bank	121,293	171,970
	Cash at brokers	<u>874,390</u>	<u>278,939</u>
		<u>995,683</u>	<u>450,909</u>

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Income and Expenditure Account
For the year ended 31st March 2022

	2022	2022	2021	2021
	£	£	£	£
Income				
Fees and charges for residential and care services	1,678,806		1,485,894	
Sisters' salaries and pensions	108,700		119,669	
Donations and legacies	14,713		17,486	
Government Covid-19 grants	55,852		139,838	
Interest receivable and dividends	170,924		148,593	
Profit on sale of land and buildings	996,181			
Profit on disposal motor vehicle	6,457		2,691	
Sundry income	<u>28,721</u>		<u>18,068</u>	
		3,060,354		1,932,239
Expenditure				
Wages and Agency costs	1,188,627		1,126,750	
Surgical materials and staff courses	31,653		35,776	
Provisions and household	124,420		122,099	
Maintenance contracts	107,420		108,852	
Redecoration, repairs and renewals	140,065		51,513	
Light and heat	110,450		109,568	
Rent and rates	36,963		20,052	
Insurance	54,796		38,710	
Printing, postage, stationery and telephone	44,370		47,103	
Depreciation of freehold property	66,182		66,760	
Depreciation of furniture and equipment	43,330		42,937	
Sister allowances	17,376		20,280	
Welfare of Sisters	81,530		90,553	
Formation , vocation, jubilees	13,599		19,101	
Congregation special events, courses	5,096		115	
Chaplain stipends and retreats	8,334		6,171	
Chapel requisites	1,740		2,262	
Mass offerings	1,993		2,293	
Advertising	6,921		912	
Motor and travel	20,112		17,398	
Depreciation of cars and minibus	16,771		8,187	
Donations and missionary work	11,648		12,819	
Audit fees	5,750		5,700	
Legal and professional fees	52,452		49,008	
Bank and investment charges	66,794		52,704	
foreign exchange gain/ loss	1,686		-379	
Sundry expenses	<u>6,806</u>		<u>1,139</u>	
Total Expenditure		<u>2,266,884</u>		<u>2,058,385</u>
Net Surplus/ (Deficit) for the Year		793,470		(126,146)
Net (losses)/gains on investments		<u>(28,164)</u>		<u>2,111,492</u>
Net Movement of Funds		<u><u>765,306</u></u>		<u><u>1,985,346</u></u>

Accounts

**THE CONGREGATION OF THE FRANCISCAN SISTERS
(LITTLEHAMPTON)
CHARITABLE TRUST**

Registered Charity No. 232931

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MARCH 2021

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
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The Congregation of the Franciscan Sisters (Littlehampton) Charitable Trust

Reference and Administrative Information

Charity Registration Number:	232931
Address	The Generalate St. Joseph's Convent East Street Littlehampton West Sussex BN17 6AU
Reverend Mother General (Trustee)	Sister E. Morris
General Council (Trustees)	Sister A. McLaughlin Sister S. Rudkin Sister B. Bowers (appointed 28th January 2021) Sister J Arden-Close Sister Promodini Ekka (appointed 5th July 2021)
Provincial Bursar	Sister A. McLaughlin
Auditors	Hodson & Co Wiston House 1 Wiston Avenue Worthing BN14 7QL
Solicitor	Messrs. Blount Petre Kramer 29 Weymouth Street London W1N 4QL
Bankers	Lloyds Bank plc 1 Beach Road Littlehampton West Sussex BN17 5HY
Financial Advisors	Moore Kingston Smith Financial Advisers Ltd 105 St Peters Street St Albans Herts. AL1 3EJ
Investment Asset Managers	Quilter Cheviot One Kingswy London WC2B 6AN

**The Congregation of the Franciscan Sisters The Congregation of the Franciscan
Sisters (Littlehampton)
Charitable Trust
Report of the Trustees
For the year ended 31st March 2021**

The trustees present their Report and the financial statements for the year ended 31st March 2021

Structure, Governance and Management

The Congregation of the Franciscan Sisters (Littlehampton) is an English Roman Catholic Religious Order, founded in 1911 in Littlehampton. The accounts accompanying this report are the accounts of the charitable trust on which the assets of the order are held. The trust is governed by a trust deed dated 13th December 1963 and is registered under the Charities Act 1993 - Charity Registration No. 232931.

Organisation

The trustees are appointed by the Finally Professed members of the Congregation during their 3 yearly Chapter. Term of Office runs from Chapter to Chapter. The trustees may be re-elected for a second term but not for longer than a third term. The Superior General is a Chairperson during her term of office. The current trustees were appointed at General Chapter meeting held in 2017 except as indicated and their names are set out in the fly sheet accompanying the report and accounts.

Senior Management Team and Pay policy for senior staff

The trustees consider the board of trustees are the senior management team as they comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give of their time freely and no trustees received remuneration from the charity in the year. Details of trustees' expenses and related party transactions are disclosed in the notes to the accounts.

Salaries of the senior employees are set by the Board of Trustees in line with sector pay levels and market rates.

Trustees' Responsibility Statement

Charity law requires the trustees to prepare accounts that give a true and fair view of the state of affairs of the charitable trust and of the surplus or deficit for its financial year. In doing so the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue to function.

The trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable trust and to enable them to ensure that the accounts comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charitable trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Risk Assessment

The trustees are always undertaking the risk assessment procedure required under Charities SORP. They are continuously evaluating the strategic business and operational risk which the charity faces and reviewing the controls which mitigate those risks. The key risks include the aging of the members of the congregation and the demand for medical and care support, the pressures on funding of the care the Congregation provide in their care homes and the potential volatility of the Congregation's investments.

Objectives, Aims and Principal Activities

The charitable trust aims to support the religious and other charitable works carried on by the order and by the Roman Catholic Church and others. These works fall into the following three main areas:

1) Providing residential, social welfare and pastoral work

To care for the elderly, nursing the elderly, visiting families and elderly and frail in their own homes; visiting hospitals, organising group activities with young, and not so young, pastoral work in any area where there is a need or where there is a request for support and also support for students.

**The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Report of the Trustees
For the year ended 31st March 2021 (Continued)**

1) Providing residential and social welfare and pastoral work (continued)

Operations of residential and care establishments

The sisters provide care and assistance at the following establishments:

UK Establishments	Activities
St. Joseph's Nursing Home Old House/St. Clare's (Annexe to St. Joseph's)	Nursing care for 24 residents. Support for relatives etc.
St. Anne's Burgess Hill	Residential Care Home for 19 residents.
Montre Bre, Canterbury	Providing accomodation for students and teachers. We have since the year end, put the property back on the market with better success and we completed the sale of Monte Bre on the 27th October 2021. The sale price was £1,025,000. After expenses, £1m was transferred into the investment account.
St. Anthony's Convent, Bradford	The Bradford property was let to tenants, who initially covered the cost of insuring the building but the charity concerned ceased trading in December 2019. The property has been empty since that date.
La Verna Novitiate House in Hollington	Since April 2019, the Chairty has leased a house from the Diocese of Arundel and Brighton as a formation house for the training of novices. There is a community of Poor Clares sisters nearby and our community help them out as and when is necessary and when they can.

2) Missionary work and charitable donations

To carry out and support missionary work throughout the world through the activities of the sisters. To support Catholic and appropriate charities and charitable works through donation throughout the world where funds allow. eg coffee mornings for Haiti, Nigeria and refugees.

The sisters provide care and assistance at the following establishments:

St Mary of the Angels, Knock (Ireland)	FMSL Presence and accomodation for people who visit Knock
Also at the related charity set up in India: St. Francis Convent, Mysore, India St Anthony's Convent, Belwadi India	House of Formation and service to local people including in Education as teachers in local schools. House of Formation and in planning, help for children with learning disabilities.

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Report of the Trustees
For the year ended 31st March 2021 (Continued)

3) Upkeep and support of the Congregation

To maintain, develop, care for and support the sisters and the Congregation, and maintain and subsidise apostolates and develop and support Sisters in Formation. The Sisters in initial formation are doing courses : a university course in Nursing and Colleges Courses in Adult Education.

The Trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Achievements and Performance

1) Providing residential and social welfare and pastoral care

The Congregation continued to provide care and support through its establishments and through the sisters activities in the local communities. Occupancy levels were affected by the Covid pandemic (see below) at the residential care homes throughout the period. There was continued pressure on costs particularly utilities, food and staff costs requiring careful financial management.

With the onset of the Covid Pandemic and in line with the Government guidelines, no members of the public were allowed into the Chapel within the Care Homes or visitors to the Care Homes. We received furlough and infection control grants which helped to buy extra PPE equipment and allowed staff to travel to work by taxi if required. It also enabled specialised cleaning equipment to be purchased to sanitise the Care Homes. As an added measure we did not admit any new residents during the extreme times of lockdown as a safety measure and risk assesment on behalf of the existing residents in both Care Homes. This inevitably has had a knock on effect on the income for the financial year as we operated for a spell without full occupancy in both Care Homes. This has been relaxed in recent months.

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Report of the Trustees
For the year ended 31st March 2021 (Continued)

2) Missionary work and charitable donations

The Mysore Formation Community continues to benefit from the Congregation's support of their work and mission, just as the local community benefits from the Sisters' presence and simple lifestyles. We have had further building work completed in the Belwadi area to enable further apostolates.

3) Upkeep and support of the Congregation

During the year the charity continued to support members of the congregation with their charitable and religious work. Assessment is made continuously on the viability of each house and its apostolate. Adaptation is always on the agenda.

Medical care continued to be provided for all the Sisters within our establishments.

Our properties that needed major refurbishment and maintenance were treated to an overhaul.

The number of Residents in each of our Care Homes means that we have to ensure that we have a reserve to meet the ever increasing bills in utilities, food and staff costs.

The trustees continue to monitor the overall financial performance of the trust, in association with advice from its financial and professional advisers. In particular, a more detailed and regular review of the monthly management reports is undertaken to measure performance against budget and to evaluate the cost effectiveness of the various operations of the trust.

Financial Review

The results for the year are shown on page 10. The income from residents has been maintained and operational expenditure kept under careful control during the year. Donations were made to support the work of local charities and those related to the Congregation or its works.

During the year, the charity's surplus cash funds were invested in a mix of fixed interest and equities in order to get the best possible but safe return to meet the demands for the future, following advice from bank advisers and investment brokers. The funds invested are shown under investments on the balance sheet.

Reserves Policy and Financial Position

Designated funds have been set up by the trustees for specific purposes. Firstly, a property and equipment fund which represents the amount of the trust's money which is tied up in property and equipment used to support the residential care activities of the trust and religious activities of the sisters. Secondly, £4,000,000 is set aside to provide for the sisters' medical and retirement care. Future income has to cope with more of our Convents being dependent on Congregational resources. The Formation fund was set up to support continuous formation, both in the UK and overseas.

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Report of the Trustees
For the year ended 31st March 2021 (Continued)

The remaining funds represent just under two years expenditure, which the trustees believe are sufficient and necessary to meet the trust's ongoing working capital needs as well as funds required to maintain the operational assets and a continuous service provision, particularly in relation to the provision to our vulnerable beneficiaries should there be a unexpected down turn in income, and funds to provide for the rising costs of employing paid staff.

The trustees recognise the need to continue to build up future reserves, because at present all the Sisters who hold positions of responsibility in trust's Care Homes or who give a service whatever, do so on a voluntary unpaid capacity. In the longer term the Trust will have to employ staff to take over these roles and there will be a need for cash to meet such appointments.

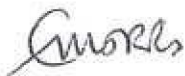
Investment Policy

The trustees have adopted a prudent and ethical approach to investment and invested in fixed interest stock or equities on the advice received from Cheviots Investment Asset Managers, who manage the stock under their investment management service on a referral basis. The trustees regularly monitor and review the investments and take advice as appropriate.

Plans for the Future

The Congregation plans to continue to provide residential and welfare services and pastoral care through its homes and communities. The sale or letting of other properties will be considered on the basis of the availability of members to occupy these properties and their financial viability.

By Order of the Trustees



Sister E. Morris

Date: 11.3.2022

Independent Auditors' Report to the Trustees of The Congregation of the Franciscan Sisters (Littlehampton) Charitable Trust

Opinion

We have audited the financial statements of The Congregation of the Franciscan Sisters (Littlehampton) Limited ('the charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources 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 s144 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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Independent Auditors' Report to the Trustees of The Congregation of the Franciscan Sisters (Littlehampton) Charitable Trust (Continued)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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:

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- We obtained an understanding of the legal and regulatory requirements applicable to the Charity and considered that the most significant are the Companies Act 2006 and UK taxation legislation.
We obtained an understanding of how the Charity complies with these requirements by discussions with management and those charged with governance.
- We considered the nature of the industry and sector, control environment and business performance including the design of the Charity's remuneration policies, bonus levels and performance targets.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: revenue recognition and laws and regulations. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

Independent Auditors' Report to the Trustees of The Congregation of the Franciscan Sisters (Littlehampton) Charitable Trust (Continued)

Audit response to risks identified

As a result of performing the above, we identified total income as a key audit matter related to the potential risk of fraud.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management, (the Audit Committee and in-house and external legal counsel) concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC;
- In addressing the identified revenue fraud risk, and laws and regulations: testing the revenue system and vouching a sample of care home income to supporting documentation and remittances, as well as reviewing the latest published reports by the Care Quality Commission; and

In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect noncompliance with all laws and regulations. If a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Use of our report

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



Hodson & Co
Statutory Auditor
Wiston House
1 Wiston Avenue
Worthing
West Sussex
BN14 7QL

11/03/2022

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Statement of Financial Activities
For the year ended 31st March 2021

	Note	Unrestricted Funds 2021 £	Unrestricted Funds 2020 £
Income			
Voluntary income:			
Donations and legacies		17,486	11,020
Activities in furtherance of the charity's objects:			
Fees and charges for residential and care services		1,485,894	1,583,534
Sisters' salaries and pensions		119,669	144,269
Government Covid-19 grants		139,838	0
Investment income		148,593	144,309
Sundry income		18,068	75,870
Profit on disposal of Motor vehicle		2,691	1,500
Total Income		<u>1,932,239</u>	<u>1,960,502</u>
Expenditure			
<i>Raising Funds</i>			
Investment management fees		51,358	54,223
<i>Charitable expenditure</i>			
Costs of activities in furtherance of the Trust's objects:			
Cost of providing residential and care services		1,809,951	1,694,992
Missionary work and charitable donations:		12,819	21,497
Upkeep of Congregation	2	184,257	196,220
Total Expenditure		<u>2,058,385</u>	<u>1,966,932</u>
Net Income/(Expenditure) before gains/(losses) on investments		-126,146	-6,430
Net gains on investment assets	4	2,111,492	-519,496
Net (expenditure)/income		1,985,346	-525,926
Fund balance brought forward		9,193,367	9,719,293
Fund balance carried forward	6	<u>11,178,713</u>	<u>9,193,367</u>

All disclosures relate only to continuing operations.

There are no recognised gains for losses other than the net income for the year.

All incoming resources and expended resources in the current and previous year, came from unrestricted funds.

**The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Balance Sheet as at 31st March 2021**

	Note	2021 £	2021 £	2020 £	2020 £
Fixed Assets					
Tangible assets	3		3,122,028		3,167,002
Investments	4		7,959,685		5,734,279
			<u>11,081,713</u>		<u>8,901,281</u>
Current Assets					
Debtors	5	50,786		103,717	
Cash at bank and in hand		<u>171,970</u>		<u>285,427</u>	
		222,756		389,144	
Creditors: Amounts falling due within one year					
Accruals	6	<u>(125,756)</u>		<u>(97,058)</u>	
Net Current Assets			<u>97,000</u>		<u>292,086</u>
Total Assets less Current Liabilities			<u><u>11,178,713</u></u>		<u><u>9,193,367</u></u>
Unrestricted Funds and Reserves					
Property and Equipment fund	7		3,122,028		3,167,002
Medical and Retirement provision			4,000,000		4,000,000
Formations fund			400,000		400,000
Accumulated fund			<u>3,656,685</u>		<u>1,626,365</u>
			<u><u>11,178,713</u></u>		<u><u>9,193,367</u></u>

Approved by the Council on *11 MARCH 2022*



Sister E. Morris
Superior General

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Cash Flow Statement
For the year ended 31st March 2021

	2021	2021	2020	2020
	£	£	£	£
Cashflows from Operating Activities				
Net cash provided by/(used in) Operating Activities		(77,917)		82,239
Cashflows from Investing Activities				
Interest received	148,593		144,309	
Purchase of tangible fixed assets	(72,910)		(47,594)	
Disposal of fixed assets	2,691		1,500	
Disposal of investments	2,497,898		1,418,809	
Purchase of investments	<u>(2,821,167)</u>		<u>(1,311,355)</u>	
Net Cash provided by/(used in) Investing Activities		<u>(244,895)</u>		<u>205,669</u>
Net Cash provided/(used) in the year		<u>(322,812)</u>		<u>287,908</u>
Increase/(Decrease) in Cash and Cash Equivalents		<u>(322,812)</u>		<u>287,908</u>

The Congregation of the Franciscan Sisters (Littlehampton) Charitable Trust

Notes to the Financial Statements For the year ended 31st March 2021

1 Accounting Policies Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)) and the Charities Act 2011. The charity meets the definition of a public benefit entity under FRS 102.

Accounting Convention

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with applicable accounting standards and Statement of Recommended Practice '2005', Accounting and Reporting by Charities and the Charities Act 2011.

Going concern

The Trustees consider that it is appropriate to draw up the charity's accounts on a Going Concern basis because of its substantial cash resources, and investments with continuing income streams from charitable activities and its control over its costs. Its financial position is subject to regular review by the Trustees.

Income

Income represents fees, legacies and donations and other amounts receivable.

Expenditure

All expenditure is accounted for gross, and when incurred.

Charitable expenditure includes the direct costs of the activities and depreciation on related assets. Where such costs relate to more than one functional cost category, they have been split on either an estimate of time or floor space basis, as appropriate. It includes support costs.

Cost of generating funds represent the investment management fees charge for managing the charity's investment portfolio.

Governance costs comprise those costs associated with the meeting the constitutional and statutory requirements of the charity and are now included within support costs.

Tangible Fixed Assets

Freehold land and buildings

These have been included in the balance sheet at the trustees estimation of their continuing current use value as at 31st March 1997, or at cost if the expenditure was incurred after 31st March 1997.

Furniture, fittings and equipment

These have been included in the balance sheet at the trustees estimation of their continuing current use value at 31st March 1997, or at cost if the expenditure was incurred after 31st March 1997.

Motor vehicles

These have been included at cost less accumulated depreciation brought forward and depreciation in the current year.

Depreciation is provided on all tangible fixed assets other than freehold land so as to write them off over their anticipated useful lives on a straight line basis:

**The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Notes to the Financial Statements
For the year ended 31st March 2021**

Freehold property		2% per annum
Furniture, fittings and equipment:	solar panels	over 20 years
	other	25% per annum
Motor vehicles		25% per annum

Tax status

The trust is a registered charity and is not subject to corporation tax on its current activities.

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange differences are taken into account in arriving at operating profit.

Investments

Investments are included at their market value at the balance sheet date.

Unrealised gains and losses on investments are reported in the Statement of Financial Activities under the separate heading of Net losses/gains on investment assets.

Fund accounting

Designated funds comprise amounts which has been set aside at the discretion of the trustees for specific purposes. The purpose and use of the designated unrestricted fund is set out in the notes.

Accumulated funds comprise general funds available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The most significant estimates and assumptions which affect the carrying amount of assets and liabilities in the accounts relate to:

Cost of fixed assets prior to 1997 was estimated based on depreciated current use value. The proportion of land and buildings disposed off is based on an estimate of the proportion of the total estate disposed off as there are no records identifying the original split.

Useful Economic Lives - The annual depreciation charge for property, plant and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended were necessary to reflect current circumstances.

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Notes to the Financial Statements
For the year ended 31st March 2021

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See note 5 for the debtor note.

The Congregation of the Franciscan Sisters (Littlehampton)
Charitable Trust
Notes to the Financial Statements
For the year ended 31st March 2021 (Continued)

2 Analysis of Total Resources - 2021	Staff & agency Costs	Depreciation	Other costs including Support costs	Total 2021	Total 2020
	£	£	£	£	£
Cost of generating funds			51,358	51,358	54,223
Activities in furtherance of objects	1,126,750	117,884	762,393	2,007,027	1,912,709
	<u>1,126,750</u>	<u>117,884</u>	<u>813,751</u>	<u>2,058,385</u>	<u>1,966,932</u>
Analysis of Total Resources - 2020	Staff & agency Costs	Depreciation	Other costs including Support costs	Total 2019	
	£	£	£	£	
Cost of generating funds			54,223	54,223	
Activities in furtherance of objects	1,038,498	104,597	769,614	1,912,709	
	<u>1,038,498</u>	<u>104,597</u>	<u>823,837</u>	<u>1,966,932</u>	
Governance costs included in support cost				2021	2020
				£	£
Audit fee				5700	5000
Staff costs include the following:					
Wages and salaries				1059839	975,357
Social security costs				52,801	50,921
Pension costs				14,110	12,220
				<u>1,126,750</u>	<u>1,038,498</u>
Average number of persons employed during the year was				<u>68</u>	<u>74</u>

The trustees who are also the senior management team received no remuneration during the year.
The trustees were reimbursed for reasonable travel costs incurred in performance of their duties.
No employees emoluments were in excess of £60,000.

3 Tangible Fixed Assets	Land and Buildings	Furniture, Fittings and Equipment	Motor Vehicle	Total
Cost or Valuation	£	£	£	£
At 1st April 2020	3,993,838	1,144,699	255,341	5,393,878
Additions at cost/valuation	3,249	69,661		72,910
Disposals			(10,385)	(10,385)
At 31st March 2021	<u>3,997,087</u>	<u>1,214,360</u>	<u>244,956</u>	<u>5,456,403</u>
Depreciation				
At 1st April 2020	1,052,061	947,681	227,134	2,226,876
Charge for the year	66,760	42,937	8,187	117,884
Disposals			(10,385)	(10,385)
At 31st March 2021	<u>1,118,821</u>	<u>990,618</u>	<u>224,936</u>	<u>2,334,375</u>
Net Book Value				
At 31st March 2021	<u>2,878,266</u>	<u>223,742</u>	<u>20,020</u>	<u>3,122,028</u>
At 31st March 2020	<u>2,941,777</u>	<u>197,018</u>	<u>28,207</u>	<u>3,167,002</u>

The Congregation of the Franciscan Sisters (Littlehampton)
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For the year ended 31st March 2021 (Continued)

4	Fixed Asset Investments	2021	2020			
		£	£			
	Market value: Listed investments					
	At 1st April	5,245,985	5,872,735			
	Additions	2,821,167	1,311,555			
	Disposals proceeds	(2,497,898)	(1,418,809)			
	Net gains/(losses)	2,111,492	(519,496)			
		<u>7,680,746</u>	<u>5,245,985</u>			
	Cash at Brokers	278,939	488,294			
		<u>7,959,685</u>	<u>5,734,279</u>			
	At 31st March 2021					
	Analysis of listed investments					
	UK	3,500,747	2,306,494			
	Overseas	4,179,482	2,929,491			
		<u>7,680,746</u>	<u>5,245,985</u>			
	Historic Cost	<u>5,552,948</u>	<u>4,718,360</u>			
	All investments are held primarily to provide an investment return for the charity.					
5	Debtors	2021	2020			
		£	£			
	Trade debtors	20,178	77,197			
	Prepayments and accrued income	30,608	26,520			
		<u>50,786</u>	<u>103,717</u>			
6	Creditors	2021	2020			
		£	£			
	Other creditors and accruals	125,756	97,058			
7	Unrestricted Funds and Reserves					
	Property and Equipment Fund	Medical and Retirement Fund	Formations Funds	Accumulated Fund	Total Funds	
	£	£	£	£	£	
	Balance at 1st April 2020	3,167,002	4,000,000	400,000	1,626,365	9,193,367
	Net incoming resources & transfers	(44,974)			2,030,320	1,985,346
	Balance at 31st March 2021	<u>3,122,028</u>	<u>4,000,000</u>	<u>400,000</u>	<u>3,656,685</u>	<u>11,178,713</u>

The property and equipment fund is a sum apportioned at the discretion of the trustees to reflect the amount of the charity's money tied up in fixed assets and so not freely spendable.

The medical and retirement care fund is a sum apportioned at the discretion of the trustees for the medical care and retirement care of members of the Congregation. This was utilised throughout the year and the balance topped to the level expected to be required for the future care of the Sisters in their old age. It will be continue to be utilised over the remaining lives of the elderly sisters when needed.

The Formation fund is a sum aside at the discretion of the trustees to provide funds for formation both in the UK and throughout the world, particularly India. The Fund is also apportioned at the discretion of the trustees to support the activities of our Sisters and the needs of the people in India.

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For the year ended 31st March 2021 (Continued)

8	Reconciliation of Net Income/(Expenditure to net Cash Inflow/(Outflow) from Operating Activities	2021 £	2020 £
	Net income/ (expenditure) before gains	(126,146)	(6,430)
	Interest receivable	(148,593)	(144,309)
	Depreciation	115,193	103,097
	(Increase)/Decrease in debtors	52,931	133,157
	Increase/(Decrease) in creditors	28,698	(3,276)
		<u>(77,917)</u>	<u>82,239</u>
9	Analysis of Changes in Cash and Cash Equivalents during the Year	2021 £	2020 £
	Balance at 1st April 2020	773,721	486,013
	Net cash inflow/(outflow)	<u>(322,812)</u>	<u>287,708</u>
	Balance at 31st March 2021	<u>450,909</u>	<u>773,721</u>
	Summary of Cash and Cash Equivalents		
	Cash at bank	171,970	285,427
	Cash at brokers	<u>278,939</u>	<u>488,294</u>
		<u>450,909</u>	<u>773,721</u>