

**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	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.
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 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. 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:	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 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.

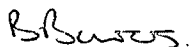
Investment Policy

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.

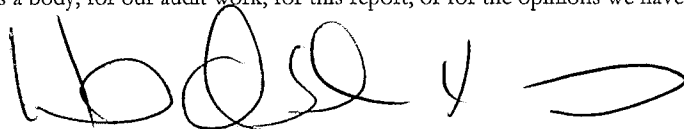
In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for 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		1,002,638	2,691
Total Income		3,060,354	1,932,239
Expenditure			
<i>Raising Funds</i>			
Investment management fees		65,552	51,358
<i>Charitable expenditure</i>	2		
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		183,219	184,257
Total Expenditure		2,266,884	2,058,385
Net Income/(Expenditure) before gains/(losses) on investments		793,470	-126,146
Net gains on investment assets	4	(28,164)	2,111,492
Net (expenditure)/income		765,306	1,985,346
Fund balance brought forward		11,178,713	9,193,367
Fund balance carried forward	7	11,944,019	11,178,713

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	7				
Property and Equipment fund			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><u>544,774</u></u> -		<u><u>(322,812)</u></u>
Increase/(Decrease) in Cash and Cash Equivalents		<u><u>544,774</u></u>		<u><u>(322,812)</u></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	Analysis of Total Resources - 2022	Staff & agency Costs £	Depreciation £	Other costs including Support costs £	Total 2022 £	Total 2021 £
	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	Staff & agency Costs £	Depreciation £	Other costs including Support costs £	Total 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				<u>16,553</u>	<u>14,110</u>
					<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	Tangible Fixed Assets	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	<u>(34,000)</u>		<u>(26,725)</u>	<u>(60,725)</u>
	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	<u>(27,744)</u>		<u>(26,725)</u>	<u>(54,469)</u>
	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)	(28,164)	2,111,492			
		7,970,615	7,680,746			
	Cash at Brokers	874,390	278,939			
	At 31st March 2022	8,845,005	7,959,685			
	Analysis of listed investments					
	UK	4,639,695	3,500,747			
	Overseas	3,480,613	4,179,482			
		7,970,615	7,680,746			
	Historic Cost	6,183,220	5,552,948			
	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	22,523	30,608			
		49,396	50,786			
6	Creditors	2022	2021			
		£	£			
	Other creditors and accruals	107,796	125,756			
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	(85,906)			851,212	765,306
	Balance at 31st March 2022	3,036,122	4,000,000	400,000	4,507,897	11,944,019

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	(17,960)	28,698
		<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>