

**The Congregation
of the Sisters
of St Anne
Charitable
Trust**

Annual Report and Accounts

31 March 2022

Charity Registration Number
233808

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Reference and administrative information

Trustees	Sister Mary Hannigan Sister Patricia Heller Sister Jennifer Brown Sister Ruth Holley Sister Peggy McWeeney
Superior General	Sister Patricia Heller
Principal address	St Anne's House 14 Lansdowne Road London SW20 8AN
Telephone	0203 092 4111
Charity registration number	233808
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC Bank plc PO Box 6201 Coventry CB3 9HW National Westminster Bank plc Wimbledon Branch 16 Wimbledon Hill Road Wimbledon London SW19 7NN COIF Charity Funds 80 Cheapside London EC2V 6DZ

Reference and administrative information

Principal investment managers and advisers

Brewin Dolphin Limited
5 Giltspur Street
London
EC1A 9BD

Epworth Investment Management Limited
9 Bonhill Street
London
EC2A 4PE

Rathbone Investment Management Limited
8 Finsbury Circus
London
EC2M 7AZ

Royal London Asset Management Limited
55 Gracechurch Street
London
EC3V 0RL

Oikocredit
Ecumenical Development Cooperative Society U.A.
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Amersfoort
3818 LA
Netherlands

Solicitors

Irwin Mitchell LLP
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Newbury
RG14 1JX

Stone King LLP
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London
EC1M 4BS

The trustees present their statutory report together with the accounts of the Congregation of the Sisters of St Anne Charitable Trust (the charity) for the year ended 31 March 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 22 to 27 of the attached accounts and comply with the charity's trust deed, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Introduction

The Congregation of the Sisters of St Anne (the "Congregation") is a Roman Catholic Religious Congregation founded in 1927.

The accounts which accompany this report are those of the charitable trust on which the assets of the Congregation in England and Wales are held. The charity is governed by a trust deed dated 20 December 1963 and is registered under the Charities Act 2011 – Charity Registration Number 233808.

Mission

The Congregation of the Sisters of St Anne Charitable Trust aims to support the religious and other charitable works carried on by the members of the Congregation and to care for those members throughout their lives with the Congregation. These ministries of the sisters of the Congregation, all of which benefit numerous members of the general public, fall into the following main areas:

- ◆ **Social and pastoral work**
Several members of the Congregation are involved in various forms of pastoral work in London including visiting elderly and housebound parishioners in their own homes and in hospital, providing families with support, supporting other needy parishioners, and teaching catechetics.
- ◆ **Operation of a residential and care establishment**
During the year the sisters provided care and assistance to older people at St Teresa's Home for the Elderly, Wimbledon, owned and operated by the charity. This Home provides care for members of the general public and those members of the Congregation in need of care. With effect from midnight on 30 November 2021 the activities, assets and liabilities of St Teresa's Home were transferred to St Teresa's Home CIO, Charity Registration Number 1189921, a newly registered charity, in accordance with a legal Deed of Transfer.
- ◆ **Caring for the members of the Congregation**
By caring for members of the Congregation, the charity ensures that the ministry of individual sisters and of the sisters collectively, continues for as long as possible.

Activities, specific objectives and relevant policies

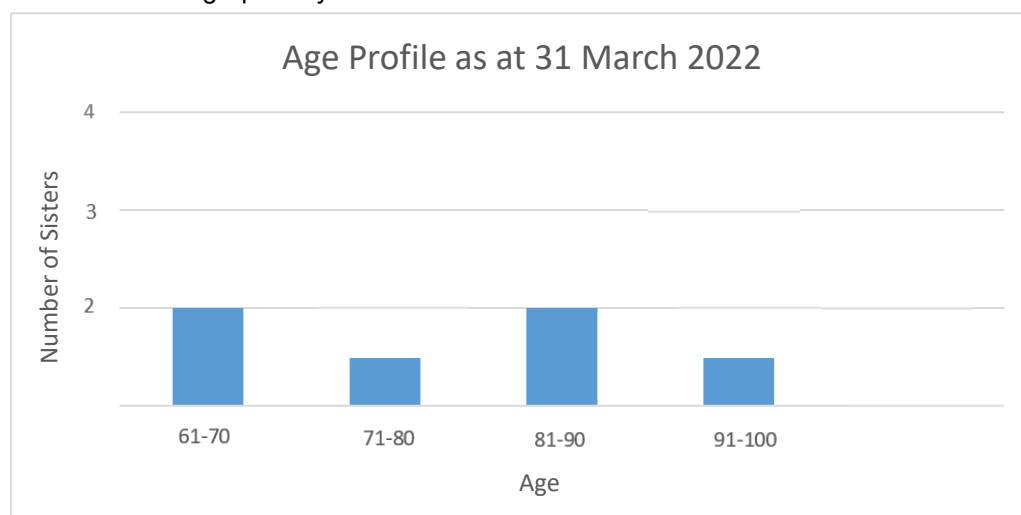
Activities and specific objectives

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

As stated above under "Mission," the activities of the charity can be divided into three principal areas: caring for members of the Congregation, the social and pastoral work of the sisters, and the ownership and operation of one care home for the elderly. Each of these is considered in turn below.

1. Caring for members of the Congregation

In common with many religious congregations in Great Britain, the age profile of the members of the Congregation is increasing as existing members grow older and the number of new vocations becomes minimal. The age profile of the Congregation in Great Britain is shown graphically below:



The Congregation has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted a significant part of their lives to the care of the sick, elderly, poor and marginalised in society. As the age profile of the Congregation increases so too does the need to provide increasing and increasingly expensive care for the sisters. Members of the Congregation receive care in the charity's care home as required and, over the next decade, the trustees expect a number may require this care. As a consequence, the trustees are giving careful consideration to the impact of this on the work of individual members of the Congregation and the financial implications.

In this regard, the aims of the trustees over the forthcoming years include:

- ◆ Ensuring all members of the Congregation receive the high level of care they require to provide them with the quality of life they should rightly expect; and
- ◆ Enabling all members of the Congregation to continue with their individual ministries for as long as possible.

Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

2. Social and pastoral work

The following are examples of the social and pastoral work undertaken by individual sisters:

- ♦ working in parishes, visiting and helping parishioners develop their spiritual lives;
- ♦ geriatric nursing;
- ♦ administrative and secretarial support to Church organisations;
- ♦ pastoral care/chaplaincy in nursing homes;
- ♦ various justice and peace initiatives;
- ♦ guiding prayer groups; and
- ♦ bereavement counselling.

The aims of the trustees in this area include:

- ♦ Enabling all members of the Congregation to carry out meaningful social and pastoral work within the wider community after assessing their skills and the needs of the local area;
- ♦ Encouraging and motivating members to work with and assist the poor, elderly and marginalised; and
- ♦ Wherever possible, ensuring sisters are remunerated for such work by way of salary or stipend. Such income is donated to the charity and thereby ensures that the work of the sisters and charity may continue into the future and develop.

3. Care home

As stated previously, until midnight on 30 November 2021, the charity owned and operated one care home for the elderly. On 30 November 2021 the activities, assets and liabilities of the Home transferred to St Teresa's Home CIO, a newly registered charity.

The philosophy of care at the Home is to ensure a homely, friendly and open atmosphere among residents and staff whilst maintaining the privacy, dignity, rights and quality of life of all residents.

The Home provides long-term residential and nursing care for the elderly. It also offers short-term respite care for those coming out of hospital or to enable carers to take a break.

Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

3. Care home (continued)

There are 24 rooms at St Teresa's, many with en-suite facilities. Each room has a telephone and television and is linked to the call system. All areas of the Home are accessible by either stairs or lifts, and residents are encouraged to take meals in the dining room. The Home has spacious communal areas where residents are encouraged to sit and talk to one another, watch television or partake in one of the very many activities or social events organised by the staff. The Home has a chapel and landscaped grounds.

In operating this Home the trustees of the charity have always aimed to:

- ◆ Provide excellent residential and nursing care to elderly men and women, ensuring that their needs are met fully and that they enjoy as high a quality of life as possible;
- ◆ Employ high quality staff to care for the elderly residents ensuring that all such staff obtain the necessary qualifications and training needed for their work;
- ◆ Ensure that the Home meets the requirements of the Care Quality Commission and that any recommendations arising from inspections are acted upon quickly and effectively; and
- ◆ Maintain the financial security of the Home through careful budgeting and by setting fees at levels that ensure the viability of the Home is not threatened.

Protection of Children and Vulnerable Adults

Along with all other organisations who serve in the community, the trustees recognise the absolute necessity of ensuring the protection and safety of all those the charity serves. This means that all sisters who are in any kind of ministry in Great Britain have to obtain clearance from the Disclosure and Barring Service (DBS). The trustees are committed to implementing all policies and procedures of the National Catholic Safeguarding Commission (NCSC).

Grants, donations and support of missionary work and ministry

Grants, donations and other payments in support of missionary work and ministry are decided on by the trustees in consultation with other members of the Congregation as appropriate.

Whilst the trustees give occasional support to United Kingdom organisations whose work is within the objects of the charity, the charity does not regard itself as a grant making entity and applications for grants and donations are not invited.

Activities, specific objectives and relevant policies (continued)

Volunteers

Throughout the year, the members of the Congregation give their time to assist the poor and marginalised and those in any type of need. The majority of members receive no financial reward for this work which contributes to the overall achievement of the charity's objectives. In addition, members are involved in administering the work of the Congregation and charity - without their contribution the charity would not be able to function as effectively or fully as it does.

In addition to the sisters being involved in these activities, there would normally be numerous volunteers who give of their time. Whilst the help from such volunteers has been limited this year as a result of the Covid-19 pandemic, the trustees continue to express their deepest thanks. Many of the activities could not take place without their help.

Investment policy

Brewin Dolphin Limited, Royal London Asset Management Limited and Rathbone Investment Management Limited manage the charity's listed investments. In addition, the charity holds cash funds on deposit with Epworth Investment Management Limited. There are no restrictions on the charity's power to invest.

The charity has also invested £2,000 with Ecumenical Development Cooperative Society U.A (Oikocredit). This represents an ethical investment, which is held not specifically to make a return but in support of development projects which benefit disadvantaged and marginalised individuals.

The investment strategy is set by the trustees and takes into account income requirements, the risk profile and the investment managers' view of the market prospects in the medium term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised by the trustees from time to time. There is also an Ethical Policy precluding investment in any company which, after reasonable enquiry, clearly has significant profits from an activity which is contrary to the objectives of the Catholic Church.

The performance of the portfolio and the charity's investment strategy are reviewed by the trustees who meet with the investment managers annually.

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The charity takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

Achievements and performance

Review of activities

The Sisters have given their all to their various ministries, despite Covid, and continued to have contact by phone with those they may have normally visited.

Three Sisters work in St. Teresa's Home C.I.O. and two Sisters work in the Parish.

It is our hope to continue these ministries for as long as the Individual Sisters feel able to do so.

Part of our Charism is to "Be Sisters of the Hour", and therefore we may be called to carry out our ministries at any time.

Financial review

Results for the year

A summary of the year's results can be found on page 19 of this report and accounts.

Income for the year was £1,142,935 (2021 - £1,528,225). £799,350 (2021 - £1,201,426) related to fees receivable from the charity's care home and there were Covid-19 infection control grants of £29,404 received in connection with the Home (2021 - £58,861). £76,776 (2021 - £49,714) was received by way of donations and legacies. This figure includes salaries and pensions of the sisters amounting to £68,672 (2021 - £41,034) covenanted to the charity and donations and legacy income of £6,517 (2021 - £2,000). Investment income and interest receivable totalled £213,329 (2021 - £205,197).

Expenditure before the transfer of the net assets of St Teresa's Home to a newly formed charity totalled £1,151,605 (2021 - £1,534,305). The total expenditure on the charity's care home amounted to £819,695 (2021 - £1,262,489) with staff costs representing a very significant proportion of this and amounting to £639,554 (2021 - £995,589). Expenditure incurred on maintaining the members of the Congregation and supporting them in their pastoral work and ministry amounted to £284,017 (2021 - £227,457) and included expenditure on governance.

The transfer of the net assets of St Teresa's Home, including a freehold property, to a newly formed registered charity with effect from 30 November 2021 are reflected in the statement of financial activities as expenditure amounting to £1,992,925 (2021 - £nil). This increased the total expenditure for the year to £3,144,530 (2021 - £1,534,305).

Net expenditure for the year, therefore, was £2,001,595 (2021 - £6,080). There were investment gains of £464,719 (2021 - £1,807,989) during the year giving rise to the resulting decrease in funds of £1,536,876 (2021 - increase in funds of £1,801,909).

Investment performance

At 31 March 2022, the charity had a portfolio of listed investments with a market value of £8,825,920 (2021 - £8,998,621) and the investment managers held a further £255,881 (2021 - £220,970) of cash for re-investment.

Financial review (continued)

Investment performance (continued)

During the year the charity's investments achieved an income yield of 2.39% (2021 – 2.54%) and a capital yield of 4.54% (2021 - negative capital yield 22.51%). The investment managers continued to invest in accordance with the trustees' investment policy set out earlier in this report and to comply with the ethical guidelines given to them. At the end of the year, the charity's portfolio of listed investments comprised 32% (2021 - 34%) UK equities, 10% (2021 - 11%) UK fixed interest stocks, 7% (2021 - 10%) UK common investment funds, 4% (2021 - 5%) property unit trusts and 47% (2021 - 40%) overseas unit trusts.

The trustees are of the opinion that their investment objectives are being met.

Reserves policy and financial position

Reserves policy

The reader will discern from the foregoing that the charity carries out a diverse range of activities and is responsible for care and support of sisters whose average age is increasing and whose needs are changing. The trustees have examined the need for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work and its commitments, the level of free reserves should be approximately equal to thirty six months' expenditure.

Financial position

The balance sheet shows total reserves of £12,420,102 (2021 - £13,956,978). Of this, £3,026,941 (2021 - £4,307,090) is represented by properties and other tangible fixed assets essential for the support and work of the sisters.

Funds amounting to £4,500,000 (2021 - £5,296,723) have been set aside as designated funds. Included within these funds are amounts designated to provide for the sisters in their retirement, none of whom have resources of their own. The calculations, based on actuarial methods, indicate that £4,400,000 (2021 - £4,400,000) is needed for this purpose. Designated funds also include £100,000 (2021 - £100,000) set aside for the maintenance and care of the charity's properties.

In 2021, designated funds also included £796,723 being the accumulated net incoming resources of St Teresa's Home for the Elderly. These funds were transferred to the new CIO as at midnight on 30 November 2021 and are no longer reflected in the attached accounts.

Funds available to support the work of the sisters in the future are shown as general funds on the balance sheet and amount to £4,893,161 (2021 - £4,353,165). The trustees acknowledge that free reserves are in excess of the amount demanded by the above reserve policy. The trustees intend to review their reserves policy over the coming year in the light of the transfer of the care home and related net assets to a separate charity and the consideration they are giving to the charity's future strategy. However, they remain cautious given the current macroeconomic and geopolitical climate.

Future plans

We feel that we as a Congregation will need to look at downsizing our accommodation as we are five in number now in the Congregation.

Ideally, we would hope to find a premises in the local area, to enable us to continue our Ministries as we are able. This search would need to start at least from the start of 2023.

Governance, structure and management

Governance

In terms of Canon law, the Congregation is governed by the Superior General and her General Council. They are elected every six years at alternate Triennial Chapters. They are chosen for their personal qualities, their understanding and experience of the ministries of the sisters, governance, structure and management throughout Great Britain and to secure a good skills' mix among them. The Congregation live in one community. The Superior General is now resident in the community and so is available to the sisters at all times. Throughout the year, there is a system of accountability operational throughout the Congregation to ensure that the Superior General and her Councillors are aware of the progress and development of the ministries carried out by the sisters of the Congregation.

In terms of Civil law, the charity is governed by a trust deed dated 20 December 1963 and is a registered charity – Charity Registration No. 233808. The trustees of the charity are the Superior General together with the four members of the General Council (and the Bursar General when she is not an elected member of the Council). As all trustees are members of the Congregation they have a detailed knowledge of the work of the charity and of its structure.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts. The trustees are incorporated under the provisions of the Charities Act 2011 as "The Incorporated Trustees of the Congregation of the Sisters of Saint Anne."

Trustees' responsibilities

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

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles 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 United Kingdom and Republic of Ireland (FRS 102);

Governance, structure and management (continued)

Trustees' responsibilities (continued)

- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations and the provisions of the charity's trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet bi-monthly to review developments with regard to the charity or its activities and make any important decisions. When necessary, the trustees seek advice and support from the charity's professional advisers including property consultants, investments managers, solicitors and accountants. The day-to-day management of the charity's activities, and the implementation of policies, is delegated to the appropriate members of the Congregation or senior staff.

At 31 March 2022, the Congregation comprised six sisters. The community house is situated at 14 Landsdowne Road, Wimbledon. The community house is located in an area where it is believed that the sisters can provide the most help to those in need.

Key management personnel

The trustees consider that they and (for the period of ownership) the Registered Care Manager of St Teresa's Home, comprised the key management personnel of the charity and the Home in charge of directing and controlling, running and operating the charity and the Home on a day-to-day basis during the year.

No trustees received any remuneration or reimbursement of expenses during the year (2021 - none).

The pay of the Registered Care Manager was reviewed annually by the trustees. Her pay generally was increased in line with average earnings within the Home.

Governance, structure and management (continued)

Working with other organisations

The charity works closely with a number of other charities and public bodies which work in the field of providing care to the vulnerable and the elderly. In all cases, working together with other charities and public bodies enhances communication and understanding thus enabling services to the elderly to be provided more efficiently and effectively and avoiding duplication of effort. An example of an organisation for which members have worked and with which the charity has co-operated during the year is Roman Catholic Diocese of Southwark.

Risk management

The trustees have identified and considered the major risks to which the charity is exposed. Systems have been established to mitigate those risks and the risk policies which have been developed will be regularly updated and adapted as circumstances change.

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

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

Key risks are described below together with the principal ways in which they are mitigated:

- ◆ Operationally the charity works with vulnerable adults including older people. The trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serves. This means that staff and volunteers must obtain clearance from the Disclosure and Barring Service (DBS). In addition, the trustees have established systems of on-going safeguarding training; to update internal policies; and to ensure staff and volunteers are kept informed about good practice in work.
- ◆ The charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the trustees. The trustees meet twice a year with the investment managers and the managers' performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs - both now and in the future.

Employees, volunteers, and members of the Congregation

The Superior General and the trustees wish to record their recognition of the professionalism and commitment of all their staff, volunteers and the individual members of the Congregation. Their dedication and positive approach are very much appreciated.

Approved by the trustees and signed on their behalf by:

Patricia Heller

Approved by the trustees on: 23rd November 2022

Independent auditor's report to the trustees of The Congregation of the Sisters of St Anne Charitable Trust

Opinion

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

In our opinion, the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with representatives from the trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019), the Care Act 2014 and related legislation and regulations, and safeguarding regulations; and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of representatives from the trustees and review of minutes of trustees' meetings.

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

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

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

How the audit was considered capable of detecting irregularities including fraud (continued)

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

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Carried out substantive testing of expenditure including the authorisation thereof;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

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

- ◆ Agreeing accounts disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

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

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

We did not identify any irregularities, including fraud.

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

Use of our report

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

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

30 November 2022

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

Statement of financial activities Year to 31 March 2022

	Notes	Unrestricted funds	
		2022 £	2021 £
Income from:			
Donations and legacies	1	76,776	49,714
Investments and interest receivable	2	213,346	205,197
Charitable activities	3	812,309	1,213,366
Other sources			
. Miscellaneous income		11,100	1,087
. Covid-19 Infection Control grant		29,404	58,861
Total income		1,142,935	1,528,225
Expenditure on:			
Raising funds			
. Investment management costs	4	45,053	41,751
Charitable activities			
. Donations		2,840	2,608
. Provision of residential and nursing care services	5	819,695	1,262,489
. Support of the members of the Congregation and their ministry	6	284,017	227,457
		1,151,605	1,534,305
Transfer to St Teresa's Home CIO (Charity Registration No. 1189921)	21	1,992,925	—
Total expenditure		3,144,530	1,534,305
Net (expenditure) income before net investment gains	8	(2,001,595)	(6,080)
Net investment gains		464,719	1,807,989
Net (expenditure) income and net movement in funds		(1,536,876)	1,801,909
Reconciliation of funds:			
Fund balances brought forward at 1 April 2021		13,956,978	12,155,069
Fund balances carried forward at 31 March 2022		12,420,102	13,956,978

With effect from midnight on 30 November 2021 the activities, assets and liabilities of St Teresa's Home were transferred to St Teresa's Home CIO in accordance with a legal Deed of Transfer. The income relating to ST Teresa's Home for the year to 31 March 2022 amounted to £851,147 (2021 - £1,293,182) whilst the expenditure amounted to £826,157 (2021 - £1,270,812). With the exception of St Teresa's Home, the charity's activities derived from continuing operations during the year.

All income and expenditure in both the above financial years related to unrestricted funds.

Balance sheet 31 March 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	11		3,026,941		4,307,090
Investments	12		9,081,801		9,219,591
			12,108,742		13,526,681
Current assets					
Debtors	13	21,852		103,236	
Cash at bank and in hand		311,953		561,807	
		333,805		665,043	
Liabilities					
Creditors: amounts falling due within one year	14	(22,445)		(234,746)	
Net current assets			311,360		430,297
Total net assets			12,420,102		13,956,978
Represented by:					
Funds and reserves					
Unrestricted income funds					
. General funds			4,893,161		4,353,165
. Tangible fixed assets fund	15		3,026,941		4,307,090
. Designated funds	16		4,500,000		5,296,723
			12,420,102		13,956,978

Approved by the trustees
and signed on their behalf by:

Patricia Heller

Trustee

Approved on: 23rd November 2022

Statement of cash flows Year to 31 March 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash (used in) provided by operating activities	A	(107,611)	(41,313)
Cash flows from investing activities:			
Investment income and interest received		215,479	206,035
Purchase of tangible fixed assets		(2,700)	(40,835)
Proceeds from the disposal of investments		1,373,191	998,325
Purchase of investments		(1,445,161)	(1,119,957)
Net cash provided by investing activities		140,809	43,568
Change in cash and cash equivalents in the year		33,198	2,255
Cash transferred to St Teresa's Home CIO		(248,142)	—
Cash and cash equivalents at 1 April 2021	B	782,777	780,522
Cash and cash equivalents at 31 March 2022	B	567,833	782,777

Notes to the statement of cash flows for the year to 31 March 2022.

A Reconciliation of net movement in funds to net cash (used in) provided by operating activities

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	(1,536,876)	1,801,909
Adjustments for:		
Transfer to St Teresa's Home CIO	1,992,925	—
Depreciation charge	132,715	158,080
(Gains) losses on investments	(464,719)	(1,807,989)
Investment income and interest receivable	(213,346)	(205,197)
(Increase) decrease in debtors	(18,780)	1,672
Increase in creditors	470	10,212
Net cash (used in) operating activities	(107,611)	(41,313)

B Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	311,953	561,807
Cash held by investment managers	255,880	220,970
Total cash and cash equivalents	567,833	782,777

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

Principal accounting policies 31 March 2022

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

Basis of preparation

These accounts have been prepared for the year to 31 March 2022 with comparative figures given for the year to 31 March 2021.

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

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

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

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

Critical accounting estimates and areas of judgement

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

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

- ◆ assessing the useful economic lives attributed to tangible fixed assets used to determine the annual depreciation charge;
- ◆ assessing the recoverability of any debts for residential and care home fees and the need for a provision against doubtful or bad debts;
- ◆ determining the probability of the receipt of legacies which are measurable and to which the charity is entitled;
- ◆ the assumptions applied in determining the size of the sisters' retirement fund, created in order to provide for the continuing care of the members of the Congregation;
- ◆ determining the assumptions adopted by the trustees and management in determining the value of any other designations required from the charity's general unrestricted funds; and
- ◆ estimating the future income and expenditure flows of the charity in order to assess the going concern (see below).

Assessment of going concern

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

With regard to the next accounting period (i.e. the year ending 31 March 2022), the most significant areas that may affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

The trustees continue to monitor both income and expenditure carefully. The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

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

Income comprises donations, legacies, investment income, interest receivable, fees and related charges in respect to residential and nursing care provision and other income including the surplus on the disposal of tangible fixed assets.

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

In accordance with the Charities SORP FRS 102, no value has been placed on services provided by volunteers.

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

Income recognition (continued)

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Investment income is recognised once the dividend has been declared and notification has been received of the dividend due.

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

Fees and related charges in respect to the provision of residential and nursing care are measured at fair value of the consideration received or receivable being the invoiced amount excluding discounts and rebates. Provision is made against any amount deemed irrecoverable or where the debt is doubtful.

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

All other income, including grants received in response to the Covid-19 pandemic, is recognised to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be measured reliably. It is measured at fair value and accounted for on an accruals basis.

Expenditure recognition

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

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

- ◆ Expenditure on raising funds comprising investment management fees.
- ◆ Expenditure on the provision of residential and nursing care facilities for the elderly at the Home
- ◆ Expenditure on the support of members of the Congregation and their ministry. Such expenditure enables the members to carry out their religious and charitable work.
- ◆ The provision of grants and donations relating to the support of other charitable organisations.

All expenditure is stated inclusive of irrecoverable VAT.

Support and governance costs

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

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

All expenditure on support and governance is attributed directly to either the provision of nursing and residential care or the support of members of the Congregation and their ministry. Hence, there has been no apportionment between expenditure headings.

Tangible fixed assets

All assets costing more than £1,500 and with an expected useful life exceeding one year are capitalised.

♦ Freehold land and buildings

Freehold land and buildings purchased prior to 31 March 1998 are included in the accounts at a valuation determined by the trustees and based on replacement cost for existing use as at 31 March 1998. This valuation is now taken to be the 'deemed cost' of these assets in accordance with the transitional arrangements of FRS 102. Land and buildings purchased on or after 1 April 1998 are included on the balance sheet at cost.

Non-specialised buildings are defined as those designed as, and used wholly or mainly for, private residential accommodation. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, who are satisfied that their residual value is not materially less than their book value.

Specialised buildings are defined as those comprising the Congregation's nursing care home and convent. With effect from midnight on 30 November 2021 title to the specialised buildings used as the care home were transferred to St Teresa's Home CIO. Depreciation calculated using a straight line basis is provided at 2% per annum in order to write the specialised buildings off over their estimated useful economic life.

♦ Furniture, equipment and improvements

Furniture and equipment is included in the accounts at cost and depreciated over a four year period on a straight line basis.

Improvements to facilities and refurbishment projects are capitalised and depreciated over a ten year period on a straight line basis.

♦ Motor vehicles

Motor vehicles are capitalised and depreciated over a four year period, on a straight line basis, in order to write off the cost of each vehicle over its estimated useful life.

Fixed asset investments

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

The charity does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

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

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Fund structure

The funds of the charity are in the main unrestricted and available for use in furtherance of the charity's objectives at the discretion of the trustees. Within the total unrestricted funds of the charity, the trustees have designated amounts for specific purposes. Details of these are provided in notes 15 and 16.

Services provided by members of the Congregation

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

Pensions

The charity offers its employees membership of a defined contribution pension scheme administered by the National Employment Savings Trust (NEST). Contributions to the scheme are debited to the statement of financial activities in the year which they are payable to the scheme. The assets of the scheme are held by an independent corporate trustee, whose activities are governed by the National Employment Savings Trust Order 2010, made by the Secretary of State in exercise of powers confirmed under the Pensions Act 2008.

1 Income from: Donations and legacies

	2022 £	2021 £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	68,672	41,034
Legacies	6,517	2,000
General donations	1,587	6,680
	76,776	49,714

2 Income from: Investments and interest receivable

	2022 £	2021 £
Income from listed investments		
. UK equities	94,208	78,942
. UK fixed interest	17,320	17,460
. Overseas equities	65,093	2,437
. Unit trusts and common investment funds	36,662	105,528
	213,283	204,367
Interest received	63	830
	213,346	205,197

3 Income from: Charitable activities

	2022 £	2021 £
Residential and nursing home care fees	814,664	1,224,397
Less: subsidies to residents	(15,314)	(22,971)
	799,350	1,201,426
Rental and lettings income	12,959	11,940
	812,309	1,213,366

4 Expenditure on: Raising funds

	2022 £	2021 £
Fees paid to investment managers	45,053	41,751

5 Expenditure on: Provision of residential and nursing care services

	2022 £	2021 £
Staff costs	639,544	995,590
Premises	55,085	85,725
Provisions	34,228	49,499
Residents' welfare and medical fees	16,013	31,827
Depreciation	26,335	41,711
Other support costs	46,510	51,447
Governance costs (note 7)	1,980	6,690
	819,695	1,262,489

6 Expenditure on: Support of the members of the Congregation and their ministry

	2022 £	2021 £
Premises	42,683	27,541
Sisters' living and ministry expenses	121,844	72,979
Education, training and spiritual renewal	2,500	1,850
Depreciation	106,380	116,369
Governance costs (note 7)	10,610	8,718
	284,017	227,457

7 Governance costs

	2022 £	2021 £
Legal and professional fees		
. Provision of residential and nursing care services	1,980	6,690
. Support of members of the Congregation and their ministry	10,610	8,718
	12,590	15,408

8 Net (expenditure) income before net investment gains

This is stated after charging (crediting):

	2022 £	2021 £
Staff costs (note 9)	664,017	1,018,396
Depreciation	132,715	158,080
Auditor's fees		
. Statutory audit services		
.. Current year	8,900	8,160
.. Prior year	1,710	210
. Non-statutory audit services		
.. Current year	4,200	8,160
.. Prior year	(2,220)	(1,470)
. Other services: sundry advice	1,080	348

9 Staff costs, trustees' remuneration and key management personnel

	2022 £	2021 £
Staff costs during the year were as follows:		
Wages and salaries	590,222	893,595
Social security costs	14,530	90,158
Pension contribution	57,952	27,890
	662,704	1,011,643
Payments to agency staff	1,313	6,753
	664,017	1,018,396

9 Staff costs, trustees' remuneration and key management personnel (continued)

	2022 £	2021 £
Staff costs per function were as follows:		
Support of members of the Congregation and their ministry	24,473	22,807
Provision of residential and nursing care services	639,544	995,589
	664,017	1,018,396

The number of employees whose employee benefits (excluding employer pension costs) fell within the following bands was:

	2022 Number	2021 Number
£60,001 - £70,000	—	1

The number of employees, expressed as average monthly headcount, analysed by function, was as follows:

	2022	2021
Support of members of the Congregation and their ministry	2	2
Provision of residential and nursing care services	38	40
	40	42

As members of the Congregation, the trustees' living and personal expenses during the year were borne by the charity but they received no remuneration or reimbursement of expenses in connection with their duties as trustees during the year (2021 - £nil).

The trustees consider that they and (during the period of ownership) the Registered Care Manager of St Teresa's Home, comprised the key management personnel of the charity and the Home in charge of directing and controlling, running and operating the charity and the Home on a day to day basis during the year.

As noted above, no trustee received any remuneration or reimbursement of expenses during the year (2021 - none).

The total remuneration (including taxable benefits and employer's pension contributions) of the lay key management personnel for the year was £29,675 (2021 - £43,126).

10 Taxation

The Congregation of the Sisters of St Anne Charitable Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

11 Tangible fixed assets

	Freehold land and buildings		Motor vehicles	Furniture, equipment and improvements	Total
	Non-specialised	Specialised			
	£	£	£	£	£
Cost					
At 1 April 2021	170,000	5,492,453	53,176	532,041	6,247,670
Additions	—	—	—	2,700	2,700
Disposals	—	—	(7,695)	—	(7,695)
Transfer to St Teresa's Home CIO (Charity Registration No. 1189921)	—	(1,693,795)	(17,023)	(452,204)	(2,163,022)
At 31 March 2022	170,000	3,798,658	28,458	82,537	4,079,653
At cost	—	3,798,658	28,458	82,537	3,909,653
Deemed cost - 1998 valuation	170,000	—	—	—	170,000
	170,000	3,798,658	28,458	82,537	4,079,653
Depreciation					
At 1 April 2021	—	1,545,612	48,102	346,866	1,940,580
Charge for the year	—	97,435	2,176	33,104	132,715
On disposals	—	—	(7,695)	—	(7,695)
Transfer to St Teresa's Home CIO (Charity Registration No. 1189921)	—	(656,661)	(17,024)	(339,203)	(1,012,888)
At 31 March 2022	—	986,386	25,560	40,767	1,052,713
Net book values					
At 31 March 2022	170,000	2,812,272	2,899	41,770	3,026,941
At 31 March 2021	170,000	3,946,841	5,074	185,175	4,307,090

As permitted under FRS 102, the charity has continued to adopt a policy of not revaluing its tangible fixed assets. The book value of the land and buildings is based on cost, or where cost is not available, at a trustees' valuation made, with professional assistance, as at 31 March 1998 on the basis of replacement value for existing use. As permitted under the transitional provisions of FRS 102 (section 35), the charity trustees have elected to use these valuations as deemed cost. Other tangible fixed assets are stated at cost.

It is likely that there are material differences between the open market values of the charity's freehold land and buildings and their book values. These arise from the specialised nature of some of the properties and the effects of inflation. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of trustees, is not justified in terms of the benefit to the users of the accounts.

12 Investments

	2022 £	2021 £
Listed investments		
Market value at 1 April 2021	8,998,621	7,069,000
Additions at cost	1,445,161	1,119,957
Disposals at book value (see below)	(1,318,956)	(800,287)
Net unrealised investment gains	410,484	1,609,951
Transfer to St Teresa's Home CIO (Charity Registration No. 1189921)	(709,391)	—
Market value at 31 March 2022	8,825,920	8,998,621
Cash held by investment managers for re-investment	255,880	220,970
	9,081,801	9,219,591
Cost of listed investments at 31 March 2022	6,798,268	6,993,741

Disposals at book value included above are made up of the following:

	2022 £	2021 £
Proceeds	1,373,191	998,325
Realised gains	(54,235)	(198,038)
Disposals at book value	1,318,956	800,287

Listed investments held at 31 March 2022 comprised the following:

	2022 £	2021 £
UK fixed interest	881,267	956,474
UK equities	2,797,249	3,095,673
UK common investment funds	634,018	863,082
UK property funds	326,759	432,780
Overseas unit trusts	4,184,354	3,648,339
Other investments	2,273	2,273
	8,825,920	8,998,621

At 31 March 2022 the following individual investment holdings were deemed material holdings in the context of the market value of the entire listed portfolio.

	2022	
	Market value of holding £	% of total portfolio
Vanguard Funds Plc S&P 500 UCITS ETF INC	761,338	8.63

All listed investments were dealt in on a recognised stock exchange.

13 Debtors

	2022 £	2021 £
Charges for residential and nursing care home services	—	84,163
Prepayments and accrued income	21,852	19,073
	21,852	103,236

14 Creditors: amounts falling due within one year

	31 March 2022 £	31 March 2021 £
Expense creditors	—	9,381
Residents' fees invoiced in advance	—	92,855
Social security and taxes	350	2,023
Accruals	22,095	121,941
Other creditors – amounts refundable to residents	—	8,546
	22,445	234,746

15 Tangible fixed assets fund

	Total £
At 1 April 2021	4,307,090
Net movements in year	(130,015)
	4,177,075
Transfer to St Teresa's Home CIO (Charity Registration No. 1189921)	(1,150,134)
At 31 March 2022	3,026,941

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. A decision was made to separate this fund from the general funds of the charity in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

16 Designated funds

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

	At 1 April 2021 £	New designations £	Utilised/ released £	Transfer to St Teresa's Home CIO £	At 31 March 2022 £
St Teresa's Home for the Elderly fund	796,723	956,080	(910,012)	(842,791)	—
Sisters' retirement fund	4,400,000	—	—	—	4,400,000
Property development fund	100,000	—	—	—	100,000
	5,296,723	956,080	(910,012)	(842,791)	4,500,000

16 Designated funds (continued)

	At 1 April 2020 £	New designations £	Utilised/ released £	At 31 March 2021 £
St Teresa's Home for the Elderly fund	789,115	1,401,295	(1,393,687)	796,723
Sisters' retirement fund	4,000,000	400,000	—	4,400,000
Property development fund	100,000	—	—	100,000
	<u>4,889,115</u>	<u>1,801,295</u>	<u>(1,393,687)</u>	<u>5,296,723</u>

- ◆ **St Teresa's Home for the Elderly fund**
The fund represented the accumulated net incoming resources of St Teresa's Home for the Elderly. These were kept separate from the main funds of the charity. The funds were transferred to St Teresa's Home CIO with effect from midnight on 30 November 2021.
- ◆ **Sisters' retirement fund**
This consists of funds that the trustees have set aside to provide for the sisters in their retirement, none of whom have resources of their own. The calculations, based on actuarial methods, indicate that £4.4million is needed to be set aside.
- ◆ **Property development fund**
This consists of monies which the trustees have set aside in order to finance the development and furnishing of the charity's properties.

17 Analysis of net assets between funds

	General funds £	Tangible fixed assets fund £	Designated funds £	Total 2022 £
Fund balances at 31 March 2022 are represented by:				
Tangible fixed assets	—	3,026,941	—	3,026,941
Investments	4,581,801	—	4,500,000	9,081,801
Net current assets	311,360	—	—	311,360
Total net assets	<u>4,893,161</u>	<u>3,026,941</u>	<u>4,500,000</u>	<u>12,420,102</u>
	General funds £	Tangible fixed assets fund £	Designated funds £	Total 2021 £
Fund balances at 31 March 2021 are represented by:				
Tangible fixed assets	—	4,307,090	—	4,307,090
Investments	4,028,537	—	5,191,054	9,219,591
Net current assets	324,628	—	105,669	430,297
Total net assets	<u>4,353,165</u>	<u>4,307,090</u>	<u>5,296,723</u>	<u>13,956,978</u>

17 Analysis of net assets between funds (continued)

	2022 £	2021 £
Total unrealised gains included above at 31 March 2022		
On listed investments	2,256,057	2,004,880
Reconciliation of movements in unrealised gains on listed investments		
Unrealised gains at 1 April 2021	2,004,880	537,906
In respect to disposals in year	(159,307)	(142,977)
Net gains arising on revaluation in the year	410,484	1,609,951
Total unrealised gains at 31 March 2022	2,256,057	2,004,880

18 Transactions with trustees and related parties

As members of the Congregation, none of the trustees have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the trustees to the charity was £32,095 (2021 - £31,469).

During the year the following transactions took place between the St Teresa's Home CIO and the Congregation of the Sisters of St Anne Charitable Trust. These are deemed to be related party transactions on the basis that St Teresa's Home CIO was previously part of the Charitable Trust, and three of the Trustees of the Charitable Trust are also Trustees of St Teresa's Home CIO.

- ♦ St Teresa's Home CIO paid £26,821 (2021 - £nil) in respect to services provided by members of the Congregation of the Sisters of St Anne;
- ♦ St Teresa's Home CIO received £8,612 (2021 - £nil) from the central administration towards the cost of care for a member of the Congregation.

There were no other related party transactions during the year (2021 - none).

19 Ultimate control

The charity, which is constituted as a trust, was controlled throughout the period by The Congregation of the Sisters of St Anne by virtue of the fact that the trustees are elected at alternate Triennial Chapters of the Congregation. The Congregation does not hold any assets, incur liabilities or enter into any transactions in its own right within the United Kingdom. Assets and liabilities of the Congregation within the United Kingdom are vested in the trustees of the charity, who undertake all transactions entered into in the course of the Congregation's charitable activities.

20 Transfer of activities, assets and liabilities

During 2021, the trustees of the charity established St Teresa's Home CIO, a Charitable Incorporated Organisation, registered with the Charity Commission (Charity Registration Number: 1189921). With effect from midnight 30 November 2021, the activities, assets and liabilities of St Teresa's Home for the Elderly, previously part of the Charitable Trust, were transferred to the CIO in accordance with a legal Deed of Transfer. The net assets transferred comprised:

	30 November 2021 £
Tangible fixed asset	
. Cost	2,163,022
. Depreciation	(1,012,888)
	<u>1,250,134</u>
Fixed asset investments	709,391
Cash held by investment manager	57,065
Debtors	98,029
Cash at bank and in hand	191,077
Creditors: amounts falling due within one year	(212,771)
	<u>1,992,925</u>

The assets and liabilities all represented unrestricted funds.