

**THE ANGLO - HIBERNIAN PROVINCE
OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

(Registered Charity No: 233872)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

AT

31 MARCH 2021

Haysmacintyre LLP
Chartered Accountants

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

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**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 MARCH 2020=

TRUSTEES	Sister Eileen Daly Sister Rosaleen Egan Sister Elisabetta Maccariello Sister Margaret O'Reilly Sister Helen Randles Sister Michele Totman Sister Pat Trussell
SUPERIOR	Sister Michele Totman
PROVINCIAL BURSAR	Sister Eileen Daly
PRINCIPAL OFFICE	LSU Provincialate 53 Croftdown Road London, NW5 1EL
CHARITY REGISTRATION NUMBER	233872
GOVERNING INSTRUMENT	Trust Deed dated 10 November 1964
NAMED CORRESPONDENT AND ACCOUNTANT	D.J. Clark FCA 1st Floor, Church House 61 College Road Bromley BR1 3QG
AUDITORS	Haysmacintyre LLP Chartered Accountants 10 Queen Street Place London EC4R 1AG
SOLICITORS	Stone King 13 Queen Square Bath Avon, BA1 2HJ
PRINCIPAL BANKERS	Barclays Bank plc Hatton Garden Business Centre 99 Hatton Garden London, EC1N 8DN

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REFERENCE AND ADMINISTRATIVE DETAILS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

INVESTMENT MANAGERS

Brewin Dolphin
12 Smithfield Street
London
EC1 9BD

INSURANCE BROKERS

DE Ford Insurance Brokers
Poppleton Grange
Low Poppleton Lane
York, YO26 6GZ

INVESTMENT POWERS

The Trust Deed of the Charity places no restrictions on the Trustees' powers of investment.

THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF LA SAINTE UNION DES SACRES COEURS

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2021

ORGANISATION, GOVERNANCE AND MANAGEMENT

The Congregation of La Sainte Union des Sacres Coeurs is an international religious congregation with a Province in Great Britain which includes responsibility for the Republic of Ireland and Tanzania.

The charitable activities of the Province in England and Wales are conducted through a registered charity. The Province's charity, the Congregation of La Sainte Union des Sacres Coeurs ("the Charity") is registered with the Charity Commission under number 233872. As well as carrying out the Province's exclusively charitable activities the Charity holds all of its assets in England and Wales.

Governing instrument and structure

The Governing Instrument of the Charity, a Trust Deed dated 10 November 1964, states its principal objective to be "charitable purposes which advance the religious and other charitable work for the time being carried on by or under the direction of the Society".

The Provincial (Superior) and other Trustees administer the Province in partnership with the Provincial Team. The Provincial Team is responsible for the broader, canonical aspects of the Province whilst the Trustees take responsibility for the management of the Charity and for compliance with civil law. The Sisters of the Province select/elect the Provincial Team for a term of five years.

The Provincial then appoints the Trustees as the power of appointing Trustees rests with her. She also has the power to remove any Trustee. The Trustees are all drawn from the Province's membership of fully-professed sisters. A list of the Trustees who held office during the year is set out in the Reference and Administrative section above.

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet and consult regularly to review developments with regard to the charity or its activities and make any important decisions. The trustees regularly 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, and the implementation of policies, are delegated to the appropriate members of the Province or senior staff.

Key management

The trustees consider that the key management of the charity consists of themselves with the Provincial Superior and Provincial Bursar to whom much of the running of the day-to-day operations are devolved. As religious sisters, under a vow of poverty, the trustees do not receive remuneration.

Trustee training

The Trustees attend appropriate courses and conferences relevant to the exercise of their responsibilities to ensure good governance of the Charity.

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

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TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

POLICY, AIMS, ACTIVITIES AND PUBLIC BENEFIT

It is the policy of the Charity to undertake a broad range of charitable activities. All sisters within the Province work in the pursuit of the Charity's aims, often long past the normal retirement age. This work is now in a voluntary capacity but where a salary or stipend is received, it is paid to the Charity for its ongoing work. In addition to performing work through the sisters, the Charity also provides grants and financial support to a variety of charitable projects. There have been no material changes in policy during the year.

The principal areas in which the Charity has been involved are set out below:

1. Education

The Charity's principal aim is the development of society through education in all of its forms in both the developed and the developing world. We therefore view this as a key area in which we achieve a public benefit. Through education we seek to promote self-acceptance, concern for others and an understanding of the dignity of human living. We provide buildings for schools as well as personnel in the form of support staff and Governors/Trustees of schools. Development of life skills and pastoral care of young people are considered to be particularly important.

In the educational institutions in which it is involved, the Charity seeks to attain a high level of academic achievement as well as providing a broad programme of extra-curricular activities. It emphasises the Christian message and values of the Roman Catholic faith.

The Charity is a Trustee of the following Voluntary Aided and Academy Schools:

La Sainte Union Convent School, Highgate Road, London
St Anne's Convent School, Rockstone Place, Southampton (Academy)
St Catherine's School, Bexleyheath (Academy)
La Sainte Union Convent School, Grays, Essex
Holy Cross School, Aveley, Essex

2. Healthcare

In common with many religious congregations in Great Britain, the age profile of the members of the Province is increasing as existing members grow older and the number of new vocations in Europe becomes minimal.

The Province 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 (a) education at primary, secondary and college level, and (b) the care of the elderly, poor and marginalized in society. The sisters are all under a vow of poverty and therefore providing them with support is considered to be an important element of the Charity's work.

As the age profile of the Province increases so too does the need to provide increasingly expensive care to the Sisters. At any time there are 25 - 30 members of the Province in need of nursing care. The new purpose built 18 bed care facility on the Bexleyheath site has enhanced the quality of care and enabled the Sisters to avail of support in musical movement and other activities.

Since the Charity's nursing home in Ireland closed due to unsustainable operating costs the Sisters have been relocated to other nursing homes and have adapted well to their new environments. This has also resulted in cost savings for the Charity.

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TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

POLICY, AIMS, ACTIVITIES AND PUBLIC BENEFIT (continued)

The Trustees expect that the number requiring care will increase in the coming year. Consequently, the Trustees are attentive to the impact of this on (i) the work of individual members (ii) the property requirements and (iii) the financial implications. In this regard, the aims of the Trustees over the forthcoming years include:

- Ensuring all members of the Province receive a high level of care to provide them with a good quality of life.
- Enabling all members of the Province to continue with their individual ministries for as long as possible.
- Considering the most efficient means of providing care.
- Reviewing the suitability of properties for communities of elderly sisters. Those identified as being unsuitable will be sold.

This aspect of the Province has profound implications for the Charity's future planning and its financial strategy - see Reserves Policy and Future Plans below.

3. Social and Pastoral Care

The work of the Charity encompasses a broad range of activities that make a positive contribution to society and a positive difference to the lives of many who are in need physically, emotionally or spiritually.

Examples are:

- Working in parishes, visiting and helping parishioners develop their spiritual lives
- Pastoral care
- Advocacy and support for asylum seekers and refugees
- Activities in local communities in support for older people
- Training programmes in the facilitation of workshops with individuals and groups in the UK, Ireland and Africa, enabling them to set up and run their own workshops in the future.
- Growing awareness of the need to be attentive to the welfare of the Planet
- Welfare of employees

PUBLIC BENEFIT

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

To illustrate the ministries of our communities and of our individual sisters, a number of case studies are explained each year in our Trustees' Report and a fuller appreciation of our work could be obtained by reference to the examples set out in prior year reports.

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
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TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

**PUBLIC BENEFIT (continued)
La Sainte Union Schools in the UK**

The four secondary schools and one primary school in the trusteeship of the Congregation have worked tirelessly to provide on-going education for all of our students, despite the exigencies of Covid19. All staff deserve the highest praise and our deepest appreciation for all their efforts. Headteachers have shared their experience and expertise with each other via Zoom. Heads of Year and other pastoral staff made regular contact with vulnerable pupils both in and out of school.

Each of the schools achieved good results in the Summer Examinations. Outcomes were based on teacher assessments, with modified external validation. Results were not published by schools or by the DFE in tables as was the norm in previous years. All schools have shared information re the many challenges of assessment this year, including anxieties of pupils and the additional workload on teachers to ensure as rigorous moderation as possible. Short notice of changes to student assessment added to pressures for both students and staff.

During the year students engaged in creating short video presentations based on the LSU Vision Statement and shared their understanding of the distinctive ethos which unites them. This has created much stronger links among our young people and they are clearly enjoying meeting each other. LSU Sisters have also met pupils via Zoom, linking the sisters with their former school communities.

While every effort is being made to keep our schools open and safe there is increasing anxiety over the level of staff absence due to Covid and the need to self-isolate. The winter months will undoubtedly place extra pressure on all involved.

Gloir

Gloir is a collaborative project set up in 1984 by Sisters of Mercy and La Sainte Union Sisters. Gloir staff are involved in facilitating the work of groups, as well as offering consultancy to school and hospital staff management, and leadership teams in international congregations of both men and women in Africa, Europe and United States.

Gloir continues to work collaboratively with:

- others to create spaces and places where together they can explore imaginatively ways of living justly on this planet
- people who believe in participating in the shaping of a future marked by greater social justice, seeing justice as being expressed in right-relatedness, clarity about role, ability to deal with the complexity of people living/working together

Gloir believes that those who hold Leadership/Managerial roles have great possibilities in working creatively and effectively with their teams. Women in particular strive to find new models and styles of Leadership/Management. Gloir believes that those who hold leadership/managerial roles have great possibilities in working creatively and effectively with their teams. Gloir is committed to work with them to enhance their ability to do this.

Gloir is also committed to ongoing professional development. As women in particular strive to find new models and styles of leadership, Gloir is committed to supporting them through the work it offers. Feedback received during the review at the end of every workshop indicates a high level of satisfaction from participants. In particular Gloir's commitment to collaboration, which facilitates all voices to be heard, is very much appreciated by participants.

Recently, due to Covid-19, on-line work has included – Re-organisation of General Chapters, Assemblies, Workshops, Processes of preparation of Chapters, Role Analysis and other sessions.

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TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

PUBLIC BENEFIT (continued)

Port-au-Prince, Haiti

Another area of the Congregation to receive funding is Haiti. LSU Sisters have lived and worked in Haiti since 1987. They live in a suburb of the capital, Port-au-Prince amongst the people of the parish of St Louis Marie de Montfort. They continue to work in a variety of ministries with the people who live around them. Their involvement in education ranges from pre-school through to Third Level and at a Seminary. They continue with visiting the prison, with encouraging literacy and English conversation classes.

Sr Helen Ryder recently sent this update on the situation in Haiti:

"This year has seen disruption due to Covid as everywhere else, but also it has been a year of increased insecurity, with kidnapping daily, much gang activity. It has reached a stage when one cannot travel out of the city towards the north or towards the south because gangs control the main roads. Inflation is rocketing and people struggle as never before, to survive. We had a period of fuel shortage which was followed by higher prices, which resulted in higher cost of transport and of many goods.

Many children are unable to attend school. Families have to choose which child to keep in school, which ones to leave at home for the year.

In spite of all, however, life goes on."

Tidings from LSU Tanzania

A summary of some of the charitable works of the Sisters in Tanzania.

1. Through their fundraising efforts the Sisters were able to help two major water projects in Dundani, rainwater harvesting and in Churwi Primary School, refurbishing the well, providing a new pump and water storage tanks, installing electricity and donating a laptop and printer to the Headmistress.

2. In the same school in Churwi, with the help of many donations from school children a new classroom was built. This is a 'drop in the ocean' in a school with only 10 classrooms for 2,000 children. The help to Churwi is ongoing and our advocacy is influencing the Government to start building a Health Centre on a site provided to the villagers by Holy Union, four years ago for this purpose.

3. The Sisters supervise and fund COBET/ Memkwa - an informal education centre for disadvantaged children who are late-starters in education. This was a Government initiative to help many children to access their right to education. In many schools it has collapsed due to lack of funding (or commitment). There are 200 students in the programme at any given time and it is highly successful as the teacher to student ratio is much higher than in the normal primary school. The children go mainstream after their Standard 4 exam but the support to Memkwa students continues to the end of primary school (through remedial classes and counselling). There is talk that the Government intends to invest more in COBET/Memkwa and we hope this will materialize.

4. The Sisters' fee-paying Pre and Primary Holy Union school helps the Memkwa programme by supplying the children there with a good Porridge breakfast, free of charge on a daily basis.

5. The Sisters' fee-paying Secondary School, Debrabant High School, has a scholarship programme for disadvantaged and deserving students, 16 students were fully sponsored this year. There is also a Boys' Home in the Staff Quarters which cares for boys from very marginalized backgrounds, some of whom began in Memkwa. Up to 6 students are cared for. Their relatives contribute a small amount for their upkeep but school fees and basic needs are provided by LSU.

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TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

PUBLIC BENEFIT (continued)

Tidings from LSU Tanzania

6. Sisters run Matumaini Centre for Children with disability. Most of the costs are covered by Holy Union: 50 to 60 special children attend the centre daily. Costs include food, transport to and from the Centre, treatment, basic physiotherapy, salaries and allowances, equipment - some cost sharing has been introduced and some income generating projects such as tailoring to help the mothers or parents who attend. Mothers are encouraged to save for Health Insurance for their children - seminars of awareness are held. The Sisters try to encourage the local government to provide assistance or a subsidy but so far they are unable to do so. The local churches help to some extent, as do individual benefactors. The Centre is a great source of help and relief to parents/guardians with special needs children and has helped greatly to improve peoples' attitude to disability and to remove the stigma and superstitious beliefs.

7. The Sisters run an Adult Education Literacy and Numeracy programme in the Informal Education Centre, on a daily basis. Up to 20 adults, mostly women, attend daily. The tuition is paid for by Holy Union.

8. We help university and college students from poor families with bridging loans and fares so that they don't drop out. We also support, with subsistence allowances, several young people who work in the local government schools as 'Volunteers'...helping to reduce the huge student-teacher ratio while they try to save to go back to school. This helps both the schools and the individual volunteers.

9. We have an outreach programme to the local primary schools, which are vastly overpopulated, and under-resourced. Young sisters in formation work as volunteers in these schools helping to reduce the student-teacher ratio. We sometimes provide book support, maps and other teaching aids as well as laptops and printers (to Heads of two schools this year).

10. We provide substantial assistance to the Kindergarten in Maji Matitu Primary, including the porridge programme and ensure that all the children there get a good start. We also help with Remedial classes for those who joined primary without any pre-schooling.

11. We support four schools with Steel Drum Bands: This involves sponsoring locally made instruments, paying the teachers, and supervising the upkeep of the equipment. It ensures that youngsters with musical talent have an instrument to play and promotes team-work and discipline as the band develops. The music enlivens school assemblies and special events and promotes patriotism within the school environment. We also help the schools with Sports equipment, when possible.

12. The Sisters teach Religion in schools and provide a service to the various Catholic parishes. All our work involves working with people of differing faiths and we work for unity and reconciliation in the society. We work in solidarity and friendship with our Muslim colleagues and neighbours, always striving for right relationships and mutual benefits.

13. We have a Family Support programme which reaches out to the poorest and most vulnerable.

- (a) We help those in need with food and basic needs, like house rent.
- (b) We assist the old with basic needs and health care, and their care of orphaned or abandoned children.
- (c) We help single mothers with dependent children, especially with school needs.
- (d) We help women with small grants or loans to generate income for their families.
- (e) We help people who have little or no health insurance with medical emergencies.

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
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TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

SAFEGUARDING

La Sainte Union is committed to the new safeguarding structures of the Catholic Church in England and Wales developed following the independent review by Mr Ian Elliott, commissioned by the Conference of Bishops in 2019. The Congregation has pledged to making the Church a safer place for everyone, and to ensuring that the voice of victims/survivors is heard and responded to promptly and compassionately.

The Catholic Standards Safeguarding Agency (CSSA) is a new central organisation that has been created as the professional standards body to which all Catholic Dioceses and Religious Life Groups in England and Wales will be accountable:

<http://www.catholicsafeguarding.org.uk/>

This replaces the Catholic Safeguarding Advisory Service (CSAS) and National Catholic Safeguarding Commission (NCSC). New CSSA fees have been calculated on an £85 per head basis for 45 Sisters, totalling costs of £3,825 annually for the next three years.

La Sainte Union continues to fully support the “One Church” strategy to safeguarding with transparency and accountability in the fulfilment and upholding of the standards laid down by the CSSA. They agree to follow all the policies of the CSSA including those on management of concerns and allegations, responses to victims/survivors, safer recruitment and Disclosure and Barring Services and seek to minimise the risk of abuse occurring.

<http://www.catholicsafeguarding.org.uk/national-safeguarding-standards/the-standards/>

<http://www.catholicsafeguarding.org.uk/national-safeguarding-standards/national-safeguarding-policy/>

The Charity Commission also requires assurance regarding adherence to safe and fit for purpose Safeguarding practices and must be informed of any allegation made and action taken in response. Detailed case records are also confidentially and securely kept in line with GDPR guidelines.

La Sainte Union Sisters have also committed to joining the new dedicated entity regarding safeguarding for Religious Life Groups called the Religious Life Safeguarding Service (RLSS). The RLSS will provide training and support in all safeguarding matters including training, DBS applications and advice on casework. The fees have been set at approximately £115 per head and will be calculated and requested soon. The launch of the RLSS will signal the separation of safeguarding arrangements away from Diocesan structures. The Safeguarding Commission of Orders of Education (SCOE) continues to meet quarterly during this period of transition and possibly beyond, as a more localised and invaluable additional safeguarding support resource.

The Safeguarding Team continue to work effectively with Safeguarding Coordinators of each Area Community, who in turn continue to ensure safeguarding is on the agenda at every meeting. A rolling program of Safeguarding awareness training was also completed via Zoom for each Area Community that was unable to complete face to face training previously.

The Safeguarding policy statement and newsletter act as a training reminder to each one of their duty to report allegations of abuse to safeguarding personnel, or if appropriate to statutory authorities if any child or adult at risk was seen to be in any immediate danger.

A new updated Adults at Risk policy was commissioned and has now been completed for England and Wales.

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
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TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

REVIEW OF DEVELOPMENTS DURING THE YEAR TO 31 MARCH 2021, AND LOOKING FORWARD

During the year the Congregation was active in all the principal areas listed above. A summary of developments is set out below.

1. Ongoing Activities

The current age profile of Sisters, creates the ongoing need to look with some urgency at the future trusteeship of LSU schools in UK, Ireland and have a clearer understanding of the ongoing development of LSU schools in Tanzania and the future funding required for Formation and ongoing training.

2. Healthcare Activities

The Care Home operated by the charity in the UK for the care of the sisters continues to enhance the quality of care and enable the Sisters to participate in stimulating activities.

3. Overseas work – Republic of Ireland and missions and activities in the Developing World

The Province continued its support of the Congregation's mission in Tanzania with the secondment of sisters and the giving of financial support. Financial support amounting to £171k (2020: £193k) has been given to the work of the Congregation in Tanzania, and Haiti. It has been encouraging to see the increase in young women wishing to join the Congregation and a new Novitiate House has been built in Tanzania for their training and formation.

LSU in Tanzania has successfully developed a pre-school, junior schools and a secondary school to meet the needs of hundreds of pupils in an area of Dar es Salaam. There is ongoing work to understand the current and future funding needs of these activities and to develop a formal funding plan.

The Charity also supports the work of the Province's sisters in the Republic of Ireland, although their activities do not form part of the work of the Charity itself. During the year, £432k (2020: £129k) was transferred to the Province's Irish activities.

In addition a contribution to the Congregation's Generalate of £64k (2020: £114k) was made for its work in supporting the activities of the sisters of the Congregation in the developing world.

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
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TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

The accounts, which follow, comply with current statutory requirements and the Charity's governing documents.

As of 31 March 2021, the Province had some 92 members in the United Kingdom and Ireland including those in overseas missionary activity (32 Sisters are aged 79 and under, 60 are aged 80 and over).

In addition, there are 8 Tanzanian/Kenyan sisters who have made final commitment to the Congregation and 13 other sisters in different stages of formation. They are fully involved in ministry and the development of primary and secondary education. They are also involved in the Matumaini Centre for disabled children and their families, and work with the initial and ongoing Formation of the younger women in Dundani

The majority of Sisters have given most of their working lives to the charitable activities of the Congregation. When the members work outside the Charity, any earnings are covenanted to the Charity. There have been no new vocations in the UK and therefore the average age of the members is rising. Members, although taking up important charitable work, tend either to work within the Charity or, if working outside, in the voluntary sector which is generally less well remunerated. These factors mean that there is a long-term downward trend in the income generated by members. The Charity has a commitment to continue to support members of the Province, many of whom continue to carry out charitable work long past the normal retirement age.

Income at £1.65m was lower than in the previous year in which the total was £1.75m. There was a small increase in voluntary income. The sums donated from sisters' pensions and salaries have, as expected with an ageing group of sisters, declined, albeit marginally. However, this was offset by a rise in other donations and the receipt of a legacy of £10k. Investment income declined considerably in the wake of the COVID-19 pandemic. It is hoped that this will begin to rise in 2021-22.

Total expenditure increased to £2.12m from £1.99m in 2019-20. Costs of the Support of Members of the Congregation and Their Ministry were lower at £1.35m compared to last year's £1.47m. However, Charitable Grants, including those to the Overseas Work of the Congregation, increased with the transfer of funds for the Congregation's ministry in Ireland reverting to former levels, after being unusually low in 2019-20.

The result was that the year saw net expenditure, before gains and losses on investments, of £462.3k (2020: £239.5k). However, after significant losses on investments in 2020 of £2.40m, there was an extremely strong recovery in investment values in 2021. The gain was £4.98m as global stock markets recovered from the effects of the pandemic. These fluctuations highlight the volatile nature of stock markets.

The overall result was net income of £4.52m (2020: net expenditure of £2.64m).

INVESTMENT POLICY AND PERFORMANCE

The portfolio is managed by Brewin Dolphin. Brewin Dolphin also acts as a nominee for the investments of the Charity. The Trustees meet with the fund managers three times a year and ensure that the fund is managed in accordance with their guidelines and with the religious and ethical principles of the Province. The target for the fund managers is to achieve a certain return of both income and capital growth with no more than a moderate level of risk.

The Trustees have appointed Brewin Dolphin to manage the portfolio subject to a medium degree of risk. The Trustees intend that the real value of the assets be maintained and enhanced over the long term by investment in a portfolio of equities, fixed income stocks and cash. The Trustees have instructed the fund manager to adopt an ethical policy and use their best endeavours to avoid investments that are predominately involved in the production of armaments or tobacco products. The fund manager's performance is regularly reviewed by the Trustees.

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**TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021**

INVESTMENT POLICY AND PERFORMANCE (continued)

During the year to 31 March 2021 the total return of the Charity's portfolio amounted to 30.0% (2020: -9.4%). This was broadly in line with the return shown by the benchmark, which is employed and which comprises a spread between Fixed Interest stocks, UK and overseas equities and property, and with averages quoted for investment by the charity sector as a whole. The Trustees are satisfied with the returns generated but will continue with their relatively cautious stance towards investment.

The Trustees feel that there are a good many uncertainties in financial markets and that the low-interest and low-income environment is likely to persist for some time yet. Of necessity, this will have an adverse impact on the Charity's finances.

RESERVES POLICY

At the end of the year to 31 March 2021 the total funds of the Charity had risen to £30.94m from £26.42m in the previous year. Of this £4.0m represents fixed assets, needed for the work of the Charity. £23m is designated to provide for the support of older members of the Province and a further £1.5m for support of the charity's work in connection with the Congregation's schools. The need to make provision for the long-term care of sisters in sickness and old age is explained above in the section of this report dealing with Policy and Healthcare. As noted above, the charity is a trustee of five Voluntary Aided and Academy Schools. The trustees are committed to providing long-term support to these schools and have set aside £1.5m in respect of this commitment.

The Trustees are hopeful that the rise in capital values seen in the last year will be maintained in 2021-22. However, they are mindful of the fact that investment income has been adversely affected and although there are prospects of growth in the forthcoming year, expect it to remain low for another year or two at least. The fluctuations seen in investment values over the last two years and the decline in investment income emphasise the need for caution in planning and maintaining reserves levels.

Full details of these designations are given in the notes to the financial statements. The Trustees commissioned a professional review of the age profile of sisters within the Province and the likely cost of providing for their care. It was recommended that as a minimum, the Trustees should set aside a sum of £27m in order to make proper provision for the future. Further designations totalling £3.5m were made in the year to March 2021, including the establishment of a Schools Development Fund totalling £1.5m. This offset the previous year's release of £2m back into undesignated funds after the significant decline on investments in 2020. The Trustees will continue to monitor the situation.

The balance of £2.45m held in the general fund, or "free reserves", represents just over twelve months' expenditure. This is within the Trustees' normal target range of holding approximately one to two years' expenditure in reserve. The Trustees consider that this would provide sufficient flexibility to cover temporary shortfalls in income and enable the charity to deal with and respond to unforeseen emergencies whilst specific action plans are implemented. In addition to providing working capital for the on-going activities of the Charity these free reserves are required as cover for the long term commitment of the Charity to maintaining the properties which are an essential element of it fulfilling its charitable aims. Many of these properties are very old and/or large and are maintained in a good state of repair.

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
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TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

RISK MANAGEMENT

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

- The Province has an obligation, both moral and legal, to provide care for its members, none of whom has resources of her own and all of whom have devoted a significant part of their lives to the work of the charity. The Sisters are all under a vow of poverty and therefore providing them with support is considered to be an important element of the Charity's work. Wherever possible, care is provided for frail and unwell members within communities and in particular, the charity's specialist facility at Bexleyheath. Sometimes however it is necessary to place Sisters in care homes, the cost of which can be significant. The incidence of such care needs is impossible to predict and the Trustees therefore believe that it is incumbent upon them to maintain reserves at an appropriate level to ensure that the charity is able to meet this obligation – see Reserves Policy.
- There is a Safeguarding of Children and Vulnerable Adults policy in place. As noted above, the Trustees are committed to the Catholic Church's 'One Church Approach' to Safeguarding and implement its safeguarding policies and procedures in line with Catholic Safeguarding Advisory Service guidance. A Trustee, with assistance from other Sisters and employees, has been designated as the person responsible for keeping sisters and staff up to date, and ensuring adequate training. DBS clearance is obtained for all staff caring for sisters in the charity's facility for elderly Sisters in Bexleyheath.
- One area is to ensure that our properties continue to be safe places for the Sisters and visitors to use. Attention is given to keeping our properties in good repair. General maintenance is regularly carried out. There is an on-going programme to ensure compliance with the increasing demands of Health and Safety Regulations particularly with regard to Fire Regulations.

There have been risks of an operational nature in connection with the COVID-19 pandemic as well as the financial risks referred to above. These operational risks primarily relate to the charity's Care Home facility in Bexleyheath. A series of steps has been implemented to protect residents and staff and the Trustees have liaised with the charity's insurers to ensure compliance. So far, the trustees are pleased to report that the Care Home and all its convents have remained COVID-free.

- The trustees are mindful that at some time in the medium to longer term, there may be issues in relation to succession planning for the governance of the charity. With an ageing group of Sisters, it may be necessary to consider appointing lay trustees (that is trustees who are not members of the Congregation) and/or Sisters from overseas areas where there is a greater pool of younger members. Such step will require constitutional changes for the charity, such as a switch to a Charitable Incorporated Organisation (CIO) as well as the establishment of appropriate training programmes. The Trustees have agreed to switch to a Charitable Incorporated Organisation and this is currently in process.

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

FUTURE PLANS

In both the year under review and the previous year, the global COVID-19 pandemic impacted upon most sectors of society and the economy. Whilst the pandemic and the ensuing lockdown, to limit the spread of the disease, have, so far, had a limited effect on the charity's day-to-day operations, it initially had an adverse effect on its investment portfolios. The value of the charity's investment portfolio declined in the first quarter of 2020 resulting in losses for the year (see above). However, investment markets have since staged a recovery in the period since then and these losses were more than made good. However, the income generated by the charity's investments has declined and is expected to remain at lower levels for some time.

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

The long-term strategy of the Charity remains largely unchanged. Key policies are as follows:

- To continue to provide our existing educational establishments with school buildings on a rent-free basis.
- To develop educational provision in line with changing needs and changes in Government policy.
- To continue to provide personnel to carry out a range of voluntary work.
- To seek to provide assistance and personnel to the developing world through projects in East Africa and Haiti.
- To attract new vocations to the Congregation and to provide formation.
- To increase the involvement of lay people in the management and work of the Charity. Setting up Charitable Incorporated Organisation will enable this.

Major plans for the shorter term are:

- To continue the review of all the properties owned by the charity and of current and anticipated property needs. This may enable the Trustees to realise some of the equity currently tied up within its properties.
- As previously reported, the Trustees are, with the Generalate of the Congregation, continually reviewing the structures and operations of the Congregation throughout the world. There are significant differences in the needs and resources of the places in which the Congregation operates; in particular between the Northern hemisphere (where the Congregation has significant levels of assets and financial resources but few sisters in the younger age groups) and the Southern hemisphere (where there are far more new and younger members but little in the way of financial resources). The focus of the review will therefore be to determine how best to utilise the resources of the Congregation together with future management of the charity.

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

**TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with statutory requirements and with the Trust Deed dated 10 November 1964. 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.

Approved by the Trustees on 27 January 2022 and signed as authorised on their behalf.

Eileen Daly
TRUSTEE

Independent auditor's report to the trustees of the Anglo - Hibernian Province of the Congregation of La Sainte Union Des Sacres Coeurs

Opinion

We have audited the financial statements of Anglo - Hibernian Province of the Congregation of La Sainte Union Des Sacres Coeurs for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 financial statements:

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

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent auditor's report to the trustees of the Anglo - Hibernian Province of the the Congregation of La Sainte Union Des Sacres Coeurs (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement [set out on page 15], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charity and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Statement of Recommended Practice (SORP) 2019 and Charities Act 2011.

We evaluated management's opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in certain accounting estimates and judgements such as the income recognition policy applied to donation and legacies income. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the charity to ensure these were in place throughout the year, including during the Covid-19 remote working period;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates such as estimating the economic useful life of tangible fixed assets, donation and grants support to overseas mission.

Independent auditor's report to the trustees of the Anglo - Hibernian Province of the the Congregation of La Sainte Union Des Sacres Coeurs (continued)

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

Use of our report

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

Haysmacintyre LLP
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

Date: 28 January 2022

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

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2021

	Notes	Total Funds 2021 £	Total Funds 2020 £
INCOME from			
Donations and legacies	1	1,098,581	1,090,200
Investments	2	554,548	658,626
Other			
- Surplus on disposal of tangible fixed assets	3	1,428	4,898
Total Income		<u>1,654,557</u>	<u>1,753,724</u>
EXPENDITURE on			
Cost of raising funds			
Investment Management fees		90,798	86,796
Charitable activities			
- Support of members of the Congregation and their ministry	4	1,349,001	1,470,458
- Charitable grants	5	677,056	436,041
Total expenditure		<u>2,116,855</u>	<u>1,993,295</u>
Net (expenditure) before gains/(losses) on investments		(462,298)	(239,571)
Other recognised gains and losses			
Net gains/(losses) on investments		4,984,476	(2,400,580)
Net (expenditure)/income and net movement in funds for the year		4,522,178	(2,640,151)
Fund balances brought forward at beginning of year		26,422,858	29,063,009
Total funds carried forward at end of year		<u><u>£30,945,036</u></u>	<u><u>£26,422,858</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

All funds are unrestricted funds.

Designated funds are shown in note 15.

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	£	2021	£	£	2020	£
FIXED ASSETS							
Tangible fixed assets	11			3,996,394			4,080,659
Investments	12			23,306,503			18,407,712
				<u>27,302,897</u>			<u>22,488,371</u>
CURRENT ASSETS							
Debtors	13	48,829			41,238		
Cash		3,747,324			4,087,569		
				<u>3,796,153</u>			<u>4,128,807</u>
CREDITORS: Amounts falling due within one year	14	(154,014)			(194,320)		
				<u></u>	<u></u>		
NET CURRENT ASSETS				3,642,139			3,934,487
				<u></u>			<u></u>
NET ASSETS				<u>£30,945,036</u>			<u>£26,422,858</u>
ACCUMULATED FUNDS							
Unrestricted funds							
General Fund				2,448,642			1,342,199
Designated	15			28,496,394			25,080,659
				<u>£30,945,036</u>			<u>£26,422,858</u>
				<u></u>			<u></u>

Approved by the Trustees on 27 January 2022 and signed as authorised on their behalf by:

Eileen Daly
TRUSTEE

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Cash flows from Operating Activities			
Net cash outflow from operating activities	A	(979,161)	(909,684)
Cash flows from investing activities			
Dividends and interest from investments		554,548	658,626
Payments to acquire fixed assets		(7,995)	(24,248)
Receipts from sales of fixed assets		6,678	4,900
Payments to acquire investments		(3,607,687)	(2,664,978)
Receipts from sales of investments		3,693,372	2,848,641
Net cash provided by/(used in) investing activities		638,916	822,941
Change in cash and cash equivalents in year	C	(340,245)	(86,743)
Cash and cash equivalents at 1 April 2020	B	4,087,569	4,174,312
Cash and cash equivalents at 31 March 2021	B	£3,747,324	£4,087,569

Notes to the Cash Flow Statement

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

	2021 £	2020 £
Net movement in funds (as per the Statement of Financial Activities)	4,522,178	(2,640,151)
Adjustments for		
(Gains)/losses on investments	(4,984,476)	2,400,580
Surplus on disposal of fixed assets	(1,428)	(4,898)
Dividends and interest from investments	(554,548)	(658,626)
Depreciation	87,010	91,522
(Increase)/decrease in debtors	(7,591)	54,562
(Decrease)/increase in creditors	(40,306)	(152,673)
Net cash (used in) operating activities	(979,161)	(909,684)

B. Analysis of cash and cash equivalents

Cash at bank and in hand	£3,747,324	£4,087,569
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C. Analysis of changes in net cash funds

	At 1 April 2020 £	Cashflows £	At 31 March 2021 £
Cash at bank and in hand	4,087,569	(340,245)	3,747,324
Total cash and cash equivalents	£4,087,569	£(340,245)	£3,747,324

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2021

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2015) (Second Edition, effective 1 January 2019) applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

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

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

General information

The charity is registered in England and Wales (charity number: 233872). The charity's registered office is shown on page 1.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- estimating the economic useful life of tangible fixed assets.

Assessment of going concern

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

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 March 2022, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' Report for more information).

The value of the charity's investment portfolio declined significantly in the first quarter of 2020, as the COVID-19 pandemic resulted in a financial downturn, giving rise to losses for the year to 31 March 2020. However, these losses were more than compensated for by gains arising for 31 March 2021. Investment income declined markedly in 2021 and although this is expected to recover in due course, it is likely to remain at lower levels for several years. The Trustees have estimated the impact on their finances and they are confident that not only will the charity be able to meet all its liabilities and commitments for at least one year, it will also have sufficient cash reserves to enable it maintain its investment portfolio intact until at least the end of March 2022.

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2021

Income recognition

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

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

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

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

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

Expenditure recognition and irrecoverable VAT

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

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

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

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

Allocation of support and governance costs

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

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

PRINCIPAL ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 31 MARCH 2021

Tangible fixed assets

Individual fixed assets costing £2,500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight-line basis as follows:

	Annual rate
Freehold land	Nil
Freehold buildings	2%
Fixtures, fittings and equipment	20%
Motor vehicles	25%

No depreciation is charged on Fixed Assets under the course of construction until they are brought into use.

Financial Instruments

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

Investments

Investments held for the long-term to generate income or capital growth are carried at fair value as fixed assets.

Realised gains are the difference between sales proceeds and the carrying value of the investment. The carrying value is the fair value at the beginning of the year or the purchase cost where the investment was acquired during the year.

Unrealised gains are the change in value of investments after taking into account any movements in investment holdings such as purchases and disposals of investments.

Realised and unrealised gains are accounted for within the Statement of Financial Activities.

In addition, the charity has established a pension scheme for certain sisters. The scheme is a Deferred Annuity Contract whereby a certain guaranteed sum is payable to the charity at a fixed future date. No value can readily be attributed to the contract as future returns are dependent on bonuses which in turn depend on investment returns and inflation. Therefore the asset included in the balance sheet in respect of this scheme is valued on the basis of premiums paid to date in respect of Sisters still in the scheme. Receipts on maturity are credited to the Statement of Financial Activities net of the relevant premiums.

Debtors

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

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Deposits for more than three months and up to one year have been disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

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

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

PRINCIPAL ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 31 MARCH 2021

Services provided by members of the Congregation

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

Funds

General funds comprise the accumulated surplus or deficit from the Statement of Financial Activities which is not restricted nor designated funds. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Designated funds comprise funds that have been set aside at the discretion of the Trustees for specific purposes. The purpose and use of the designated unrestricted funds are set out in the notes to the accounts.

Restricted income funds comprise unexpended balances of donations and grants held in trust to be applied for specific purposes.

Employee benefits

Employment benefits, including holiday pay, are recognised in the period in which they are earned. Termination benefits are recognised in the period in which the decision is made and communicated to the relevant employee(s).

Pension contributions

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 8. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

1. DONATIONS AND LEGACIES	2021 £	2020 £
Sisters' salaries and pensions	1,046,114	1,054,719
Other donations	42,467	35,481
Legacies	10,000	-
	<u>£1,098,581</u>	<u>£1,090,200</u>
2. INVESTMENT INCOME	2021 £	2020 £
Income from listed securities and cash held by Brokers	542,805	636,775
Bank and other interest	11,743	21,851
	<u>£554,548</u>	<u>£658,626</u>
3. SURPLUS ON DISPOSAL OF TANGIBLE FIXED ASSETS	2021 £	2020 £
Proceeds from sales	6,178	4,900
Disposal costs	500	-
	<u>6,678</u>	<u>4,900</u>
Net book value	<u>(5,250)</u>	<u>(2)</u>
	<u>£1,428</u>	<u>£4,898</u>
4. EXPENDITURE ON CHARITABLE ACTIVITIES	2021 £	2020 £
Support of members of the Congregation and their ministry		
Sisters' living & personal expenses & ministry costs	264,580	332,889
Education, training, retreats & holidays	17,547	48,148
Premises costs	301,186	296,258
Medical	32,174	35,073
Staff costs	470,010	406,725
Depreciation	87,010	91,522
Support costs	128,937	211,753
Alms & donations	18,897	23,390
Governance costs (note 6)	28,660	24,700
	<u>£1,349,001</u>	<u>£1,470,458</u>

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

5.	CHARITABLE GRANTS	2021	2020
		£	£
	Overseas work of the Congregation in:		
	Ireland	432,025	128,910
	Tanzania	143,668	145,660
	Archange Le Brun Trust for the general purposes of the Congregation worldwide	64,460	114,460
	Haiti	27,303	47,011
	Gloir	9,600	-
		<u>£677,056</u>	<u>£436,041</u>
6.	GOVERNANCE COSTS		
	Auditors remuneration	14,240	12,900
	Other professional fees	14,420	11,800
		<u>£28,660</u>	<u>£24,700</u>
7.	NET MOVEMENT IN FUNDS	2021	2020
		£	£
	This is stated after charging:		
	Staff costs (note 8)	470,010	406,725
	Auditors remuneration		
	- Statutory audit services	14,240	12,900
	Depreciation	87,010	91,522
		<u>£571,260</u>	<u>£511,147</u>

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

8. STAFF COSTS AND REMUNERATION OF KEY PERSONNEL

Staff costs are minor as the activities of the Charity are conducted by Sisters of the Society who receive no remuneration.

Expenditure on charitable activities includes Domestic wages as follows:

	2021	2020
	£	£
Wages and salaries	423,743	379,227
Social security costs	23,082	16,792
Other pension costs	23,185	10,706
	<u>£470,010</u>	<u>£406,725</u>
	No	No
Domestic and Care staff	34	33
Management and administration of the charity	2	2
	<u>36</u>	<u>35</u>
The average number of employees in the year was:		

The number of employees whose emoluments exceeded £60,000 was nil (2020: nil)

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis solely comprises the trustees.

The total remuneration of (including taxable benefits but excluding employer's pension contributions) of the key management personnel was nil (2020: nil)

**9. RELATED PARTY TRANSACTIONS, TRUSTEES' EXPENSES & REMUNERATION AND
TRANSACTIONS WITH TRUSTEES**

There were no related party transaction during the year (2020: None).

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

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

10. TAXATION

The Anglo-Hibernian Province of the Congregation of La Sainte Union Des Sacres Coeurs is a registered charity and therefore is not liable to Income Tax or Capital Gains Tax on income or gains derived from its charitable activities as it falls with the various exemptions available to registered charities.

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

11. TANGIBLE FIXED ASSETS

	Freehold Land & buildings £	Fixtures, Fittings & Equipment £	Motor Vehicles £	Total £
COST OR VALUATION				
As at 1 April 2020	4,786,429	30,993	156,829	4,974,251
Additions	-	-	7,995	7,995
Disposals	-	-	(19,913)	(19,913)
At 31 March 2021	<u>4,786,429</u>	<u>30,993</u>	<u>144,911</u>	<u>4,962,333</u>
DEPRECIATION				
At 1 April 2020	751,057	12,398	130,137	893,592
Charge for year	68,975	6,199	11,836	87,010
On Disposal	-	-	(14,663)	(14,663)
At 31 March 2021	<u>820,032</u>	<u>18,597</u>	<u>127,310</u>	<u>965,939</u>
NET BOOK VALUE				
At 31 March 2021	<u>£3,966,397</u>	<u>£12,396</u>	<u>£17,601</u>	<u>£3,996,394</u>
At 31 March 2020	<u>£4,035,372</u>	<u>£18,595</u>	<u>£26,692</u>	<u>£4,080,659</u>

Apart from a small proportion used for administrative purposes, all the above assets are used in direct furtherance of the Charity's objects.

There are also school properties registered in the names of the Trustees. As explained in the Accounting Policies note, the Trustees consider their ownership to be in the nature of a custodianship of the assets and the assets have therefore not been capitalised. The properties have an approximate insurance value of £36m.

These schools were formerly run by the Charity but are now maintained by Education Authorities.

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

12. INVESTMENTS

	£	Total 2021	£	£	Total 2020	£
Quoted investments						
At 1 April 2020			18,348,415			20,876,452
Additions			3,607,687			2,663,432
Disposals						
Proceeds	(3,693,372)			(2,753,399)		
(Losses)/Gains by reference to opening market value	571,174			(302,968)		
			(3,122,198)			(3,056,367)
Unrealised (losses)/gains			4,413,302			(2,135,102)
At 31 March 2021			23,247,206			18,348,415
Deferred annuity contracts						
At 1 April 2020			59,297			115,503
Additions			-			1,546
Disposals						
Proceeds	-			(95,242)		
Gains/(losses) by reference to opening market value	-			37,490		
			-			(57,752)
At 31 March 2021			59,297			59,297
Total investments			£23,306,503			£18,407,712
Historical cost of quoted investments						
At 31 March 2021			£17,672,603			£16,547,510
Analysis of quoted investments						
UK Fixed interest stocks			1,629,292			2,190,291
Overseas Fixed interest stocks			310,794			263,670
UK Equities			7,038,871			5,795,154
Overseas Equities			9,362,672			6,516,660
Overseas investments			3,476,652			2,318,232
Property Funds			819,053			945,262
Cash on deposit			609,872			319,146
			£23,247,206			£18,348,415

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

13. DEBTORS	2021	2020
	£	£
Prepayments and accrued income	£48,829	£41,238
	<hr/>	<hr/>
14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2021	2020
	£	£
Accrued expenses	131,289	176,032
Taxation & Social Security	7,266	4,152
Held for Third Parties	15,459	14,136
	<hr/>	<hr/>
	£154,014	£194,320
	<hr/>	<hr/>

15. DESIGNATED FUNDS

Retirement Fund

A fund has been designated in respect of the Charity's commitment to provide for the retirement and care in old age and sickness of the Congregation's members. A review of the Congregation's membership has indicated that a fund of at least £23m is required to finance fully the Charity's commitment to provide care for its elderly members after taking account of their occupational pension rights. Following a decline in investment values in 2019-20, it was necessary to release £2m from the fund in order to keep the charity's funds in balance. However, with the recovery in 2020-21 it was possible to make good this release and thus the designation was increased by £2m.

Schools Development fund

The charity is a trustee of five Voluntary Aided and Academy Schools. The trustees are committed to providing long-term support to these schools and designated £1.5m in 2020-21 respect of this commitment.

Fixed Assets Fund

The Charity has a number of properties and other fixed assets which are used to fulfil its charitable objectives. These assets although they are unrestricted, cannot be realised without undermining the Charity's work and reflect the investment in assets held to further the charitable work undertaken. A further designation of £2,745, reflecting the net investment in tangible fixed assets, was made during the year.

**THE ANGLO - HIBERNIAN PROVINCE OF THE CONGREGATION OF
LA SAINTE UNION DES SACRES COEURS**

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

15. DESIGNATED FUNDS (continued)

Movement in the Year	Balance at beginning of year £	Net Income and Gains £	Transfers £	Balance at end of year £
Year ended 31 March 2021				
Retirement fund	21,000,000	-	2,000,000	23,000,000
Schools Development Fund	-	-	1,500,000	1,500,000
	<hr/>	<hr/>	<hr/>	<hr/>
	21,000,000	-	3,500,000	24,500,000
Fixed assets fund	4,080,659	(87,010)	2,745	3,996,394
	<hr/>	<hr/>	<hr/>	<hr/>
	£25,080,659	£(87,010)	£3,502,745	£28,496,394
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Year ended 31 March 2020				
Retirement fund	23,000,000	-	(2,000,000)	21,000,000
Fixed assets fund	4,147,935	(91,522)	24,246	4,080,659
	<hr/>	<hr/>	<hr/>	<hr/>
	£27,147,935	£(91,522)	£(1,975,754)	£25,080,659
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**16. ANALYSIS OF NET ASSETS
BETWEEN FUNDS**

	Tangible Fixed Assets £	Investments £	Net Current Assets/ (Liabilities) £	Total £
Year ended 31 March 2021				
Designated funds:				
Retirement fund	-	21,806,503	1,193,497	23,000,000
Schools Development Fund	-	1,500,000	-	1,500,000
Fixed assets fund	3,996,394	-	-	3,996,394
	<hr/>	<hr/>	<hr/>	<hr/>
	3,996,394	23,306,503	1,193,497	28,496,394
Unrestricted funds	-	-	2,448,642	2,448,642
	<hr/>	<hr/>	<hr/>	<hr/>
	£3,996,394	£23,306,503	£3,642,139	£30,945,036
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Year ended 31 March 2020				
Designated funds:				
Retirement fund	-	18,407,712	2,592,288	21,000,000
Fixed assets fund	4,080,659	-	-	4,080,659
	<hr/>	<hr/>	<hr/>	<hr/>
	4,080,659	18,407,712	2,592,288	25,080,659
Unrestricted funds	-	-	1,342,199	1,342,199
	<hr/>	<hr/>	<hr/>	<hr/>
	£4,080,659	£18,407,712	£3,934,487	£26,422,858
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>