# THE CONGREGATION OF THE DAUGHTERS OF WISDOM

England & Wales · Charity number 234184

## Details

| | |
|---|---|
| **Other names** | Daughters of Wisdom |
| **Status** | Registered |
| **Legal form** | Trust |
| **Registered** | 1964-06-04 |
| **Register** | View on the Charity Commission register |

## Contact

| | |
|---|---|
| **Address** | Provincial Administration<br>Wisdom House<br>Romsey<br>Hampshire<br>SO51 8EL |
| **Phone** | 01794830206 |
| **Email** | reception@wisdomhouseromsey.co.uk |
| **Website** | www.daughtersofwisdom.org.uk |

## Activities

**Objects:** FOR SUCH CHARITABLE PURPOSES WHICH ADVANCE THE RELIGIOUS AND OTHER CHARITABLE PURPOSES FOR THE TIME BEING CARRIED ON IN ENGLAND OR WALES BY THE CONGREGATION.

**Activities:** To promote the religious and other charitable work carried out by the Congregation of the Daughters of Wisdom

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## Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Defined Groups, The General Public/mankind

## Geography

- **Area of benefit:** NATIONAL
- Ireland
- Northern Ireland
- Scotland
- United States

## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2024-12-31 | £1,088,836 | £1,988,266 | £18,489,246 | 24 |
| 2023-12-31 | £1,209,431 | £1,956,726 | £18,671,228 | 23 |
| 2022-12-31 | £1,154,166 | £1,869,915 | £18,885,640 | 24 |
| 2021-12-31 | £2,264,064 | £1,891,638 | £20,892,747 | 24 |
| 2020-12-31 | £1,114,737 | £1,666,922 | £19,223,874 | 27 |

## Trustees

| Name | Role | Appointed |
|---|---|---|
| **Sr Maureen Seddon** | Chair | 2015-07-01 |
| Sr Jeanne Marie Turner | | 2019-09-01 |
| Sr PATRICIA REILLY | | |
| Sr Siobhan Boyle | | 2023-07-10 |

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**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**

England & Wales - Charity number 234184

# Accounts

# THE CONGREGATION OF THE DAUGHTERS OF WISDOM

## PROVINCE OF GREAT BRITAIN AND IRELAND

(Registered Charity Number: 234184)
(Charity Registered in Scotland Number: SCO39165)

## TRUSTEES' REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2024

HaysMac LLP
Chartered Accountants
Registered Auditors
London

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**

**PROVINCE OF GREAT BRITAIN AND IRELAND**

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**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**OTHERWISE KNOWN AS "SISTERS OF LA SAGESSE"**

**LEGAL AND ADMINISTRATIVE DETAILS**

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| | |
|---|---|
| Registered Charity Number | 234184 |
| Scottish Registered Charities Number | SCO39165 |
| Charities Regulatory Authority (Ireland) | 20007140 |
| Delegation Leader | Sister Maureen Seddon |
| Delegation Treasurer | Sister Siobhán Boyle |
| Named Trustees | Sister Maureen Seddon<br>Sister Patricia Reilly<br>Sister Marie Turner<br>Sister Siobhán Boyle |
| Address | Provincial Administration<br>Wisdom House<br>Romsey<br>Hampshire<br>SO51 8EL |
| Principal Bankers | CAF Bank<br>Kings Hill Avenue<br>Kings Hill, West Malling<br>Kent ME19 4JQ |
| Solicitors | Stone King LLP<br>13 Queen Square<br>Bath<br>BA1 2HJ |
| Auditor | HaysMac LLP<br>10 Queen Street Place<br>London<br>EC4R 1AG |
| Investment Managers | Brewin Dolphin<br>12 Smithfield Street<br>London<br>EC1A 9BD |
| Governing Instrument | Trust deed dated 2 March 1964 |
| Objects | Such charitable purposes which advance the religious and other charitable work for the time being carried on by or under the direction of the Congregation as the Trustees, with the approval of the Provincial, shall from time to time think fit. |

The trustees present their report and the financial statements of the Charity for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies, set out on pages 19 and 20, and comply with the Charity's trust deed, applicable law and the requirements of the Statement of Recommended Practice for Charities (SORP 2019 2nd edition).

## THE CONGREGATION OF THE DAUGHTERS OF WISDOM

1. The Congregation is an International Religious Congregation founded in France in 1703. It is administered by a Congregational Leader and her Council, who are appointed every six years at a General Chapter of representatives of all the Entities of the Congregation worldwide. The Congregational Leadership Team is based in Paris. The Congregational Leadership Team has been in office since June 2024 and has a mandate until June 2030.

2. Situated throughout the five continents, the Daughters of Wisdom commit themselves to radically living the Gospel values. In a rapidly changing world where the domination of the economy, climate change and the ever-growing gap between the rich and poor generates injustice and violence, the Sisters endeavour to be a voice for the voiceless, participating in collective actions that oppose the causes of injustice and promote the values of justice, peace, and respect for creation.

## AIM AND PURPOSE OF THE CHARITY

The principal objective of the Charity is to apply the assets of the Trust for such charitable purposes as shall advance the religious and other charitable work carried out by the Congregation of the Daughters of Wisdom. By caring for individual members of the Congregation throughout their lives, the Charity aims to enable and support the Sisters to live out their lives as fully as possible as Daughters of Wisdom through a variety of ministries and their witness to the Gospel values.

When setting the objectives and planning the work of the Charity for the year, and when discerning the ministries of individual Sisters, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular, to its supplementary guidance on the Advancement of Religion. With the reducing number of Sisters in the Delegation and their advancing years, the variety of ministries in which they are actively engaged is changing, they fulfil their mission and ministry in diverse areas of their capabilities. These include:

### Reflection and Prayer

The Sisters of the Delegation are called to a life of prayer and apostolic service which they expressed for many years in ministry such as schools, nursing and in many forms of pastoral care in parishes wherever the Sisters were located, both in the UK and overseas. Whilst their capabilities to carry on the physical aspects of such tasks have diminished, the Sisters maintain their life of prayer and connections with many of the works in which they were involved. Prayer is part of the Sisters' communal life together and is the way in which they can continue to be involved in the works of the Congregation throughout the world. Members of the Delegation have continued to meet via Zoom for shared prayer and reflection and have continued to use this method to keep in touch with one another and support those who live at a distance from another Sister.

The charism and spirituality of the Daughters of Wisdom animates the life of all the Sisters and is especially promoted in the Wisdom Centres in Romsey and Dublin. Supported by and in collaboration with their lay staff, the Sisters offer a space of prayer, reflection and quiet in a calm setting for diverse groups and needs. The Sisters in Romsey welcome to their gardens and the labyrinth those seeking a quiet space or who simply want to appreciate the beauty of nature. They are also pleased to welcome into this space families with children, when the quiet of the space is briefly interrupted by joy, laughter, and shrieks of enjoyment.

The Friends of Wisdom, an international lay association of the Daughters of Wisdom continued to meet both online and in person in Romsey. A new group of five began in February 2022 accompanied by two of the Sisters. Four of them made their commitment after Easter 2024. A third group began the formation programme online in September 2023. All continue to participate on a regular basis.

### Social and pastoral ministry

Members of the Delegation of Great Britain and Ireland (GBI) are involved in diverse forms of social and pastoral ministry. The main aim of the Sisters is to help the poor and marginalised in society regardless of their personal background, gender, or individual circumstances. Their ministry of welcome is evident in both the Wisdom Centre and in their community homes where the Sisters and the staff welcome people to participate in planned activities or who seek the comfort and joy of companionship and prayer. The ministry of 'presence' is of paramount importance especially for those Sisters who are no longer able to engage in active ministry.

### Working as an international Congregation

Daughters of Wisdom as members of a worldwide Congregation of religious women participate in international meetings and works of the Congregation outside Great Britain and Ireland. Some spent most of their active ministry overseas while others participated in projects and initiatives in conjunction with Sisters from other entities. A Sister from the Delegation has served throughout this period as Executive Director of UNANIMA International in New York.

The Delegation continues to support not only the members of the Delegation of Great Britain and Ireland, but also to remit funds to the Generalate to support the mission of the Congregation to the poorest and marginalised in under-developed and emerging communities in the various parts of the world where the Congregation is present.

In 2024, the Trustees agreed to support the reconstruction of a home for vulnerable girls in Bangalore – The Asha Deep Project. The Daughters of Wisdom agreed to support this project in 2024 and would be sympathetic to requests for further support in future years.

The number of Sisters in the Delegation on 31 December 2024 was:

| | | |
|---|---|---|
| Below UK state pension age (66yrs) | 1 | (2023: 1) |
| Over pensionable age | 27 | (2023: 29) |

During this period none of the Sisters received salaries and only a few received a stipend, including the Sister whose ministry is based at the United Nations in New York. Any income received by the Sisters is covenanted to the Charity in accordance with their vow of poverty.

The Delegation Leader and the Delegation Treasurer participated in the General Chapter from 22nd June to 23rd July in Angers, France. Before and after the General Chapter, a delegation Assembly took place which included Sisters unable to travel to participate via Zoom.

## OBJECTIVES AND ACTIVITIES

Throughout the Delegation the Sisters, mainly retired and on a voluntary basis, are involved in a diversity of ministries. In everything they do, the Sisters aim to reveal the compassionate face of Wisdom. In every sphere of their activity, they seek to work with people who are excluded from mainstream society, refugees, people who have been trafficked, abused, who are homeless or are drug addicts, or who have mental health needs. All are invited to join Wisdom's banquet just as Jesus embodied in his life the ultimate model of inclusivity and abundance.

Typical examples of individual activities are:-

- Outreach to Caribbean and ethnic minority communities
- Visiting sick and housebound people in their homes and in care homes
- Working with and on behalf of homeless people and refugees
- Spiritual accompaniment
- Parish visiting
- Involvement in Justice and Peace Groups
- Ecumenical and interfaith activities
- Teaching English to migrants and refugees
- Support to ex-prisoners who live under licence in the community
- Support to vulnerable families.

One Sister resident in each jurisdiction held the position of Safeguarding Representative in Ireland, Scotland and England/Wales.

## ILLUSTRATIONS OF THE SISTERS' WORK

Set out below are some examples of the Sisters' ministries of which collaboration forms an important part. These illustrate the range of their work and the contribution which they make to society:-

### Wisdom Centre, Romsey

Having developed several new ministries in recent years, for 2024, Wisdom Centre anticipated further expansion of community and wellbeing activities. However, with a staff member absent for almost half a year, the team, supported by the Daughters of Wisdom and volunteers, successfully focused resources on the already scheduled programme. Despite manifest challenges, planned spiritual events and spiritual groups achieved an increase in expected attendance with an upward trend on prior years. Against a backdrop of declining Church attendance, Our Ecumenical approach and inclusion of spiritual and well-being teachings from other traditions continues to widen the spectrum of participation.

We have four active volunteers in Wisdom Centre. Many groups and reflective days are volunteer-led, and two Daughters of Wisdom continue to volunteer at the Centre.

2024 has been another positive year for Wisdom Centre. Another key staff member's absence will further impact activities in early 2025. We thank our volunteers, staff, and DW leadership team for supporting our activities during a more challenging year than expected.

### Marie Louise House, Romsey

Marie Louise House was built because the Sisters had a vision of the needs of the future and realised that there was a need to provide nursing care both for Sisters and for people in the area. Marie Louise House opened in June 2005 with accommodation for 46 residents. The initial 15-year lease to Healthcare Management Trust was succeeded by a 10-year lease that will be in place until May 2030. At the end of 2024 three Sisters were resident in Marie Louise House.

Marie Louise House is managed by the Healthcare Management Trust (HMT), a registered charity. It is open to people of all faiths and none. The Home is run on an ecumenical basis: services are arranged with the different local church ministers and parishioners. At the end of 2022, a new CEO for HMT was appointed and began a review of its operations and effectiveness in 2023. Following this review, HMT published a five-year strategy in 2024. At present no major changes are planned that will influence the continuing operation of Marie Louise House.

The Trustees readily acknowledge the dedication and hard work on the part of the Home Manager and all the local staff in maintaining the spirit, quality, and ethos of Marie Louise House throughout this time, and the contribution to that of HMT's Senior Management Team.

**St Joseph's Church, Romsey**

The Convent Chapel (St Joseph's Church) is the local parish church which is leased to the Diocese of Portsmouth for a peppercorn rent. The support of the Sisters in various roles in the ministry of the Parish is greatly appreciated.

**Sophia Housing Association, Ireland**

Sophia Housing Association was founded in 1997 to support those who are homeless by providing accommodation within a holistic setting that helps them to address the causes of their homelessness. It also lobbies politicians and governments to develop policies and initiatives to address the complex root causes of homelessness in society. The work of Sophia is supported by numerous religious congregations in Ireland. Sophia's strategic growth is supported by a fundraising campaign and by the social impact investment that the Daughters of Wisdom supported. This investment has been made for a 10-year period but is repayable to the Daughters of Wisdom in full at any time during the term of the investment if requested. The dividend from the investment is used in the main to support the work and mission of Sophia with only a small percentage being returned to the Daughters of Wisdom.

**St Cecilia's School, Cregg, Ireland**

St Cecilia's School which provides person-centred education for students with moderate to severe learning disabilities was founded by the Daughters of Wisdom and it is to be the legacy left to the people of the Sligo and its surrounding counties to continue the ethos, spirit and the work of the Daughters of Wisdom for as long as there is a need for the specialist education that it offers.

The Daughters of Wisdom continue to be the freeholder of the school land which will operate under a long leasehold of the property. The School has been given extended territory within the site to enable them to update and extend their facilities in due course. During the year, the Delegation Leader served as Patron of St Cecilia's. It is planned that following the completion of a number of formalities and of securing approval from the Minister for Education, Patronage of St Cecilia's School will be transferred to the local Bishop of the Elphin/Achonry Diocese.

The Sisters made a commitment in 2021 to support St Cecilia's School's transition to independence from the larger Cregg site with a donation of €5,000 per year for five years. The fourth payment of €5,000 was made in September 2024. Subsequent donations will be made at the start of each school year.

**UNANIMA International**

UNANIMA is an international Non-Governmental Organisation (NGO) with UN Economic and Social Council (ECOSOC) special accreditation. UNANIMA International represents 23 religious Congregations and 22,000 religious worldwide, and it aligns closely with the Daughters of Wisdom's objectives, namely, to defend and empower women children, immigrants, and refugees, and to live in harmony with creation. Its main function is to give voice in the corridors of power to those who are often overlooked and least well served by current programmes and policies. The Congregation Leadership Team recognised the parallels between UNANIMA's and its own ethos, vision, and aspiration of spreading Wisdom values in our world. One Sister from the Delegation served as Executive Director of UNANIMA throughout 2024 and was based mainly in New York. The Sister's role with UNANIMA will finish in 2025.

## GOVERNANCE, STRUCTURE AND MANAGEMENT

### Charitable Trust

In terms of Civil law, the Charity is governed by a Trust Deed dated 2 March 1964 and is a registered charity – Charity Registration No 234184 (England and Wales) Registration No SCO38165 (Scotland) and Registration No 20007140 (Ireland).

The accounts accompanying this report are the accounts of the Charitable Trust in which the assets of the Delegation of Great Britain and Ireland are held.

### The Delegation of Great Britain & Ireland

In June 2015, the Province of Great Britain & Ireland changed canonical status to that of a Delegation of the Congregation. This has no impact on the governance of the registered Charity, and the appointed Trustees retain full control of and accountability for the Charity's assets, activities, and expenditure. The day to day running of the Charity and care of the Sisters remains the responsibility of the Delegation Leader, Sr Maureen Seddon, and her Council. Sr Siobhán Boyle was appointed to the role of Delegation Treasurer, succeeding Sr Jean Butler in this post in January 2024.

### Trustees

The Trustees of the registered Charity are appointed by the Delegation Leader of Great Britain and Ireland. The Delegation Leader is also a trustee.

The Trustees are responsible for the policies, activities, and assets of the Charity. They meet at least six times per year to review developments regarding the Charity or its activities and make any important decisions, having regard to the Charity Commission's guidance on public benefit, particularly the specific guidance to charities on Advancement of Religion.

During 2024 all the Trustees' meetings took place in person. When appropriate, the trustees seek advice and support from the Charity's professional advisers, property consultants, investment managers, solicitors, and accountants.
The Delegation is administered from Wisdom House in Romsey, Hampshire.

## ENGLAND

At the start of the year the Sisters of the Delegation lived in six communities in England: three in Romsey, two in London and one in Lancashire.

Abbey House, the original foundation of the Congregation in England, is also the location of the miraculous cure of Sr. Gerard du Calvaire in 1927 and is an important part of the history of the Delegation. For most of the year there were 12 Sisters in the community. One full-time Care Coordinator and four part-time carers supported the Sisters with their day-to-day needs and the community is assisted with cooking, cleaning, and gardening services, all of which provide a service and support to the Sisters that is highly valued by them.

Marie Louise House in Romsey is a nursing home owned by the Delegation but run as a separate entity by Healthcare Management Trust. Strong links are maintained between the community of Sisters in Marie Louise House and the other communities in Romsey. One Sister from the Delegation (living in Abbey House in Romsey) is responsible for the pastoral care of the Sisters in Marie Louise House. Sisters from the Delegation can be accommodated in Marie Louise House should they need full-time care and are also able to benefit from shorter stays there to aid with recuperation and recovery when needed. The Sisters' presence is greatly valued by the staff.

## GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

### IRELAND (North and South)

The Housing Association Ltd, founded in Dublin in 1997 by the Daughters of Wisdom, continues to expand into other parts of Ireland. It also runs the Wisdom Centre in Dublin which hosts and facilitates workshops, retreats, and leadership courses for people from all faiths and none, who are looking for a peaceful place in which to reflect and dialogue. One Sister in Northern Ireland is involved in the pastoral and social ministries of her local parish.

The Charity is registered with the Charities Regulatory Authority in Ireland, number 20007140.

### SCOTLAND

Two Sisters in Scotland continue to be involved in a range of pastoral ministries. These include:-

- College chaplaincy
- Visiting the sick, elderly and bereaved
- Serving on the Fairtrade Steering Group of Renfrewshire County council
- Eucharistic ministry - assisting with the services in the local parish
- Representative on the Bishops' Conference's Committee for Interreligious Dialogue
- Safeguarding representative
- The Daughters of Wisdom Representative on the Conference of Religious in Scotland

The Charity is registered with the Office of the Scottish Charities Regulator, charity number SCO39165.

The presence and witness of the Sisters' religious life is complemented by the variety of their ministries and involvement in their local communities and parishes wherever they are present.

## EVENTS IN 2024

### Assisted Living Communities: Abbey House (Romsey) & Montfort (Lytham St Anne's)

Throughout 2024 Sisters in Assisted Living Communities continued to be supported by the teams of carers and other staff.

### St Joseph's Church, Romsey lease to Diocese of Portsmouth

Progress was made with the drafting of the lease during 2024, but further delays arose due to changes of personnel at the solicitors acting for each party and by the end of the year the lease had not been signed. The Diocese/Parish continued to use St Joseph's on the previously agreed terms pending signing of the new lease which it is anticipated will be completed by mid-2025. The duration of the lease (10 years) will not be affected by this delay.

### Jubilee Celebrations

In 2024 one Sister celebrated the 70th Jubilee of her first profession and one Sister celebrated her 60th Jubilee of her first profession as a Daughters of Wisdom.

### Deaths during the year

During 2024 two Sisters from the Delegation died.

Sisters had been engaged in varied ministries throughout their lives in locations in the UK and Ireland where their service touched and enriched the lives of many who they were pleased to serve.

Deep appreciation and gratitude were expressed for the Sisters' long and fruitful lives as Daughters of Wisdom and for their many years of service and prayerful reflection that they lived whilst active members of the community.

## RISKS FACED BY THE CHARITY

### RISK REVIEW

The Trustees, under the guidance of the Charity's auditors, have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced, in order that the necessary steps can be taken to lessen the risks.

During the year a risk register, covering all the major risks which the Charity can identify was updated and approved by the Trustees. This will be reviewed annually.

A Health and Safety Policy, which includes a Fire Policy, has been drawn up and is implemented throughout the Delegation. Following the introduction in October 2023 of new requirements to be included in the drafting a Fire Risk Assessment it was agreed that the services of the PIB Risk Management, who are already engaged by the Charity, will be used to prepare these risk assessments, and following their completion any remedial actions required will be implemented.

**Safeguarding**

The Charity has in place a safeguarding policy relevant to its work in England, Scotland, and Ireland. The Safeguarding Policy for the Delegation was reviewed and updated in September 2024. All members of the Charity are familiar with these policies and of the action required of them should any allegation of abuse be made to them. Each is aware that safeguarding is an integral part of the ministry they carry out in the name of the Congregation and the Church. The Charity has, with the assistance of its broker, maintained a level of insurance cover that provides protection against claims or actions arising from any such claims. Safeguarding is an agenda item at each Leadership Team meeting. Regular update training is undertaken by members of the Leadership Team in England or Ireland, as appropriate. Each Sister in the Delegation is regularly reminded of their responsibilities under the Delegation's and Congregation's Safeguarding Policy and is provided with an updated version of the policy following any substantive changes.

During the year, the Charity continued its membership of the Catholic Safeguarding Standards Agency (CSSA) and the Religious Life Safeguarding Service (RLSS). The former has a promotional, oversight and enforcement role, while the latter has a supportive, representative, and training/educational role, each with its own subscription model. The Trustees unanimously agreed to cooperate with and support the work of both organisations in whatever way they can. During the year, the Charity renewed the Disclosure and Barring Service checks for all relevant staff members.

In 2024, the Delegation was audited by the Catholic Safeguarding Standards Agency. The baseline Audit Report was published on the CSSA website and the website of the Daughters of Wisdom (GBI).

The Catholic Church in Scotland and Ireland has updated its safeguarding policies and procedures, to which the Charity remains fully compliant.

**Investment performance**

The Charity continues to incur an operating deficit on its day-to-day operations, but this is expected. The reasons for the operating deficit are fully understood by the Trustees and they are satisfied that the Charity has adequate reserves to meet its future financial needs. Income in recent years has been supported by the yield from the charity's investment portfolio which in 2024 amounted to £305,097 (2023: £276,803). Despite the ongoing geo-political turbulence in the world this year and the volatility of inflation rates the financial markets performed as well as could be expected. Some of the results of shareholdings were boosted by the currency fluctuations which favoured the dollar and euro against the pound, giving better anticipated results for shareholdings denominated in non-sterling currencies.

The Trustees of the Charity review performance with their investment managers each quarter against their requirements for a balanced growth/income performance and industry benchmarks. The Trustees are content that the investments performed as well as could be expected during 2024 and expressed their continued confidence in the investment managers and in the quality of information provided by them.

## FINANCIAL REVIEW

### Results for the year

A summary of the year's results can be found in the Statement of Financial Activities on page 16 of this report and accounts.

During the year ended 31 December 2024 total income amounted to £1,088,836 (2023: £1,209,431). Income was in line with expectations other than the investment portfolio income, as noted above. The Delegation continues to face a decline in recurring Incoming Resources as the number of Sisters reduces only a few now receive regular stipends and none receives a salary. The value of funds on the balance sheet are also affected, though only to a small degree by the movement in the pound: euro exchange rate as most of its funds are now held in sterling.

Expenditure of £1,988,266 (2023: £1,959,188) include a donation towards the work and running expenses of the Congregation's General Administration in lieu of project funding in 2023. Throughout the year, a number of Sisters were resident in Marie Louise House, for which a fee is paid to the home's managing company, Healthcare Management Trust: the average number of Sisters resident in Marie Louise House in 2024 was three, plus occasional periods of recuperation and rehabilitation for some Sisters following a stay in hospital.

Net expenditure before gains/(losses) on investments for the year was, therefore, £899,430 (2023: £749,757). Investment gains this year amounted to £717,448 (2023: £535,345).

The Leadership Team resolved during 2016 that any communities that receive financial support from the Delegation for their ongoing living costs should no longer remit to the Delegation a portion of funds held by them at the end of the year. Communities that continue to have income greater than their needs still remit three quarters of their year-end surplus to support other communities in the Delegation.

The number of communities whose income is greater than they need has dropped dramatically in recent years, while the number of communities supported by central funds is increasing.

### Financial position and reserves policy

*Financial position*

At the end of the year to 31 December 2024 the total funds of the Charity were £18,489,246 (2023: £18,671,228). Of this some £8 million is represented by properties and other tangible fixed assets essential for the support and work of the Sisters.

£8.35 million was designated to meet the commitment to provide for the care of the older members of the Charity, which is part of the purpose of the Charity. In 2018 the Trustees agreed to draw down from the Fund to cover 50% of the nursing home fees for Sisters of the Delegation. Funds expended from the Designated Reserves during the year totalled £165,905 (2023: £150,453).

## FINANCIAL REVIEW (continued)

*Reserves policy*

This report demonstrates the range of activities which the Charity continues to carry out and the responsibility the Charity has for the care and support of its members.

All the Sisters have devoted the whole of their working lives to the Congregation and are dependent upon it for all their temporal material needs. Although Sisters invariably continue to perform charitable work long past normal retirement and pension age if they are healthy enough to do so, the work is mainly non-remunerative, and the Delegation must provide for their needs and in some cases nursing care.

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 not less than twelve months expenditure. At 31 December 2024 free reserves represented some 14 months of expenditure, which the Trustees believe is sufficient considering current plans and anticipated inflow of funds from disposal of properties that are likely to materialise in the next 12 to 24 months.

### Restricted Funds

During a previous year, a donation was made to the Charity whose use was restricted by the donor to 'the welfare of the Sisters.' The interpretation of the Sisters' 'welfare' has been left to the discretion of the serving Trustees to define but is intended to exclude repairs and renewals to plant and property. The funds can be expended for their welfare in general or for any Sister or Sisters. There was no draw down from this fund in 2024.

### Key management personnel

The Trustees have identified the General Manager, the Finance Manager, and the Wisdom Centre Manager as the key management personnel for the Charity as they directly influence day to day operation of the whole organisation and its main mission activity respectively. Total salary paid to these personnel was £180,589 in 2024 (2023: £150,182). The pay for these posts is set prior to appointment of the individuals paying regard to the market rate for equivalent posts in other charities and non-charitable organisations. A pay review for all members of staff, including key management personnel, takes place annually during the budgeting cycle and is set principally with reference to cost of living and inflationary pressures balanced against the Charity's prudent management of its resources in the context of a deficit budget. In 2024 the salary review, taking account of the exceptional rise in inflation, resulted in an increase of 3% for all staff salaries from January 2024.

## PLANS FOR FUTURE PERIODS

Within the framework of the Guidance on Public Benefit, the Charity works for the:-

- Advancement of religion
- Advancement of education
- Advancement of human rights, conflict resolution and reconciliation
- Promotion of respect for the gift of Creation

## PLANS FOR FUTURE PERIODS (continued)

During 2025 the Charity will:-

- Continue the investment of further time, effort, and resources into the ongoing spiritual and human development of the Sisters for mission.
- During the coming year, the Council of the Congregation will take place in France, at which two Sisters of the Delegation will participate.
- Continue the development of the use of the Wisdom Centre, Romsey, alongside the use of the Labyrinth and other gardens which are open to the local community.
- Jointly with other congregations and agencies develop the work of Sophia, Ireland, to promote the humanity and dignity of homeless and marginalised people.
- Continue to review the Delegation property portfolio and dispose of surplus property and undertake some major decorating works as required.
- Review its financial management, in particular its investment strategy and the designation of funds for care of its elderly members.
- Commence a discernment process to determine the future of the Delegation's ministries and properties.
- Continue to participate in discussions with the Conferences of Religious in England and Wales, Scotland and Ireland about the future direction and purpose of the respective Conferences.
- Continue to participate in the review of safeguarding practice for religious orders within the Catholic Church to ensure that the Delegation's practice stays current, relevant, and up to date, and to prepare for an audit of its safeguarding policies that is likely to take place in 2024 or 2025.

## INVESTMENT POLICY

The Charity has a discretionary investment management agreement with Brewin Dolphin. The Trustees meet with the fund managers once every three to four months and ensure that the fund is managed in accordance with their written guidelines and with the religious and ethical principles of the Charity.

The investment objectives are:-

(a) to generate enough income to fund for the foreseeable future that part of the Charity's ongoing activities currently funded by investment income

(b) to maintain the real capital value of the investment fund in the long term

Asset allocation is benchmarked against the FTSE All Share Index weightings.

At the start of the year the portfolio opened with a value of £9,734,272, Dividend income for the year of £305,097 was higher than the previous year's income of £274,264 and £12,541 less than budgeted for the year. By the end of the year the portfolio had grown to £10,248,391 which represents steady growth during the year in market conditions that continue to be challenging.

The Trustees continue to have every confidence in the investment managers to assist them in achieving their goal of a balanced growth and yield portfolio to support the Sisters' needs and mission in future years.

## AUDITORS

On 18 November 2024 the company's auditor changed its name from haysmacintyre LLP to HaysMac LLP.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (Financial Reporting Standard 102).

Charity law 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 at the year end and of its income and expenditure during that year. In preparing the accounts, the Trustees are required to:-

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts;
- 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 accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

Approved by the Trustees on 15 May 2025 and signed as authorised on their behalf by:

...Sr...Maureen Seddon DW ..
Sister Maureen Seddon D. W.
Delegation Leader
Trustee

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CONGREGATION OF THE DAUGHTERS OF WISDOM

### Opinion

We have audited the financial statements of the Congregation of the Daughters of Wisdom for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related 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 December 2024 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) regulations.

### Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts 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' 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.

### 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 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient and proper 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 12, 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 environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to health and safety regulations, employment law, safeguarding regulations and Charity law, 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 Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to depreciation charges. Audit procedures performed by the engagement team included:
- Inspecting minutes of Trustees' meetings;
- Reviewing calculations for depreciation including reviewing estimated useful economic lives;
- 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;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals;
- Reviewing valuations of investments; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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.

HaysMac LLP

HaysMac LLP
Statutory Auditors
Date: 15/5/2025

10 Queen Street Place
London
EC4R 1AG

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

THE CONGREGATION OF THE DAUGHTERS OF WISDOM
PROVINCE OF GREAT BRITAIN AND IRELAND

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total 2024 £ | Total 2023 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations, legacies and grants | 1 | 1,038 | - | 1,038 | 161,149 |
| Charitable activities | | 504,083 | - | 504,083 | 496,406 |
| Investments | 7 | 500,128 | - | 500,128 | 450,912 |
| Other | 2 | 83,587 | - | 83,587 | 100,964 |
| **Total income** | | 1,088,836 | - | 1,088,836 | 1,209,431 |
| **Expenditure on:** | | | | | |
| Raising funds | | 50,586 | - | 50,586 | 48,526 |
| Charitable activities | | | | | |
| . Communities | | 1,758,492 | - | 1,758,492 | 1,692,947 |
| . Education | | 6,725 | - | 6,725 | 2,457 |
| . Missions and grants | | 52,054 | - | 52,054 | 84,902 |
| . Development costs | | 120,409 | - | 120,409 | 130,356 |
| **Total expenditure** | 3 | 1,988,266 | - | 1,988,266 | 1,959,188 |
| **Net expenditure before net gains on investments** | | (899,430) | - | (899,430) | (749,757) |
| Net gains on investments | 7 | 717,448 | - | 717,448 | 535,345 |
| **Net movements in funds** | | (181,982) | - | (181,982) | (214,412) |
| Total funds brought forward at 1 January 2024 | | 18,663,690 | 7,538 | 18,671,228 | 18,885,640 |
| **Total funds carried forward at 31 December 2024** | | 18,481,708 | 7,538 | 18,489,246 | 18,671,228 |

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

All income and expenditure derive from continuing activities. Details of comparative figures by fund are disclosed in note 13.

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**PROVINCE OF GREAT BRITAIN AND IRELAND**

## BALANCE SHEET

## AS AT 31 DECEMBER 2024

| | Notes | 2024 £ | 2024 £ | 2023 £ | 2023 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 6 | | 7,762,127 | | 8,012,897 |
| Investments | 7 | | 10,348,528 | | 10,221,063 |
| Social investments | 7 | | 82,850 | | 88,430 |
| | | | 18,193,505 | | 18,322,390 |
| **CURRENT ASSETS** | | | | | |
| Debtors | 8 | 71,208 | | 74,580 | |
| Cash at bank and in hand | | 935,680 | | 435,078 | |
| | | 1,006,888 | | 509,658 | |
| **CREDITORS:** amounts falling due within one year | 9 | (711,147) | | (160,820) | |
| **NET CURRENT ASSETS** | | | 295,741 | | 348,838 |
| **TOTAL NET ASSETS** | | | 18,489,246 | | 18,671,228 |
| **FUNDS** | | | | | |
| Restricted Funds | 10 | | 7,538 | | 7,538 |
| Unrestricted Funds | | | | | |
| - General Funds | | | 10,135,825 | | 10,151,902 |
| - Designated Funds | 10 | | 8,345,883 | | 8,511,788 |
| | 11 | | 18,489,246 | | 18,671,228 |

Approved by the Trustees on 15 May 2025 and signed as authorised on their behalf by:

Sr. Maureen Seddon DW.
Sister Maureen Seddon D.W
Delegation Leader
Trustee

The accompanying notes form part of these accounts.

THE CONGREGATION OF THE DAUGHTERS OF WISDOM
PROVINCE OF GREAT BRITAIN AND IRELAND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cash flows from operating activities:** | | | | |
| *Net cash (used in)/provided by operating activities* | | (587,581) | | (1,238,245) |
| **Cash flows from investing activities:** | | | | |
| Dividends, interest and rents from investments | 500,128 | | 450,912 | |
| Proceeds from the sale of property, plant and equipment | - | | 1,470 | |
| Purchase of property, plant and equipment | (1,928) | | (11,484) | |
| Proceeds from sale of investments | 2,991,967 | | 2,399,634 | |
| Purchase of investments | (2,520,186) | | (2,577,247) | |
| Movement in cash held by investment managers | 118,202 | | 226,167 | |
| *Net cash provided by/(used in) investing activities* | | 1,088,183 | | 489,452 |
| **Change in cash and cash equivalents in the reporting period** | | 500,602 | | (748,793) |
| **Cash and cash equivalents at the beginning of the reporting period** | | 435,078 | | 1,183,871 |
| **Cash and cash equivalents at the end of the reporting period** | | 935,680 | | 435,078 |

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| **Reconciliation of net expenditure to net cash flow from operating activities** | | |
| Net expenditure for the reporting period | (181,982) | (214,412) |
| Depreciation charge | 252,698 | 253,588 |
| Gains on sale of fixed assets | - | (1,350) |
| (Gains)/losses on investments | (717,448) | (535,345) |
| Foreign exchange loss on social investments | 5,580 | - |
| Dividends, interest and rents from investments | (500,128) | (450,912) |
| Decrease/(increase) in debtors | 3,372 | (27,559) |
| Increase/(decrease) in creditors | 550,327 | (262,255) |
| **Net cash (used in)/provided by investing activities** | (587,581) | (1,238,245) |

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| **Analysis of cash and cash equivalents** | | |
| Cash in hand | 935,680 | 435,078 |
| **Total cash and cash equivalents** | 935,680 | 435,078 |

## ACCOUNTING POLICIES

## FOR THE YEAR ENDED 31 DECEMBER 2024

**Basis of preparation**
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Statement of Recommended Practice for Charities (SORP 2019 Second Edition) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**Preparation of accounts on a going concern basis**
The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The trustees believe it is appropriate for the going concern basis to apply to the charity. The review of the charity's financial performance and reserves position gives the trustees every confidence that the charity remains a going concern for the foreseeable future.

**Covenanted salaries and pensions**
Members' salaries, pensions and superannuation are received under deeds of covenant and are stated inclusive of income tax but net of any deductions for Irish taxation, social security payments and contributions to occupational pension schemes.

**Donations and legacies**
Donations and legacies are recognised when receivable or when the Charity becomes legally entitled to them. Receipts of property, investments or other gifts in kind are included at market value.

**Other income**
All other income is accounted for when the charity becomes entitled to the income and the amount can be quantified with reasonable accuracy.

**Expenditure**
Expenditure on raising funds consists of investment management costs.

Charitable expenditure consists of all expenditure relating to the objects of the Charity. All costs are directly attributable to the activities under which they have been analysed.

Irrecoverable VAT is included with the category of expense to which it relates.

**Tangible fixed assets**
Land and buildings are stated at a Trustees' 1991 valuation plus subsequent additions at cost, allowance being made where buildings have been demolished. All other assets are included at cost.

Depreciation is calculated by the straight line method to write off the cost/value, less anticipated residual value, over the expected useful lives of assets as follows.

Depreciation is not provided on buildings under construction until they are completed and bought into use.

| | |
|---|---|
| Freehold and long leasehold buildings | 50 years |
| Furniture and equipment | 3 to 15 years |
| Computer equipment | 3 years |
| Motor vehicles | 4/5 years |

**Investments**
Quoted investments are valued at their closing middle market price on the balance sheet date and the gain or loss taken to 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.

All movements in value are shown in the Statement of Financial Activities.

**Social investments**
Programme related investments are included at cost.

**Designated funds**
The trustees have designated funds out of the unrestricted funds to provide for the Charity's commitment to provide for the retirement and care in old age and sickness of the Charity's members. Lump sums received from members' occupational pension schemes upon their retirement and transfers from general funds are credited to this fund together with income generated by designated investments.

**Restricted funds**
Restricted funds are held subject to specific conditions declared by the donor as explained in the financial statements.

**General funds**
General funds comprise funds which are available to be used for the general purposes of the charity.

**Foreign currencies**
Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Any exchange differences arising from the translation are dealt with in the Statement of Financial Activities.

**Pension scheme**
Contributions are made to a defined contribution pension scheme for staff. The contributions are charged to the Statement of Financial Activities when they become payable.

**Critical accounting judgements and key sources of estimation uncertainty**
In the application of the accounting policies, trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Judgements made by the trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and are discussed above.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

## 1. DONATIONS AND LEGACIES

| | 2024 £ | 2023 £ |
|---|---|---|
| Unrestricted donations | 138 | 842 |
| Legacies | 900 | 160,307 |
| | 1,038 | 161,149 |

## 2. OTHER INCOME

| | 2024 £ | 2023 £ |
|---|---|---|
| Other income | 83,587 | 99,614 |
| Gains on disposal of fixed assets | - | 1,350 |
| | 83,587 | 100,964 |

## 3. EXPENDITURE

| | Salaries £ | Depreciation £ | Other £ | 2024 £ | 2023 £ |
|---|---|---|---|---|---|
| ***Raising funds:*** | | | | | |
| Investment manager's fee | - | - | 50,586 | 50,586 | 48,526 |
| ***Charitable activities:*** | | | | | |
| . Communities | 386,091 | 252,698 | 1,119,703 | 1,758,492 | 1,692,947 |
| . Education | - | - | 6,725 | 6,725 | 2,457 |
| . Missions and grants | - | - | 52,054 | 52,054 | 84,902 |
| . Development costs | 63,358 | - | 57,051 | 120,409 | 130,356 |
| | 449,449 | 252,698 | 1,286,119 | 1,988,266 | 1,959,188 |

| | 2024 £ | 2023 £ |
|---|---|---|
| Missions and charitable grants comprise: | | |
| Generalate of the Congregation | - | 60,000 |
| Alms and other charitable donations | 52,054 | 24,902 |
| | 52,054 | 84,902 |

Expenditure includes:

| | 2024 £ | 2023 £ |
|---|---|---|
| Auditor's remuneration - audit fee | 18,800 | 17,800 |

## 3. EXPENDITURE (continued)

**Comparative analysis 2023**

| | Salaries £ | Depreciation £ | Other £ | 2023 £ |
|---|---|---|---|---|
| ***Raising funds:*** | | | | |
| Investment manager's fee | - | - | 48,526 | 48,526 |
| ***Charitable activities:*** | | | | |
| . Communities | 378,279 | 253,588 | 1,061,080 | 1,692,947 |
| . Education | - | - | 2,457 | 2,457 |
| . Missions and grants | - | - | 84,902 | 84,902 |
| . Development costs | 60,276 | - | 70,080 | 130,356 |
| | 438,555 | 253,588 | 1,267,045 | 1,959,188 |

## 4. STAFF COSTS

| | 2024 £ | 2023 £ |
|---|---|---|
| Wages and salaries | 405,666 | 396,630 |
| Social security | 28,419 | 27,340 |
| Other pension costs | 15,364 | 14,585 |
| | 449,449 | 438,555 |

| | 2024 Number | 2023 Number |
|---|---|---|
| The average number of employees in the year was: | 24 | 23 |

No employee received in excess of £60,000 in either year.

Total remuneration for key management personnel for the year was £180,589 (2023: £150,182).

## 5. TRANSACTIONS WITH THE TRUSTEES

The Trustees of the Charity are all members of a Religious Order. They have taken vows of poverty under which they renounce all rights to a personal income and assets. They are therefore entirely dependent on the charity for all their living expenses. The Trustees do not receive any payments or benefits for carrying out their duties other than their living expenses which are met by the Charity, which they receive in their capacity as members of the Religious Order.

The charity owns a property which is let to the sibling of one trustee at a fair market rent. No rent was owing at the year end.

## 6. TANGIBLE FIXED ASSETS

| | Freehold Land and Buildings | | | | | |
|---|---|---|---|---|---|---|
| | General £ | Abbey House £ | Nursing Home and Wisdom House £ | Furniture and Fittings £ | Motor Vehicles £ | Total £ |
| **COST OR VALUATION** | | | | | | |
| At 1 January 2024 | 1,510,751 | 3,700,967 | 6,792,242 | 634,170 | 66,936 | 12,705,066 |
| Additions | - | - | - | 1,928 | - | 1,928 |
| At 31 December 2024 | 1,510,751 | 3,700,967 | 6,792,242 | 636,098 | 66,936 | 12,706,994 |
| **DEPRECIATION** | | | | | | |
| At 1 January 2024 | 735,654 | 788,483 | 2,496,747 | 606,446 | 64,839 | 4,692,169 |
| Charge for year | 30,217 | 74,019 | 135,847 | 10,518 | 2,097 | 252,698 |
| At 31 December 2024 | 765,871 | 862,502 | 2,632,594 | 616,964 | 66,936 | 4,944,867 |
| **NET BOOK VALUE** | | | | | | |
| At 31 December 2024 | 744,880 | 2,838,465 | 4,159,648 | 19,134 | - | 7,762,127 |
| At 31 December 2023 | 775,097 | 2,912,484 | 4,295,495 | 27,724 | 2,097 | 8,012,897 |

Included in General Freehold Land and Buildings above are leasehold buildings with a cost of £474,541 and net book value of £246,947. The depreciation charge during the year was £9,492. There were no additions or disposals during the year.

## 7. INVESTMENTS

### Social Investment

The Trustees provided financial support in the form of an unsecured Social Impact Investment for £82,850 to assist Sophia Housing Association, Ireland in their plans to expand their services. The investment is repayable in full after 10 years (2032) or earlier on demand. Interest of 1.5% will be charged on the balance each year.

This investment continues the support that the Charity has provided to Sophia Housing Association for a number of years (previously as donations) as its work with homeless people and addressing the systemic causes of homelessness aligns with the ethos and work of the Daughters of Wisdom over centuries in supporting the poorest and marginalised in society. This social impact investment is a way for the Charity to continue to be involved in this important work whilst recognising that the capacity of its members for hands-on involvement is limited by their own advancing years.

## 7. INVESTMENTS (continued)

| | 2024 £ | 2023 £ |
|---|---|---|
| Opening market value | 10,221,063 | 9,734,272 |
| Additions | 2,520,186 | 2,577,247 |
| Disposals (sale proceeds) | (2,991,967) | (2,399,634) |
| Net investment gains | 717,448 | 535,345 |
| Movements in cash | (118,202) | (226,167) |
| Closing market value | 10,348,528 | 10,221,063 |
| Cost of investments - At 31 December | 9,284,529 | 8,792,454 |

**Analysis of Investments Held**

| | Quoted Investments £ | Unquoted Investments £ | Total 2024 £ | Total 2023 £ |
|---|---|---|---|---|
| Quoted Investments: | | | | |
| Government Stocks | 1,681,182 | - | 1,681,182 | 1,770,864 |
| Unit Trusts and Investment Trusts | 1,053,951 | - | 1,053,951 | 1,344,497 |
| Ordinary Shares | 6,987,430 | - | 6,987,430 | 6,415,427 |
| Property | 281,024 | - | 281,024 | 314,833 |
| Commodities | 201,895 | - | 201,895 | 114,193 |
| Unquoted Investments: | | | | |
| Portfolio Cash | - | 143,046 | 143,046 | 261,249 |
| **TOTAL INVESTMENTS** | 10,205,482 | 143,046 | 10,348,528 | 10,221,063 |

**Investment Income**

| | 2024 £ | 2023 £ |
|---|---|---|
| Listed investments | 305,097 | 276,803 |
| Portfolio and other cash and bank deposits | 25,014 | 12,569 |
| Rental income | 158,508 | 158,508 |
| Care home share of surplus | 11,509 | 3,032 |
| | 500,128 | 450,912 |

## 8. DEBTORS

| | 2024 £ | 2023 £ |
|---|---|---|
| Accrued income | 50,551 | 59,378 |
| Sundry debtors and prepayment | 20,657 | 15,202 |
| | 71,208 | 74,580 |

## 9. CREDITORS: amounts falling due within one year

| | 2024 £ | 2023 £ |
|---|---|---|
| Amounts held on behalf of Sisters | 660,376 | 105,006 |
| Other creditors and accruals | 50,771 | 55,814 |
| | 711,147 | 160,820 |

## 10. FUNDS

**Restricted Funds**
A donation was received in a prior year by the Charity whose use was restricted by the donor to 'the welfare of the Sisters'.

**Designated Funds**

**Retirement Fund**

This fund has been designated to provide for the Charity's commitment to provide for the retirement and care in old age and sickness of the Congregation's members. Lump sums received from members' occupational pension schemes upon their retirement and transfers from General Funds are credited to this fund. A review of the Congregation's membership has indicated that a fund of at least £9.5m would be required to finance fully the Charity's commitment to provide care for its elderly members. Towards this requirement, the Trustees, in 1999, designated to this fund the charity's investment portfolio. The level of the Charity's funds and of its commitment will be kept under review by the Trustees and further designations will be considered.

| Analysis of Movements - 2024 | At 1 January 2024 £ | Expenditure £ | At 31 December 2024 £ |
|---|---|---|---|
| Retirement Fund | 8,511,788 | (165,905) | 8,345,883 |

| Analysis of Movements - 2023 | At 1 January 2023 £ | Expenditure £ | At 31 December 2023 £ |
|---|---|---|---|
| Retirement Fund | 8,662,241 | (150,453) | 8,511,788 |

## 11. ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2024

| | General Fund £ | Retirement Fund £ | Restricted Fund £ | Total £ |
|---|---|---|---|---|
| **Fund balances at 31 December 2024 are represented by:** | | | | |
| Tangible fixed assets | 7,762,127 | - | - | 7,762,127 |
| Investments | 2,085,495 | 8,345,883 | - | 10,431,378 |
| Current assets | 999,350 | - | 7,538 | 1,006,888 |
| Current liabilities | (711,147) | - | - | (711,147) |
| **Total net assets** | 10,135,825 | 8,345,883 | 7,538 | 18,489,246 |
| **Unrealised gains included above** | | | | |
| On listed investment assets | | | | 1,063,999 |
| **Reconciliation of movements in unrealised gains on investments** | | | | |
| Unrealised gain at 1 January 2024 | | | | 1,428,609 |
| Less: amount in respect of disposals in year | | | | (1,082,058) |
| | | | | 346,551 |
| Unrealised gains on revaluations in the year | | | | 717,448 |
| **Unrealised gains at 31 December 2024** | | | | 1,063,999 |

## 12. ANALYSIS OF NET ASSETS BETWEEN FUNDS – 2023

| | General Fund £ | Retirement Fund £ | Restricted Fund £ | Total £ |
|---|---|---|---|---|
| **Fund balances at 31 December 2023 are represented by:** | | | | |
| Tangible fixed assets | 8,012,897 | - | - | 8,012,897 |
| Investments | 1,797,705 | 8,511,788 | - | 10,309,493 |
| Current assets | 502,120 | - | 7,538 | 509,658 |
| Current liabilities | (160,820) | - | - | (160,820) |
| **Total net assets** | 10,151,902 | 8,511,788 | 7,538 | 18,671,228 |
| **Unrealised gains included above** | | | | |
| On listed investment assets | | | | 1,428,609 |
| **Reconciliation of movements in unrealised gains on investments** | | | | |
| Unrealised gain at 1 January 2023 | | | | 1,142,010 |
| Less: amount in respect of disposals in year | | | | (248,746) |
| | | | | 893,264 |
| Unrealised gains on revaluations in the year | | | | 535,345 |
| **Unrealised gains at 31 December 2023** | | | | 1,428,609 |

## 13. ACTIVITIES BY FUND IN PREVIOUS YEAR

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total 2023 £ |
|---|---|---|---|---|
| **Income from:** | | | | |
| Donations, legacies and grants | 1 | 161,149 | - | 161,149 |
| Charitable activities | | 496,406 | - | 496,406 |
| Investments | 7 | 450,912 | - | 450,912 |
| Other | 2 | 100,964 | - | 100,964 |
| **Total income** | | 1,209,431 | - | 1,209,431 |
| **Expenditure on:** | | | | |
| Raising funds | | 48,526 | - | 48,526 |
| Charitable activities | | | | |
| . Communities | | 1,690,485 | 2,462 | 1,692,947 |
| . Education | | 2,457 | - | 2,457 |
| . Missions and grants | | 84,902 | - | 84,902 |
| . Development costs | | 130,356 | | 130,356 |
| **Total expenditure** | 3 | 1,956,726 | 2,462 | 1,959,188 |
| **Net expenditure before net gains/(losses) on investments** | | (747,295) | (2,462) | (749,757) |
| Net gains/(losses) on investments | 7 | 535,345 | - | 535,345 |
| **Net movements in funds** | | (211,950) | (2,462) | (214,412) |
| Total funds brought forward at 1 January 2023 | | 18,875,640 | 10,000 | 18,885,640 |
| **Total funds carried forward at 31 December 2023** | | 18,663,690 | 7,538 | 18,671,228 |

## 14. RELATED PARTY TRANSACTIONS

There were no related party transactions in the current or preceding year.

THE CONGREGATION OF THE DAUGHTERS OF WISDOM
PROVINCE OF GREAT BRITAIN AND IRELAND

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

**These pages do not form part of the statutory financial statements.**

| | Province £ | Houses £ | 2024 Total £ | 2023 Total £ |
|---|---|---|---|---|
| **INCOME** | | | | |
| Salaries and stipends | - | 50,404 | 50,404 | 54,176 |
| **Pensions** | | | | |
| Superannuation | 100,458 | 39,732 | 140,190 | 136,800 |
| State pensions | 141,521 | 162,106 | 303,627 | 299,364 |
| Attendance allowance | 4,114 | 5,748 | 9,862 | 6,066 |
| | 246,093 | 207,586 | 453,679 | 442,230 |
| **Investment income** | | | | |
| Rented properties | 158,508 | - | 158,508 | 158,508 |
| Quoted investments | 305,097 | - | 305,097 | 276,803 |
| Bank deposit interest – general | 24,515 | 499 | 25,014 | 12,569 |
| Care home share of surplus | 11,509 | - | 11,509 | 3,032 |
| | 499,629 | 499 | 500,128 | 450,912 |
| **Donations and legacies** | | | | |
| Other donations | 50 | 88 | 138 | 842 |
| Legacies | 900 | - | 900 | 160,307 |
| | 950 | 88 | 1,038 | 161,149 |
| **Other income** | | | | |
| Wisdom Centre income | 77,503 | - | 77,503 | 92,222 |
| Chez Nous income | 5,540 | - | 5,540 | 6,555 |
| Miscellaneous income | 380 | 164 | 544 | 837 |
| | 83,423 | 164 | 83,587 | 99,614 |
| **Total income (excluding surplus on disposal of fixed assets)** | 830,095 | 258,741 | 1,088,836 | 1,208,081 |
| **Total expenditure (pages 30 and 31)** | (1,519,952) | (468,314) | (1,988,266) | (1,959,188) |
| **Net expenditure before investment gains/(losses) and exceptional items** | (689,857) | (209,573) | (899,430) | (751,107) |
| **Surplus on disposal of tangible fixed assets** | - | - | - | 1,350 |
| **Net expenditure before investment gains/(losses)** | (689,857) | (209,573) | (899,430) | (749,757) |

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

## CHARITABLE EXPENDITURE

## FOR THE YEAR ENDED 31 DECEMBER 2024

**These pages do not form part of the statutory financial statements.**

| Charitable activities | Province £ | Houses £ | 2024 £ | 2023 £ |
|---|---|---|---|---|
| **OCCUPANCY** | | | | |
| Insurances | 7,651 | 17,814 | 25,465 | 16,218 |
| Rents | 12,913 | 5,299 | 18,212 | 21,677 |
| Repairs and maintenance | 168,838 | 73,278 | 242,116 | 204,251 |
| Council tax | 8,104 | 7,985 | 16,089 | 14,389 |
| Water rates | 917 | 2,638 | 3,555 | 3,187 |
| Gas and electricity | 9,493 | 54,959 | 64,452 | 71,948 |
| Other | - | 17,021 | 17,021 | 19,262 |
| Depreciation | 250,598 | - | 250,598 | 251,488 |
| | 458,514 | 178,994 | 637,508 | 602,420 |
| **COMMUNITY** | | | | |
| Sisters' personal allowances | 1,373 | 49,305 | 50,678 | 54,932 |
| Food | 1,441 | 81,078 | 82,519 | 84,947 |
| Household | 2,945 | 50,277 | 53,222 | 58,786 |
| Medical | 789 | 40,656 | 41,445 | 37,905 |
| Nursing home charges | 330,088 | - | 330,088 | 300,905 |
| Nursing care costs | - | 1,933 | 1,933 | 2,379 |
| Funeral and expenses | 15,265 | - | 15,265 | 20,911 |
| Retreat/holidays | 737 | 11,738 | 12,475 | 13,203 |
| | 352,638 | 234,987 | 587,625 | 573,968 |
| **ALMS AND DONATIONS** | | | | |
| Given to missions | 10,000 | 711 | 10,711 | 60,869 |
| Given as general donations | 28,717 | 6,988 | 35,705 | 22,416 |
| Masses stipends | 60 | 579 | 639 | 1,617 |
| | 38,777 | 8,278 | 47,055 | 84,902 |
| **TRAVEL** | | | | |
| Travel fares | 3,530 | 26,595 | 30,125 | 33,952 |
| Motor expenses – insurances | 539 | - | 539 | 753 |
| Depreciation | 2,100 | - | 2,100 | 2,100 |
| | 6,169 | 26,595 | 32,764 | 36,805 |
| Carried forward | 856,098 | 448,854 | 1,304,952 | 1,298,095 |

THE CONGREGATION OF THE DAUGHTERS OF WISDOM
PROVINCE OF GREAT BRITAIN AND IRELAND

DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

CHARITABLE EXPENDITURE

FOR THE YEAR ENDED 31 DECEMBER 2024

**These pages do not form part of the statutory financial statements.**

| | Province £ | Houses £ | 2024 £ | 2023 £ |
|---|---|---|---|---|
| Brought forward | 856,098 | 448,854 | 1,304,952 | 1,298,095 |
| **LEGAL AND PROFESSIONAL** | | | | |
| Professional fees | 55,140 | - | 55,140 | 39,254 |
| Less allocated to management and administration and Investment managers' fees (See below) | (24,730) | - | (24,730) | (20,090) |
| | 30,410 | - | 30,410 | 19,164 |
| **OTHER** | | | | |
| Wages, salaries, tax and NI | 376,572 | 9,519 | 386,091 | 378,279 |
| Bank charges/card fees | 322 | 1,110 | 1,432 | 1,697 |
| Courses, education | 6,424 | 302 | 6,726 | 2,457 |
| Conferences and retreats | 1,156 | 325 | 1,481 | 10,097 |
| Associations/subscriptions | 4,231 | - | 4,231 | 1,468 |
| Library | 369 | 5,354 | 5,723 | 6,034 |
| General office expenses and small repairs | 20,945 | 2,850 | 23,795 | 24,548 |
| Safeguarding and advertising | 14,097 | - | 14,097 | 14,725 |
| Exchange (gain)/loss | 8,410 | - | 8,410 | 3,652 |
| | 432,526 | 19,460 | 451,986 | 442,957 |
| **DEVELOPMENT COSTS** | | | | |
| Leadership expenses | 17,011 | - | 17,011 | 10,777 |
| Provincial House, Chez Nous & Leadership | 23,057 | - | 23,057 | 18,712 |
| The Cottage, Sligo expenses | 773 | - | 773 | - |
| Wisdom Centre expenses | 21,403 | - | 21,403 | 40,591 |
| Wisdom Centre salaries | 63,358 | - | 63,358 | 60,276 |
| | 125,602 | - | 125,602 | 130,356 |
| Investment managers' fees | 50,586 | - | 50,586 | 48,526 |
| **Costs of raising funds** | 50,586 | - | 50,586 | 48,526 |
| **MANAGEMENT AND ADMINISTRATION** | | | | |
| Audit and accountancy: HaysMac LLP | 24,730 | - | 24,730 | 20,090 |
| **TOTAL EXPENDITURE** | 1,519,952 | 468,314 | 1,988,266 | 1,959,188 |

# THE CONGREGATION OF THE DAUGHTERS OF WISDOM

## PROVINCE OF GREAT BRITAIN AND IRELAND

(Registered Charity Number: 234184)
(Charity Registered in Scotland Number: SCO39165)

## TRUSTEES' REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2024

HaysMac LLP
Chartered Accountants
Registered Auditors
London

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**

**PROVINCE OF GREAT BRITAIN AND IRELAND**

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**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**OTHERWISE KNOWN AS "SISTERS OF LA SAGESSE"**

**LEGAL AND ADMINISTRATIVE DETAILS**

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| | |
|---|---|
| Registered Charity Number | 234184 |
| Scottish Registered Charities Number | SCO39165 |
| Charities Regulatory Authority (Ireland) | 20007140 |
| Delegation Leader | Sister Maureen Seddon |
| Delegation Treasurer | Sister Siobhán Boyle |
| Named Trustees | Sister Maureen Seddon<br>Sister Patricia Reilly<br>Sister Marie Turner<br>Sister Siobhán Boyle |
| Address | Provincial Administration<br>Wisdom House<br>Romsey<br>Hampshire<br>SO51 8EL |
| Principal Bankers | CAF Bank<br>Kings Hill Avenue<br>Kings Hill, West Malling<br>Kent ME19 4JQ |
| Solicitors | Stone King LLP<br>13 Queen Square<br>Bath<br>BA1 2HJ |
| Auditor | HaysMac LLP<br>10 Queen Street Place<br>London<br>EC4R 1AG |
| Investment Managers | Brewin Dolphin<br>12 Smithfield Street<br>London<br>EC1A 9BD |
| Governing Instrument | Trust deed dated 2 March 1964 |
| Objects | Such charitable purposes which advance the religious and other charitable work for the time being carried on by or under the direction of the Congregation as the Trustees, with the approval of the Provincial, shall from time to time think fit. |

The trustees present their report and the financial statements of the Charity for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies, set out on pages 19 and 20, and comply with the Charity's trust deed, applicable law and the requirements of the Statement of Recommended Practice for Charities (SORP 2019 2nd edition).

## THE CONGREGATION OF THE DAUGHTERS OF WISDOM

1. The Congregation is an International Religious Congregation founded in France in 1703. It is administered by a Congregational Leader and her Council, who are appointed every six years at a General Chapter of representatives of all the Entities of the Congregation worldwide. The Congregational Leadership Team is based in Paris. The Congregational Leadership Team has been in office since June 2024 and has a mandate until June 2030.

2. Situated throughout the five continents, the Daughters of Wisdom commit themselves to radically living the Gospel values. In a rapidly changing world where the domination of the economy, climate change and the ever-growing gap between the rich and poor generates injustice and violence, the Sisters endeavour to be a voice for the voiceless, participating in collective actions that oppose the causes of injustice and promote the values of justice, peace, and respect for creation.

## AIM AND PURPOSE OF THE CHARITY

The principal objective of the Charity is to apply the assets of the Trust for such charitable purposes as shall advance the religious and other charitable work carried out by the Congregation of the Daughters of Wisdom. By caring for individual members of the Congregation throughout their lives, the Charity aims to enable and support the Sisters to live out their lives as fully as possible as Daughters of Wisdom through a variety of ministries and their witness to the Gospel values.

When setting the objectives and planning the work of the Charity for the year, and when discerning the ministries of individual Sisters, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular, to its supplementary guidance on the Advancement of Religion. With the reducing number of Sisters in the Delegation and their advancing years, the variety of ministries in which they are actively engaged is changing, they fulfil their mission and ministry in diverse areas of their capabilities. These include:

### Reflection and Prayer

The Sisters of the Delegation are called to a life of prayer and apostolic service which they expressed for many years in ministry such as schools, nursing and in many forms of pastoral care in parishes wherever the Sisters were located, both in the UK and overseas. Whilst their capabilities to carry on the physical aspects of such tasks have diminished, the Sisters maintain their life of prayer and connections with many of the works in which they were involved. Prayer is part of the Sisters' communal life together and is the way in which they can continue to be involved in the works of the Congregation throughout the world. Members of the Delegation have continued to meet via Zoom for shared prayer and reflection and have continued to use this method to keep in touch with one another and support those who live at a distance from another Sister.

The charism and spirituality of the Daughters of Wisdom animates the life of all the Sisters and is especially promoted in the Wisdom Centres in Romsey and Dublin. Supported by and in collaboration with their lay staff, the Sisters offer a space of prayer, reflection and quiet in a calm setting for diverse groups and needs. The Sisters in Romsey welcome to their gardens and the labyrinth those seeking a quiet space or who simply want to appreciate the beauty of nature. They are also pleased to welcome into this space families with children, when the quiet of the space is briefly interrupted by joy, laughter, and shrieks of enjoyment.

The Friends of Wisdom, an international lay association of the Daughters of Wisdom continued to meet both online and in person in Romsey. A new group of five began in February 2022 accompanied by two of the Sisters. Four of them made their commitment after Easter 2024. A third group began the formation programme online in September 2023. All continue to participate on a regular basis.

### Social and pastoral ministry

Members of the Delegation of Great Britain and Ireland (GBI) are involved in diverse forms of social and pastoral ministry. The main aim of the Sisters is to help the poor and marginalised in society regardless of their personal background, gender, or individual circumstances. Their ministry of welcome is evident in both the Wisdom Centre and in their community homes where the Sisters and the staff welcome people to participate in planned activities or who seek the comfort and joy of companionship and prayer. The ministry of 'presence' is of paramount importance especially for those Sisters who are no longer able to engage in active ministry.

### Working as an international Congregation

Daughters of Wisdom as members of a worldwide Congregation of religious women participate in international meetings and works of the Congregation outside Great Britain and Ireland. Some spent most of their active ministry overseas while others participated in projects and initiatives in conjunction with Sisters from other entities. A Sister from the Delegation has served throughout this period as Executive Director of UNANIMA International in New York.

The Delegation continues to support not only the members of the Delegation of Great Britain and Ireland, but also to remit funds to the Generalate to support the mission of the Congregation to the poorest and marginalised in under-developed and emerging communities in the various parts of the world where the Congregation is present.

In 2024, the Trustees agreed to support the reconstruction of a home for vulnerable girls in Bangalore – The Asha Deep Project. The Daughters of Wisdom agreed to support this project in 2024 and would be sympathetic to requests for further support in future years.

The number of Sisters in the Delegation on 31 December 2024 was:

| | | |
|---|---|---|
| Below UK state pension age (66yrs) | 1 | (2023: 1) |
| Over pensionable age | 27 | (2023: 29) |

During this period none of the Sisters received salaries and only a few received a stipend, including the Sister whose ministry is based at the United Nations in New York. Any income received by the Sisters is covenanted to the Charity in accordance with their vow of poverty.

The Delegation Leader and the Delegation Treasurer participated in the General Chapter from 22nd June to 23rd July in Angers, France. Before and after the General Chapter, a delegation Assembly took place which included Sisters unable to travel to participate via Zoom.

## OBJECTIVES AND ACTIVITIES

Throughout the Delegation the Sisters, mainly retired and on a voluntary basis, are involved in a diversity of ministries. In everything they do, the Sisters aim to reveal the compassionate face of Wisdom. In every sphere of their activity, they seek to work with people who are excluded from mainstream society, refugees, people who have been trafficked, abused, who are homeless or are drug addicts, or who have mental health needs. All are invited to join Wisdom's banquet just as Jesus embodied in his life the ultimate model of inclusivity and abundance.

Typical examples of individual activities are:-

- Outreach to Caribbean and ethnic minority communities
- Visiting sick and housebound people in their homes and in care homes
- Working with and on behalf of homeless people and refugees
- Spiritual accompaniment
- Parish visiting
- Involvement in Justice and Peace Groups
- Ecumenical and interfaith activities
- Teaching English to migrants and refugees
- Support to ex-prisoners who live under licence in the community
- Support to vulnerable families.

One Sister resident in each jurisdiction held the position of Safeguarding Representative in Ireland, Scotland and England/Wales.

## ILLUSTRATIONS OF THE SISTERS' WORK

Set out below are some examples of the Sisters' ministries of which collaboration forms an important part. These illustrate the range of their work and the contribution which they make to society:-

### Wisdom Centre, Romsey

Having developed several new ministries in recent years, for 2024, Wisdom Centre anticipated further expansion of community and wellbeing activities. However, with a staff member absent for almost half a year, the team, supported by the Daughters of Wisdom and volunteers, successfully focused resources on the already scheduled programme. Despite manifest challenges, planned spiritual events and spiritual groups achieved an increase in expected attendance with an upward trend on prior years. Against a backdrop of declining Church attendance, Our Ecumenical approach and inclusion of spiritual and well-being teachings from other traditions continues to widen the spectrum of participation.

We have four active volunteers in Wisdom Centre. Many groups and reflective days are volunteer-led, and two Daughters of Wisdom continue to volunteer at the Centre.

2024 has been another positive year for Wisdom Centre. Another key staff member's absence will further impact activities in early 2025. We thank our volunteers, staff, and DW leadership team for supporting our activities during a more challenging year than expected.

### Marie Louise House, Romsey

Marie Louise House was built because the Sisters had a vision of the needs of the future and realised that there was a need to provide nursing care both for Sisters and for people in the area. Marie Louise House opened in June 2005 with accommodation for 46 residents. The initial 15-year lease to Healthcare Management Trust was succeeded by a 10-year lease that will be in place until May 2030. At the end of 2024 three Sisters were resident in Marie Louise House.

Marie Louise House is managed by the Healthcare Management Trust (HMT), a registered charity. It is open to people of all faiths and none. The Home is run on an ecumenical basis: services are arranged with the different local church ministers and parishioners. At the end of 2022, a new CEO for HMT was appointed and began a review of its operations and effectiveness in 2023. Following this review, HMT published a five-year strategy in 2024. At present no major changes are planned that will influence the continuing operation of Marie Louise House.

The Trustees readily acknowledge the dedication and hard work on the part of the Home Manager and all the local staff in maintaining the spirit, quality, and ethos of Marie Louise House throughout this time, and the contribution to that of HMT's Senior Management Team.

**St Joseph's Church, Romsey**

The Convent Chapel (St Joseph's Church) is the local parish church which is leased to the Diocese of Portsmouth for a peppercorn rent. The support of the Sisters in various roles in the ministry of the Parish is greatly appreciated.

**Sophia Housing Association, Ireland**

Sophia Housing Association was founded in 1997 to support those who are homeless by providing accommodation within a holistic setting that helps them to address the causes of their homelessness. It also lobbies politicians and governments to develop policies and initiatives to address the complex root causes of homelessness in society. The work of Sophia is supported by numerous religious congregations in Ireland. Sophia's strategic growth is supported by a fundraising campaign and by the social impact investment that the Daughters of Wisdom supported. This investment has been made for a 10-year period but is repayable to the Daughters of Wisdom in full at any time during the term of the investment if requested. The dividend from the investment is used in the main to support the work and mission of Sophia with only a small percentage being returned to the Daughters of Wisdom.

**St Cecilia's School, Cregg, Ireland**

St Cecilia's School which provides person-centred education for students with moderate to severe learning disabilities was founded by the Daughters of Wisdom and it is to be the legacy left to the people of the Sligo and its surrounding counties to continue the ethos, spirit and the work of the Daughters of Wisdom for as long as there is a need for the specialist education that it offers.

The Daughters of Wisdom continue to be the freeholder of the school land which will operate under a long leasehold of the property. The School has been given extended territory within the site to enable them to update and extend their facilities in due course. During the year, the Delegation Leader served as Patron of St Cecilia's. It is planned that following the completion of a number of formalities and of securing approval from the Minister for Education, Patronage of St Cecilia's School will be transferred to the local Bishop of the Elphin/Achonry Diocese.

The Sisters made a commitment in 2021 to support St Cecilia's School's transition to independence from the larger Cregg site with a donation of €5,000 per year for five years. The fourth payment of €5,000 was made in September 2024. Subsequent donations will be made at the start of each school year.

**UNANIMA International**

UNANIMA is an international Non-Governmental Organisation (NGO) with UN Economic and Social Council (ECOSOC) special accreditation. UNANIMA International represents 23 religious Congregations and 22,000 religious worldwide, and it aligns closely with the Daughters of Wisdom's objectives, namely, to defend and empower women children, immigrants, and refugees, and to live in harmony with creation. Its main function is to give voice in the corridors of power to those who are often overlooked and least well served by current programmes and policies. The Congregation Leadership Team recognised the parallels between UNANIMA's and its own ethos, vision, and aspiration of spreading Wisdom values in our world. One Sister from the Delegation served as Executive Director of UNANIMA throughout 2024 and was based mainly in New York. The Sister's role with UNANIMA will finish in 2025.

## GOVERNANCE, STRUCTURE AND MANAGEMENT

### Charitable Trust

In terms of Civil law, the Charity is governed by a Trust Deed dated 2 March 1964 and is a registered charity – Charity Registration No 234184 (England and Wales) Registration No SCO38165 (Scotland) and Registration No 20007140 (Ireland).

The accounts accompanying this report are the accounts of the Charitable Trust in which the assets of the Delegation of Great Britain and Ireland are held.

### The Delegation of Great Britain & Ireland

In June 2015, the Province of Great Britain & Ireland changed canonical status to that of a Delegation of the Congregation. This has no impact on the governance of the registered Charity, and the appointed Trustees retain full control of and accountability for the Charity's assets, activities, and expenditure. The day to day running of the Charity and care of the Sisters remains the responsibility of the Delegation Leader, Sr Maureen Seddon, and her Council. Sr Siobhán Boyle was appointed to the role of Delegation Treasurer, succeeding Sr Jean Butler in this post in January 2024.

### Trustees

The Trustees of the registered Charity are appointed by the Delegation Leader of Great Britain and Ireland. The Delegation Leader is also a trustee.

The Trustees are responsible for the policies, activities, and assets of the Charity. They meet at least six times per year to review developments regarding the Charity or its activities and make any important decisions, having regard to the Charity Commission's guidance on public benefit, particularly the specific guidance to charities on Advancement of Religion.

During 2024 all the Trustees' meetings took place in person. When appropriate, the trustees seek advice and support from the Charity's professional advisers, property consultants, investment managers, solicitors, and accountants.
The Delegation is administered from Wisdom House in Romsey, Hampshire.

## ENGLAND

At the start of the year the Sisters of the Delegation lived in six communities in England: three in Romsey, two in London and one in Lancashire.

Abbey House, the original foundation of the Congregation in England, is also the location of the miraculous cure of Sr. Gerard du Calvaire in 1927 and is an important part of the history of the Delegation. For most of the year there were 12 Sisters in the community. One full-time Care Coordinator and four part-time carers supported the Sisters with their day-to-day needs and the community is assisted with cooking, cleaning, and gardening services, all of which provide a service and support to the Sisters that is highly valued by them.

Marie Louise House in Romsey is a nursing home owned by the Delegation but run as a separate entity by Healthcare Management Trust. Strong links are maintained between the community of Sisters in Marie Louise House and the other communities in Romsey. One Sister from the Delegation (living in Abbey House in Romsey) is responsible for the pastoral care of the Sisters in Marie Louise House. Sisters from the Delegation can be accommodated in Marie Louise House should they need full-time care and are also able to benefit from shorter stays there to aid with recuperation and recovery when needed. The Sisters' presence is greatly valued by the staff.

## GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

### IRELAND (North and South)

The Housing Association Ltd, founded in Dublin in 1997 by the Daughters of Wisdom, continues to expand into other parts of Ireland. It also runs the Wisdom Centre in Dublin which hosts and facilitates workshops, retreats, and leadership courses for people from all faiths and none, who are looking for a peaceful place in which to reflect and dialogue. One Sister in Northern Ireland is involved in the pastoral and social ministries of her local parish.

The Charity is registered with the Charities Regulatory Authority in Ireland, number 20007140.

### SCOTLAND

Two Sisters in Scotland continue to be involved in a range of pastoral ministries. These include:-

- College chaplaincy
- Visiting the sick, elderly and bereaved
- Serving on the Fairtrade Steering Group of Renfrewshire County council
- Eucharistic ministry - assisting with the services in the local parish
- Representative on the Bishops' Conference's Committee for Interreligious Dialogue
- Safeguarding representative
- The Daughters of Wisdom Representative on the Conference of Religious in Scotland

The Charity is registered with the Office of the Scottish Charities Regulator, charity number SCO39165.

The presence and witness of the Sisters' religious life is complemented by the variety of their ministries and involvement in their local communities and parishes wherever they are present.

## EVENTS IN 2024

### Assisted Living Communities: Abbey House (Romsey) & Montfort (Lytham St Anne's)

Throughout 2024 Sisters in Assisted Living Communities continued to be supported by the teams of carers and other staff.

### St Joseph's Church, Romsey lease to Diocese of Portsmouth

Progress was made with the drafting of the lease during 2024, but further delays arose due to changes of personnel at the solicitors acting for each party and by the end of the year the lease had not been signed. The Diocese/Parish continued to use St Joseph's on the previously agreed terms pending signing of the new lease which it is anticipated will be completed by mid-2025. The duration of the lease (10 years) will not be affected by this delay.

### Jubilee Celebrations

In 2024 one Sister celebrated the 70th Jubilee of her first profession and one Sister celebrated her 60th Jubilee of her first profession as a Daughters of Wisdom.

### Deaths during the year

During 2024 two Sisters from the Delegation died.

Sisters had been engaged in varied ministries throughout their lives in locations in the UK and Ireland where their service touched and enriched the lives of many who they were pleased to serve.

Deep appreciation and gratitude were expressed for the Sisters' long and fruitful lives as Daughters of Wisdom and for their many years of service and prayerful reflection that they lived whilst active members of the community.

## RISKS FACED BY THE CHARITY

### RISK REVIEW

The Trustees, under the guidance of the Charity's auditors, have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced, in order that the necessary steps can be taken to lessen the risks.

During the year a risk register, covering all the major risks which the Charity can identify was updated and approved by the Trustees. This will be reviewed annually.

A Health and Safety Policy, which includes a Fire Policy, has been drawn up and is implemented throughout the Delegation. Following the introduction in October 2023 of new requirements to be included in the drafting a Fire Risk Assessment it was agreed that the services of the PIB Risk Management, who are already engaged by the Charity, will be used to prepare these risk assessments, and following their completion any remedial actions required will be implemented.

**Safeguarding**

The Charity has in place a safeguarding policy relevant to its work in England, Scotland, and Ireland. The Safeguarding Policy for the Delegation was reviewed and updated in September 2024. All members of the Charity are familiar with these policies and of the action required of them should any allegation of abuse be made to them. Each is aware that safeguarding is an integral part of the ministry they carry out in the name of the Congregation and the Church. The Charity has, with the assistance of its broker, maintained a level of insurance cover that provides protection against claims or actions arising from any such claims. Safeguarding is an agenda item at each Leadership Team meeting. Regular update training is undertaken by members of the Leadership Team in England or Ireland, as appropriate. Each Sister in the Delegation is regularly reminded of their responsibilities under the Delegation's and Congregation's Safeguarding Policy and is provided with an updated version of the policy following any substantive changes.

During the year, the Charity continued its membership of the Catholic Safeguarding Standards Agency (CSSA) and the Religious Life Safeguarding Service (RLSS). The former has a promotional, oversight and enforcement role, while the latter has a supportive, representative, and training/educational role, each with its own subscription model. The Trustees unanimously agreed to cooperate with and support the work of both organisations in whatever way they can. During the year, the Charity renewed the Disclosure and Barring Service checks for all relevant staff members.

In 2024, the Delegation was audited by the Catholic Safeguarding Standards Agency. The baseline Audit Report was published on the CSSA website and the website of the Daughters of Wisdom (GBI).

The Catholic Church in Scotland and Ireland has updated its safeguarding policies and procedures, to which the Charity remains fully compliant.

**Investment performance**

The Charity continues to incur an operating deficit on its day-to-day operations, but this is expected. The reasons for the operating deficit are fully understood by the Trustees and they are satisfied that the Charity has adequate reserves to meet its future financial needs. Income in recent years has been supported by the yield from the charity's investment portfolio which in 2024 amounted to £305,097 (2023: £276,803). Despite the ongoing geo-political turbulence in the world this year and the volatility of inflation rates the financial markets performed as well as could be expected. Some of the results of shareholdings were boosted by the currency fluctuations which favoured the dollar and euro against the pound, giving better anticipated results for shareholdings denominated in non-sterling currencies.

The Trustees of the Charity review performance with their investment managers each quarter against their requirements for a balanced growth/income performance and industry benchmarks. The Trustees are content that the investments performed as well as could be expected during 2024 and expressed their continued confidence in the investment managers and in the quality of information provided by them.

## FINANCIAL REVIEW

### Results for the year

A summary of the year's results can be found in the Statement of Financial Activities on page 16 of this report and accounts.

During the year ended 31 December 2024 total income amounted to £1,088,836 (2023: £1,209,431). Income was in line with expectations other than the investment portfolio income, as noted above. The Delegation continues to face a decline in recurring Incoming Resources as the number of Sisters reduces only a few now receive regular stipends and none receives a salary. The value of funds on the balance sheet are also affected, though only to a small degree by the movement in the pound: euro exchange rate as most of its funds are now held in sterling.

Expenditure of £1,988,266 (2023: £1,959,188) include a donation towards the work and running expenses of the Congregation's General Administration in lieu of project funding in 2023. Throughout the year, a number of Sisters were resident in Marie Louise House, for which a fee is paid to the home's managing company, Healthcare Management Trust: the average number of Sisters resident in Marie Louise House in 2024 was three, plus occasional periods of recuperation and rehabilitation for some Sisters following a stay in hospital.

Net expenditure before gains/(losses) on investments for the year was, therefore, £899,430 (2023: £749,757). Investment gains this year amounted to £717,448 (2023: £535,345).

The Leadership Team resolved during 2016 that any communities that receive financial support from the Delegation for their ongoing living costs should no longer remit to the Delegation a portion of funds held by them at the end of the year. Communities that continue to have income greater than their needs still remit three quarters of their year-end surplus to support other communities in the Delegation.

The number of communities whose income is greater than they need has dropped dramatically in recent years, while the number of communities supported by central funds is increasing.

### Financial position and reserves policy

*Financial position*

At the end of the year to 31 December 2024 the total funds of the Charity were £18,489,246 (2023: £18,671,228). Of this some £8 million is represented by properties and other tangible fixed assets essential for the support and work of the Sisters.

£8.35 million was designated to meet the commitment to provide for the care of the older members of the Charity, which is part of the purpose of the Charity. In 2018 the Trustees agreed to draw down from the Fund to cover 50% of the nursing home fees for Sisters of the Delegation. Funds expended from the Designated Reserves during the year totalled £165,905 (2023: £150,453).

## FINANCIAL REVIEW (continued)

*Reserves policy*

This report demonstrates the range of activities which the Charity continues to carry out and the responsibility the Charity has for the care and support of its members.

All the Sisters have devoted the whole of their working lives to the Congregation and are dependent upon it for all their temporal material needs. Although Sisters invariably continue to perform charitable work long past normal retirement and pension age if they are healthy enough to do so, the work is mainly non-remunerative, and the Delegation must provide for their needs and in some cases nursing care.

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 not less than twelve months expenditure. At 31 December 2024 free reserves represented some 14 months of expenditure, which the Trustees believe is sufficient considering current plans and anticipated inflow of funds from disposal of properties that are likely to materialise in the next 12 to 24 months.

### Restricted Funds

During a previous year, a donation was made to the Charity whose use was restricted by the donor to 'the welfare of the Sisters.' The interpretation of the Sisters' 'welfare' has been left to the discretion of the serving Trustees to define but is intended to exclude repairs and renewals to plant and property. The funds can be expended for their welfare in general or for any Sister or Sisters. There was no draw down from this fund in 2024.

### Key management personnel

The Trustees have identified the General Manager, the Finance Manager, and the Wisdom Centre Manager as the key management personnel for the Charity as they directly influence day to day operation of the whole organisation and its main mission activity respectively. Total salary paid to these personnel was £180,589 in 2024 (2023: £150,182). The pay for these posts is set prior to appointment of the individuals paying regard to the market rate for equivalent posts in other charities and non-charitable organisations. A pay review for all members of staff, including key management personnel, takes place annually during the budgeting cycle and is set principally with reference to cost of living and inflationary pressures balanced against the Charity's prudent management of its resources in the context of a deficit budget. In 2024 the salary review, taking account of the exceptional rise in inflation, resulted in an increase of 3% for all staff salaries from January 2024.

## PLANS FOR FUTURE PERIODS

Within the framework of the Guidance on Public Benefit, the Charity works for the:-

- Advancement of religion
- Advancement of education
- Advancement of human rights, conflict resolution and reconciliation
- Promotion of respect for the gift of Creation

## PLANS FOR FUTURE PERIODS (continued)

During 2025 the Charity will:-

- Continue the investment of further time, effort, and resources into the ongoing spiritual and human development of the Sisters for mission.
- During the coming year, the Council of the Congregation will take place in France, at which two Sisters of the Delegation will participate.
- Continue the development of the use of the Wisdom Centre, Romsey, alongside the use of the Labyrinth and other gardens which are open to the local community.
- Jointly with other congregations and agencies develop the work of Sophia, Ireland, to promote the humanity and dignity of homeless and marginalised people.
- Continue to review the Delegation property portfolio and dispose of surplus property and undertake some major decorating works as required.
- Review its financial management, in particular its investment strategy and the designation of funds for care of its elderly members.
- Commence a discernment process to determine the future of the Delegation's ministries and properties.
- Continue to participate in discussions with the Conferences of Religious in England and Wales, Scotland and Ireland about the future direction and purpose of the respective Conferences.
- Continue to participate in the review of safeguarding practice for religious orders within the Catholic Church to ensure that the Delegation's practice stays current, relevant, and up to date, and to prepare for an audit of its safeguarding policies that is likely to take place in 2024 or 2025.

## INVESTMENT POLICY

The Charity has a discretionary investment management agreement with Brewin Dolphin. The Trustees meet with the fund managers once every three to four months and ensure that the fund is managed in accordance with their written guidelines and with the religious and ethical principles of the Charity.

The investment objectives are:-

(a) to generate enough income to fund for the foreseeable future that part of the Charity's ongoing activities currently funded by investment income

(b) to maintain the real capital value of the investment fund in the long term

Asset allocation is benchmarked against the FTSE All Share Index weightings.

At the start of the year the portfolio opened with a value of £9,734,272, Dividend income for the year of £305,097 was higher than the previous year's income of £274,264 and £12,541 less than budgeted for the year. By the end of the year the portfolio had grown to £10,248,391 which represents steady growth during the year in market conditions that continue to be challenging.

The Trustees continue to have every confidence in the investment managers to assist them in achieving their goal of a balanced growth and yield portfolio to support the Sisters' needs and mission in future years.

## AUDITORS

On 18 November 2024 the company's auditor changed its name from haysmacintyre LLP to HaysMac LLP.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (Financial Reporting Standard 102).

Charity law 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 at the year end and of its income and expenditure during that year. In preparing the accounts, the Trustees are required to:-

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts;
- 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 accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

Approved by the Trustees on 15 May 2025 and signed as authorised on their behalf by:

...Sr...Maureen Seddon DW ..
Sister Maureen Seddon D. W.
Delegation Leader
Trustee

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CONGREGATION OF THE DAUGHTERS OF WISDOM

### Opinion

We have audited the financial statements of the Congregation of the Daughters of Wisdom for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related 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 December 2024 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) regulations.

### Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts 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' 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.

### 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 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient and proper 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 12, 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 environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to health and safety regulations, employment law, safeguarding regulations and Charity law, 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 Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to depreciation charges. Audit procedures performed by the engagement team included:
- Inspecting minutes of Trustees' meetings;
- Reviewing calculations for depreciation including reviewing estimated useful economic lives;
- 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;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals;
- Reviewing valuations of investments; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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.

HaysMac LLP

HaysMac LLP
Statutory Auditors
Date: 15/5/2025

10 Queen Street Place
London
EC4R 1AG

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

THE CONGREGATION OF THE DAUGHTERS OF WISDOM
PROVINCE OF GREAT BRITAIN AND IRELAND

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total 2024 £ | Total 2023 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations, legacies and grants | 1 | 1,038 | - | 1,038 | 161,149 |
| Charitable activities | | 504,083 | - | 504,083 | 496,406 |
| Investments | 7 | 500,128 | - | 500,128 | 450,912 |
| Other | 2 | 83,587 | - | 83,587 | 100,964 |
| **Total income** | | 1,088,836 | - | 1,088,836 | 1,209,431 |
| **Expenditure on:** | | | | | |
| Raising funds | | 50,586 | - | 50,586 | 48,526 |
| Charitable activities | | | | | |
| . Communities | | 1,758,492 | - | 1,758,492 | 1,692,947 |
| . Education | | 6,725 | - | 6,725 | 2,457 |
| . Missions and grants | | 52,054 | - | 52,054 | 84,902 |
| . Development costs | | 120,409 | - | 120,409 | 130,356 |
| **Total expenditure** | 3 | 1,988,266 | - | 1,988,266 | 1,959,188 |
| **Net expenditure before net gains on investments** | | (899,430) | - | (899,430) | (749,757) |
| Net gains on investments | 7 | 717,448 | - | 717,448 | 535,345 |
| **Net movements in funds** | | (181,982) | - | (181,982) | (214,412) |
| Total funds brought forward at 1 January 2024 | | 18,663,690 | 7,538 | 18,671,228 | 18,885,640 |
| **Total funds carried forward at 31 December 2024** | | 18,481,708 | 7,538 | 18,489,246 | 18,671,228 |

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

All income and expenditure derive from continuing activities. Details of comparative figures by fund are disclosed in note 13.

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**PROVINCE OF GREAT BRITAIN AND IRELAND**

## BALANCE SHEET

## AS AT 31 DECEMBER 2024

| | Notes | 2024 £ | 2024 £ | 2023 £ | 2023 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 6 | | 7,762,127 | | 8,012,897 |
| Investments | 7 | | 10,348,528 | | 10,221,063 |
| Social investments | 7 | | 82,850 | | 88,430 |
| | | | 18,193,505 | | 18,322,390 |
| **CURRENT ASSETS** | | | | | |
| Debtors | 8 | 71,208 | | 74,580 | |
| Cash at bank and in hand | | 935,680 | | 435,078 | |
| | | 1,006,888 | | 509,658 | |
| **CREDITORS:** amounts falling due within one year | 9 | (711,147) | | (160,820) | |
| **NET CURRENT ASSETS** | | | 295,741 | | 348,838 |
| **TOTAL NET ASSETS** | | | 18,489,246 | | 18,671,228 |
| **FUNDS** | | | | | |
| Restricted Funds | 10 | | 7,538 | | 7,538 |
| Unrestricted Funds | | | | | |
| - General Funds | | | 10,135,825 | | 10,151,902 |
| - Designated Funds | 10 | | 8,345,883 | | 8,511,788 |
| | 11 | | 18,489,246 | | 18,671,228 |

Approved by the Trustees on 15 May 2025 and signed as authorised on their behalf by:

Sr. Maureen Seddon DW.
Sister Maureen Seddon D.W
Delegation Leader
Trustee

The accompanying notes form part of these accounts.

THE CONGREGATION OF THE DAUGHTERS OF WISDOM
PROVINCE OF GREAT BRITAIN AND IRELAND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cash flows from operating activities:** | | | | |
| *Net cash (used in)/provided by operating activities* | | (587,581) | | (1,238,245) |
| **Cash flows from investing activities:** | | | | |
| Dividends, interest and rents from investments | 500,128 | | 450,912 | |
| Proceeds from the sale of property, plant and equipment | - | | 1,470 | |
| Purchase of property, plant and equipment | (1,928) | | (11,484) | |
| Proceeds from sale of investments | 2,991,967 | | 2,399,634 | |
| Purchase of investments | (2,520,186) | | (2,577,247) | |
| Movement in cash held by investment managers | 118,202 | | 226,167 | |
| *Net cash provided by/(used in) investing activities* | | 1,088,183 | | 489,452 |
| **Change in cash and cash equivalents in the reporting period** | | 500,602 | | (748,793) |
| **Cash and cash equivalents at the beginning of the reporting period** | | 435,078 | | 1,183,871 |
| **Cash and cash equivalents at the end of the reporting period** | | 935,680 | | 435,078 |

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| **Reconciliation of net expenditure to net cash flow from operating activities** | | |
| Net expenditure for the reporting period | (181,982) | (214,412) |
| Depreciation charge | 252,698 | 253,588 |
| Gains on sale of fixed assets | - | (1,350) |
| (Gains)/losses on investments | (717,448) | (535,345) |
| Foreign exchange loss on social investments | 5,580 | - |
| Dividends, interest and rents from investments | (500,128) | (450,912) |
| Decrease/(increase) in debtors | 3,372 | (27,559) |
| Increase/(decrease) in creditors | 550,327 | (262,255) |
| **Net cash (used in)/provided by investing activities** | (587,581) | (1,238,245) |

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| **Analysis of cash and cash equivalents** | | |
| Cash in hand | 935,680 | 435,078 |
| **Total cash and cash equivalents** | 935,680 | 435,078 |

## ACCOUNTING POLICIES

## FOR THE YEAR ENDED 31 DECEMBER 2024

**Basis of preparation**
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Statement of Recommended Practice for Charities (SORP 2019 Second Edition) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**Preparation of accounts on a going concern basis**
The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The trustees believe it is appropriate for the going concern basis to apply to the charity. The review of the charity's financial performance and reserves position gives the trustees every confidence that the charity remains a going concern for the foreseeable future.

**Covenanted salaries and pensions**
Members' salaries, pensions and superannuation are received under deeds of covenant and are stated inclusive of income tax but net of any deductions for Irish taxation, social security payments and contributions to occupational pension schemes.

**Donations and legacies**
Donations and legacies are recognised when receivable or when the Charity becomes legally entitled to them. Receipts of property, investments or other gifts in kind are included at market value.

**Other income**
All other income is accounted for when the charity becomes entitled to the income and the amount can be quantified with reasonable accuracy.

**Expenditure**
Expenditure on raising funds consists of investment management costs.

Charitable expenditure consists of all expenditure relating to the objects of the Charity. All costs are directly attributable to the activities under which they have been analysed.

Irrecoverable VAT is included with the category of expense to which it relates.

**Tangible fixed assets**
Land and buildings are stated at a Trustees' 1991 valuation plus subsequent additions at cost, allowance being made where buildings have been demolished. All other assets are included at cost.

Depreciation is calculated by the straight line method to write off the cost/value, less anticipated residual value, over the expected useful lives of assets as follows.

Depreciation is not provided on buildings under construction until they are completed and bought into use.

| | |
|---|---|
| Freehold and long leasehold buildings | 50 years |
| Furniture and equipment | 3 to 15 years |
| Computer equipment | 3 years |
| Motor vehicles | 4/5 years |

**Investments**
Quoted investments are valued at their closing middle market price on the balance sheet date and the gain or loss taken to 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.

All movements in value are shown in the Statement of Financial Activities.

**Social investments**
Programme related investments are included at cost.

**Designated funds**
The trustees have designated funds out of the unrestricted funds to provide for the Charity's commitment to provide for the retirement and care in old age and sickness of the Charity's members. Lump sums received from members' occupational pension schemes upon their retirement and transfers from general funds are credited to this fund together with income generated by designated investments.

**Restricted funds**
Restricted funds are held subject to specific conditions declared by the donor as explained in the financial statements.

**General funds**
General funds comprise funds which are available to be used for the general purposes of the charity.

**Foreign currencies**
Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Any exchange differences arising from the translation are dealt with in the Statement of Financial Activities.

**Pension scheme**
Contributions are made to a defined contribution pension scheme for staff. The contributions are charged to the Statement of Financial Activities when they become payable.

**Critical accounting judgements and key sources of estimation uncertainty**
In the application of the accounting policies, trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Judgements made by the trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and are discussed above.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

## 1. DONATIONS AND LEGACIES

| | 2024 £ | 2023 £ |
|---|---|---|
| Unrestricted donations | 138 | 842 |
| Legacies | 900 | 160,307 |
| | 1,038 | 161,149 |

## 2. OTHER INCOME

| | 2024 £ | 2023 £ |
|---|---|---|
| Other income | 83,587 | 99,614 |
| Gains on disposal of fixed assets | - | 1,350 |
| | 83,587 | 100,964 |

## 3. EXPENDITURE

| | Salaries £ | Depreciation £ | Other £ | 2024 £ | 2023 £ |
|---|---|---|---|---|---|
| ***Raising funds:*** | | | | | |
| Investment manager's fee | - | - | 50,586 | 50,586 | 48,526 |
| ***Charitable activities:*** | | | | | |
| . Communities | 386,091 | 252,698 | 1,119,703 | 1,758,492 | 1,692,947 |
| . Education | - | - | 6,725 | 6,725 | 2,457 |
| . Missions and grants | - | - | 52,054 | 52,054 | 84,902 |
| . Development costs | 63,358 | - | 57,051 | 120,409 | 130,356 |
| | 449,449 | 252,698 | 1,286,119 | 1,988,266 | 1,959,188 |

| | 2024 £ | 2023 £ |
|---|---|---|
| Missions and charitable grants comprise: | | |
| Generalate of the Congregation | - | 60,000 |
| Alms and other charitable donations | 52,054 | 24,902 |
| | 52,054 | 84,902 |

Expenditure includes:

| | 2024 £ | 2023 £ |
|---|---|---|
| Auditor's remuneration - audit fee | 18,800 | 17,800 |

## 3. EXPENDITURE (continued)

**Comparative analysis 2023**

| | Salaries £ | Depreciation £ | Other £ | 2023 £ |
|---|---|---|---|---|
| ***Raising funds:*** | | | | |
| Investment manager's fee | - | - | 48,526 | 48,526 |
| ***Charitable activities:*** | | | | |
| . Communities | 378,279 | 253,588 | 1,061,080 | 1,692,947 |
| . Education | - | - | 2,457 | 2,457 |
| . Missions and grants | - | - | 84,902 | 84,902 |
| . Development costs | 60,276 | - | 70,080 | 130,356 |
| | 438,555 | 253,588 | 1,267,045 | 1,959,188 |

## 4. STAFF COSTS

| | 2024 £ | 2023 £ |
|---|---|---|
| Wages and salaries | 405,666 | 396,630 |
| Social security | 28,419 | 27,340 |
| Other pension costs | 15,364 | 14,585 |
| | 449,449 | 438,555 |

| | 2024 Number | 2023 Number |
|---|---|---|
| The average number of employees in the year was: | 24 | 23 |

No employee received in excess of £60,000 in either year.

Total remuneration for key management personnel for the year was £180,589 (2023: £150,182).

## 5. TRANSACTIONS WITH THE TRUSTEES

The Trustees of the Charity are all members of a Religious Order. They have taken vows of poverty under which they renounce all rights to a personal income and assets. They are therefore entirely dependent on the charity for all their living expenses. The Trustees do not receive any payments or benefits for carrying out their duties other than their living expenses which are met by the Charity, which they receive in their capacity as members of the Religious Order.

The charity owns a property which is let to the sibling of one trustee at a fair market rent. No rent was owing at the year end.

## 6. TANGIBLE FIXED ASSETS

| | Freehold Land and Buildings | | | | | |
|---|---|---|---|---|---|---|
| | General £ | Abbey House £ | Nursing Home and Wisdom House £ | Furniture and Fittings £ | Motor Vehicles £ | Total £ |
| **COST OR VALUATION** | | | | | | |
| At 1 January 2024 | 1,510,751 | 3,700,967 | 6,792,242 | 634,170 | 66,936 | 12,705,066 |
| Additions | - | - | - | 1,928 | - | 1,928 |
| At 31 December 2024 | 1,510,751 | 3,700,967 | 6,792,242 | 636,098 | 66,936 | 12,706,994 |
| **DEPRECIATION** | | | | | | |
| At 1 January 2024 | 735,654 | 788,483 | 2,496,747 | 606,446 | 64,839 | 4,692,169 |
| Charge for year | 30,217 | 74,019 | 135,847 | 10,518 | 2,097 | 252,698 |
| At 31 December 2024 | 765,871 | 862,502 | 2,632,594 | 616,964 | 66,936 | 4,944,867 |
| **NET BOOK VALUE** | | | | | | |
| At 31 December 2024 | 744,880 | 2,838,465 | 4,159,648 | 19,134 | - | 7,762,127 |
| At 31 December 2023 | 775,097 | 2,912,484 | 4,295,495 | 27,724 | 2,097 | 8,012,897 |

Included in General Freehold Land and Buildings above are leasehold buildings with a cost of £474,541 and net book value of £246,947. The depreciation charge during the year was £9,492. There were no additions or disposals during the year.

## 7. INVESTMENTS

### Social Investment

The Trustees provided financial support in the form of an unsecured Social Impact Investment for £82,850 to assist Sophia Housing Association, Ireland in their plans to expand their services. The investment is repayable in full after 10 years (2032) or earlier on demand. Interest of 1.5% will be charged on the balance each year.

This investment continues the support that the Charity has provided to Sophia Housing Association for a number of years (previously as donations) as its work with homeless people and addressing the systemic causes of homelessness aligns with the ethos and work of the Daughters of Wisdom over centuries in supporting the poorest and marginalised in society. This social impact investment is a way for the Charity to continue to be involved in this important work whilst recognising that the capacity of its members for hands-on involvement is limited by their own advancing years.

## 7. INVESTMENTS (continued)

| | 2024 £ | 2023 £ |
|---|---|---|
| Opening market value | 10,221,063 | 9,734,272 |
| Additions | 2,520,186 | 2,577,247 |
| Disposals (sale proceeds) | (2,991,967) | (2,399,634) |
| Net investment gains | 717,448 | 535,345 |
| Movements in cash | (118,202) | (226,167) |
| Closing market value | 10,348,528 | 10,221,063 |
| Cost of investments - At 31 December | 9,284,529 | 8,792,454 |

**Analysis of Investments Held**

| | Quoted Investments £ | Unquoted Investments £ | Total 2024 £ | Total 2023 £ |
|---|---|---|---|---|
| Quoted Investments: | | | | |
| Government Stocks | 1,681,182 | - | 1,681,182 | 1,770,864 |
| Unit Trusts and Investment Trusts | 1,053,951 | - | 1,053,951 | 1,344,497 |
| Ordinary Shares | 6,987,430 | - | 6,987,430 | 6,415,427 |
| Property | 281,024 | - | 281,024 | 314,833 |
| Commodities | 201,895 | - | 201,895 | 114,193 |
| Unquoted Investments: | | | | |
| Portfolio Cash | - | 143,046 | 143,046 | 261,249 |
| **TOTAL INVESTMENTS** | 10,205,482 | 143,046 | 10,348,528 | 10,221,063 |

**Investment Income**

| | 2024 £ | 2023 £ |
|---|---|---|
| Listed investments | 305,097 | 276,803 |
| Portfolio and other cash and bank deposits | 25,014 | 12,569 |
| Rental income | 158,508 | 158,508 |
| Care home share of surplus | 11,509 | 3,032 |
| | 500,128 | 450,912 |

## 8. DEBTORS

| | 2024 £ | 2023 £ |
|---|---|---|
| Accrued income | 50,551 | 59,378 |
| Sundry debtors and prepayment | 20,657 | 15,202 |
| | 71,208 | 74,580 |

## 9. CREDITORS: amounts falling due within one year

| | 2024 £ | 2023 £ |
|---|---|---|
| Amounts held on behalf of Sisters | 660,376 | 105,006 |
| Other creditors and accruals | 50,771 | 55,814 |
| | 711,147 | 160,820 |

## 10. FUNDS

**Restricted Funds**
A donation was received in a prior year by the Charity whose use was restricted by the donor to 'the welfare of the Sisters'.

**Designated Funds**

**Retirement Fund**

This fund has been designated to provide for the Charity's commitment to provide for the retirement and care in old age and sickness of the Congregation's members. Lump sums received from members' occupational pension schemes upon their retirement and transfers from General Funds are credited to this fund. A review of the Congregation's membership has indicated that a fund of at least £9.5m would be required to finance fully the Charity's commitment to provide care for its elderly members. Towards this requirement, the Trustees, in 1999, designated to this fund the charity's investment portfolio. The level of the Charity's funds and of its commitment will be kept under review by the Trustees and further designations will be considered.

| Analysis of Movements - 2024 | At 1 January 2024 £ | Expenditure £ | At 31 December 2024 £ |
|---|---|---|---|
| Retirement Fund | 8,511,788 | (165,905) | 8,345,883 |

| Analysis of Movements - 2023 | At 1 January 2023 £ | Expenditure £ | At 31 December 2023 £ |
|---|---|---|---|
| Retirement Fund | 8,662,241 | (150,453) | 8,511,788 |

## 11. ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2024

| | General Fund £ | Retirement Fund £ | Restricted Fund £ | Total £ |
|---|---|---|---|---|
| **Fund balances at 31 December 2024 are represented by:** | | | | |
| Tangible fixed assets | 7,762,127 | - | - | 7,762,127 |
| Investments | 2,085,495 | 8,345,883 | - | 10,431,378 |
| Current assets | 999,350 | - | 7,538 | 1,006,888 |
| Current liabilities | (711,147) | - | - | (711,147) |
| **Total net assets** | 10,135,825 | 8,345,883 | 7,538 | 18,489,246 |
| **Unrealised gains included above** | | | | |
| On listed investment assets | | | | 1,063,999 |
| **Reconciliation of movements in unrealised gains on investments** | | | | |
| Unrealised gain at 1 January 2024 | | | | 1,428,609 |
| Less: amount in respect of disposals in year | | | | (1,082,058) |
| | | | | 346,551 |
| Unrealised gains on revaluations in the year | | | | 717,448 |
| **Unrealised gains at 31 December 2024** | | | | 1,063,999 |

## 12. ANALYSIS OF NET ASSETS BETWEEN FUNDS – 2023

| | General Fund £ | Retirement Fund £ | Restricted Fund £ | Total £ |
|---|---|---|---|---|
| **Fund balances at 31 December 2023 are represented by:** | | | | |
| Tangible fixed assets | 8,012,897 | - | - | 8,012,897 |
| Investments | 1,797,705 | 8,511,788 | - | 10,309,493 |
| Current assets | 502,120 | - | 7,538 | 509,658 |
| Current liabilities | (160,820) | - | - | (160,820) |
| **Total net assets** | 10,151,902 | 8,511,788 | 7,538 | 18,671,228 |
| **Unrealised gains included above** | | | | |
| On listed investment assets | | | | 1,428,609 |
| **Reconciliation of movements in unrealised gains on investments** | | | | |
| Unrealised gain at 1 January 2023 | | | | 1,142,010 |
| Less: amount in respect of disposals in year | | | | (248,746) |
| | | | | 893,264 |
| Unrealised gains on revaluations in the year | | | | 535,345 |
| **Unrealised gains at 31 December 2023** | | | | 1,428,609 |

## 13. ACTIVITIES BY FUND IN PREVIOUS YEAR

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total 2023 £ |
|---|---|---|---|---|
| **Income from:** | | | | |
| Donations, legacies and grants | 1 | 161,149 | - | 161,149 |
| Charitable activities | | 496,406 | - | 496,406 |
| Investments | 7 | 450,912 | - | 450,912 |
| Other | 2 | 100,964 | - | 100,964 |
| **Total income** | | 1,209,431 | - | 1,209,431 |
| **Expenditure on:** | | | | |
| Raising funds | | 48,526 | - | 48,526 |
| Charitable activities | | | | |
| . Communities | | 1,690,485 | 2,462 | 1,692,947 |
| . Education | | 2,457 | - | 2,457 |
| . Missions and grants | | 84,902 | - | 84,902 |
| . Development costs | | 130,356 | | 130,356 |
| **Total expenditure** | 3 | 1,956,726 | 2,462 | 1,959,188 |
| **Net expenditure before net gains/(losses) on investments** | | (747,295) | (2,462) | (749,757) |
| Net gains/(losses) on investments | 7 | 535,345 | - | 535,345 |
| **Net movements in funds** | | (211,950) | (2,462) | (214,412) |
| Total funds brought forward at 1 January 2023 | | 18,875,640 | 10,000 | 18,885,640 |
| **Total funds carried forward at 31 December 2023** | | 18,663,690 | 7,538 | 18,671,228 |

## 14. RELATED PARTY TRANSACTIONS

There were no related party transactions in the current or preceding year.

THE CONGREGATION OF THE DAUGHTERS OF WISDOM
PROVINCE OF GREAT BRITAIN AND IRELAND

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

**These pages do not form part of the statutory financial statements.**

| | Province £ | Houses £ | 2024 Total £ | 2023 Total £ |
|---|---|---|---|---|
| **INCOME** | | | | |
| Salaries and stipends | - | 50,404 | 50,404 | 54,176 |
| **Pensions** | | | | |
| Superannuation | 100,458 | 39,732 | 140,190 | 136,800 |
| State pensions | 141,521 | 162,106 | 303,627 | 299,364 |
| Attendance allowance | 4,114 | 5,748 | 9,862 | 6,066 |
| | 246,093 | 207,586 | 453,679 | 442,230 |
| **Investment income** | | | | |
| Rented properties | 158,508 | - | 158,508 | 158,508 |
| Quoted investments | 305,097 | - | 305,097 | 276,803 |
| Bank deposit interest – general | 24,515 | 499 | 25,014 | 12,569 |
| Care home share of surplus | 11,509 | - | 11,509 | 3,032 |
| | 499,629 | 499 | 500,128 | 450,912 |
| **Donations and legacies** | | | | |
| Other donations | 50 | 88 | 138 | 842 |
| Legacies | 900 | - | 900 | 160,307 |
| | 950 | 88 | 1,038 | 161,149 |
| **Other income** | | | | |
| Wisdom Centre income | 77,503 | - | 77,503 | 92,222 |
| Chez Nous income | 5,540 | - | 5,540 | 6,555 |
| Miscellaneous income | 380 | 164 | 544 | 837 |
| | 83,423 | 164 | 83,587 | 99,614 |
| **Total income (excluding surplus on disposal of fixed assets)** | 830,095 | 258,741 | 1,088,836 | 1,208,081 |
| **Total expenditure (pages 30 and 31)** | (1,519,952) | (468,314) | (1,988,266) | (1,959,188) |
| **Net expenditure before investment gains/(losses) and exceptional items** | (689,857) | (209,573) | (899,430) | (751,107) |
| **Surplus on disposal of tangible fixed assets** | - | - | - | 1,350 |
| **Net expenditure before investment gains/(losses)** | (689,857) | (209,573) | (899,430) | (749,757) |

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

## CHARITABLE EXPENDITURE

## FOR THE YEAR ENDED 31 DECEMBER 2024

**These pages do not form part of the statutory financial statements.**

| Charitable activities | Province £ | Houses £ | 2024 £ | 2023 £ |
|---|---|---|---|---|
| **OCCUPANCY** | | | | |
| Insurances | 7,651 | 17,814 | 25,465 | 16,218 |
| Rents | 12,913 | 5,299 | 18,212 | 21,677 |
| Repairs and maintenance | 168,838 | 73,278 | 242,116 | 204,251 |
| Council tax | 8,104 | 7,985 | 16,089 | 14,389 |
| Water rates | 917 | 2,638 | 3,555 | 3,187 |
| Gas and electricity | 9,493 | 54,959 | 64,452 | 71,948 |
| Other | - | 17,021 | 17,021 | 19,262 |
| Depreciation | 250,598 | - | 250,598 | 251,488 |
| | 458,514 | 178,994 | 637,508 | 602,420 |
| **COMMUNITY** | | | | |
| Sisters' personal allowances | 1,373 | 49,305 | 50,678 | 54,932 |
| Food | 1,441 | 81,078 | 82,519 | 84,947 |
| Household | 2,945 | 50,277 | 53,222 | 58,786 |
| Medical | 789 | 40,656 | 41,445 | 37,905 |
| Nursing home charges | 330,088 | - | 330,088 | 300,905 |
| Nursing care costs | - | 1,933 | 1,933 | 2,379 |
| Funeral and expenses | 15,265 | - | 15,265 | 20,911 |
| Retreat/holidays | 737 | 11,738 | 12,475 | 13,203 |
| | 352,638 | 234,987 | 587,625 | 573,968 |
| **ALMS AND DONATIONS** | | | | |
| Given to missions | 10,000 | 711 | 10,711 | 60,869 |
| Given as general donations | 28,717 | 6,988 | 35,705 | 22,416 |
| Masses stipends | 60 | 579 | 639 | 1,617 |
| | 38,777 | 8,278 | 47,055 | 84,902 |
| **TRAVEL** | | | | |
| Travel fares | 3,530 | 26,595 | 30,125 | 33,952 |
| Motor expenses – insurances | 539 | - | 539 | 753 |
| Depreciation | 2,100 | - | 2,100 | 2,100 |
| | 6,169 | 26,595 | 32,764 | 36,805 |
| Carried forward | 856,098 | 448,854 | 1,304,952 | 1,298,095 |

THE CONGREGATION OF THE DAUGHTERS OF WISDOM
PROVINCE OF GREAT BRITAIN AND IRELAND

DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

CHARITABLE EXPENDITURE

FOR THE YEAR ENDED 31 DECEMBER 2024

**These pages do not form part of the statutory financial statements.**

| | Province £ | Houses £ | 2024 £ | 2023 £ |
|---|---|---|---|---|
| Brought forward | 856,098 | 448,854 | 1,304,952 | 1,298,095 |
| **LEGAL AND PROFESSIONAL** | | | | |
| Professional fees | 55,140 | - | 55,140 | 39,254 |
| Less allocated to management and administration and Investment managers' fees (See below) | (24,730) | - | (24,730) | (20,090) |
| | 30,410 | - | 30,410 | 19,164 |
| **OTHER** | | | | |
| Wages, salaries, tax and NI | 376,572 | 9,519 | 386,091 | 378,279 |
| Bank charges/card fees | 322 | 1,110 | 1,432 | 1,697 |
| Courses, education | 6,424 | 302 | 6,726 | 2,457 |
| Conferences and retreats | 1,156 | 325 | 1,481 | 10,097 |
| Associations/subscriptions | 4,231 | - | 4,231 | 1,468 |
| Library | 369 | 5,354 | 5,723 | 6,034 |
| General office expenses and small repairs | 20,945 | 2,850 | 23,795 | 24,548 |
| Safeguarding and advertising | 14,097 | - | 14,097 | 14,725 |
| Exchange (gain)/loss | 8,410 | - | 8,410 | 3,652 |
| | 432,526 | 19,460 | 451,986 | 442,957 |
| **DEVELOPMENT COSTS** | | | | |
| Leadership expenses | 17,011 | - | 17,011 | 10,777 |
| Provincial House, Chez Nous & Leadership | 23,057 | - | 23,057 | 18,712 |
| The Cottage, Sligo expenses | 773 | - | 773 | - |
| Wisdom Centre expenses | 21,403 | - | 21,403 | 40,591 |
| Wisdom Centre salaries | 63,358 | - | 63,358 | 60,276 |
| | 125,602 | - | 125,602 | 130,356 |
| Investment managers' fees | 50,586 | - | 50,586 | 48,526 |
| **Costs of raising funds** | 50,586 | - | 50,586 | 48,526 |
| **MANAGEMENT AND ADMINISTRATION** | | | | |
| Audit and accountancy: HaysMac LLP | 24,730 | - | 24,730 | 20,090 |
| **TOTAL EXPENDITURE** | 1,519,952 | 468,314 | 1,988,266 | 1,959,188 |

# The Congregation of the Daughters of Wisdom

Audit Findings Report

For the year ended 31 December 2024

HaysMac

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# 1. Introduction and Executive Summary

This report summarises our key findings in connection with the audit of the financial statements of The Congregation of the Daughters of Wisdom ('the Charity') for the year ended 31 December 2024. We would like to take this opportunity to thank Andrew Campbell, Karen Peters and their team for the assistance and co-operation we have received during the course of our work.

**Our audit approach**

Our work was planned and performed in order to issue an audit opinion on the financial statements in accordance with International Standards on Auditing (UK) ("ISAs") and the terms of our letter of engagement. Our audit approach is a risk-based approach founded on us gaining a thorough understanding of the entity and its business in order to allow us to identify the risks of material misstatement within the financial statements. To do this, we consider both the risk inherent in the financial statements themselves and the control environment in which the entity operates. We then use this assessment to develop an effective and efficient approach to the audit.

**Limitations**

Our audit procedures, which have been designed to enable us to express an opinion on the financial statements, have included an examination of the transactions and the controls thereon.

Our audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of internal control or to identify any significant deficiencies in their design or operation.

We have included in this report only those matters that have come to our attention as a result of our normal audit procedures and, consequently, our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

**Overall conclusion and opinion**

At the time of issuing this report we anticipate issuing an unqualified opinion on the financial statements. Our opinion is subject to the following matters:

- Review of the Trustees' Report
- Documentation to support Sr Siobhan's patrimony receipt
- Confirmation from SHA confirming balance held on social investment
- Finalisation of going concern review
- Review of post balance sheet events up to the date of signing of the accounts including latest minutes and management accounts
- Receipt of the signed letter of representation (to be signed by the Trustees on the date of signing the accounts)

## 2. Significant audit risks, and other focus areas identified during audit planning

We set out below the significant audit risks identified at the planning stage and the conclusions of our audit work:

| SIGNIFICANT AUDIT RISK AREA | HOW WE ADDRESSED THIS | COMMENTARY |
|---|---|---|
| **Presumed risk of fraud in revenue recognition**<br><br>Under ISA 240 there is a presumed risk that revenue may be misstated due to improper revenue recognition. We are required to consider and respond to the risks of improper revenue recognition.<br><br>The risk of incorrect treatment of income under UK GAAP, specifically that income is recognised in the incorrect period. We have rebutted the presumed risk in respect of the following areas:<br>• Sisters' salaries and pensions due to their predictable nature.<br>• Rental income due to amounts due being known in advance.<br>• Investment income because it can be agreed from third party sources.<br>• Legacy income measurement, due to the high profile of these streams of income due to the level of documentation generated by the legal process involved in proving entitlement. | We planned and performed specific tests to ensure income has been recorded in the correct period by testing a sample of transactions from source documentation to the ledger.<br><br>We also performed testing focussing around the financial year-end, ensuring that transactions were accounted for in the correct period.<br><br>We reviewed of the appropriateness of the recognition of accrued income and deferred income.<br><br>We have assessed the appropriateness of the recognition policies to confirm they are in line with the requirements of the Charity SORP and FRS 102. | Our audit work on revenue did not identify any material issues. |

| SIGNIFICANT AUDIT RISK AREA | HOW WE ADDRESSED THIS | COMMENTARY |
|---|---|---|
| **Presumed risk of management override**<br>We are required to consider and respond to the risks arising from management override of controls.<br><br>The risk of misappropriation of assets and the risks of misrepresentation of financial information. | We considered and reviewed all areas requiring judgement or estimates in order to assess the appropriateness of the judgements and estimates made by management.<br><br>We reviewed and tested journal entries made in the year, and in particular those made as part of the year-end financial reporting process. Where necessary we made further enquiries regarding any seemingly inappropriate or unusual journal or other adjustments. We incorporated unpredictability in our testing procedures. | The results of our planned audit work are considered to be satisfactory in this area. |

## 3. Accounting and Audit Matters

### i. Key accounting estimates

| Significant accounting estimate & detail | Commentary |
|---|---|
| **Depreciation**<br>The rate of depreciation and the useful economic lives attributed to these assets is a significant and material accounting estimate to the accounts. | The depreciation charge for the year is £253k in the 2024 accounts.<br><br>We have reperformed the calculation for depreciation and ensured that the useful economic lives of each category of asset is in line with the accounting policies in the financial statements. We have also reviewed the economic lives for sense, to ensure that these are still considered to be appropriate. |

### ii. Letter of Representation

International Standards on Auditing require us to obtain written representations from the Trustees when you approve the financial statements. The letter contains only standard matters specific to the Charity, other than the following representation:

- We confirm, to the best of our knowledge, that we consider the social investment in Sophia House Association recognised on the balance sheet (£83k) is still recoverable
- We confirm that the charity has beneficial ownership of the long leasehold property at Balmoral Road.

### iii. Misstatements

There were no unadjusted misstatements in the accounts other than clearly trivial items.

## 4. Financial Review

The purpose of this section of the report is to set out the key financial trends and to provide our perspective on the overall financial position.

### Statement of Financial Activities

| | 2022 | 2023 | 2024 |
|---|---|---|---|
| | £ | £ | £ |
| **Income** | | | |
| Donations and legacies | 11,518 | 161,149 | 1,038 |
| Pension income | 466,575 | 442,230 | 453,679 |
| Salaries and stipends | 41,477 | 54,176 | 50,404 |
| Investments and interest | 277,919 | 292,404 | 341,620 |
| Rental income | 158,508 | 158,508 | 158,508 |
| Other income | 83,961 | 99,614 | 83,587 |
| Exchange rate gains | - | - | - |
| Surplus on sale of FAs | 114,208 | 1,350 | - |
| Total income | 1,154,166 | 1,209,431 | 1,088,836 |
| **Expenditure** | | | |
| Raising funds | 49,057 | 48,526 | 50,586 |
| Charitable activities: | | | |
| • Communities | 1,556,420 | 1,692,947 | 1,758,492 |
| • Education | 6,093 | 2,457 | 6,725 |
| • Missions and grants | 147,450 | 84,902 | 52,054 |
| • Development costs | 110,895 | 130,356 | 120,409 |
| Total expenditure | 1,869,915 | 1,959,188 | 1,988,266 |
| **Net expenditure before investment gains** | **(715,749)** | **(749,757)** | **(899,430)** |

**Income**

Income from donations and legacies was higher in 2023 due to a legacy of £155k received from the estate of Sr Shirley Martin.

Pension income increased due to inflationary increases in pension rates.

Income from investments and interest received increased by £49k (16%) partially due to higher interest rates on deposits.

Surplus on sale of fixed assets in 2022 related to St Clare Avenue, Preston.

**Expenditure**

Cost of raising funds relates to investment manager fees which have remained consistent year on year.

Community expenditure has shown a steady rise each year.

Missions and grants expenditure was higher in 2022 due to the £100k donation to the congregational mission, relating to Haiti. The main grant in 2023 was £60k to the Generalate and 2024 £10k to the Asha Deep Project in India.

Development costs have remained relatively consistent over the past 3 years.

## Balance Sheet

| | 2022 | 2023 | 2024 |
|---|---|---|---|
| | £ | £ | £ |
| Tangible fixed assets | 8,255,121 | 8,012,897 | 7,762,127 |
| Investments | 9,734,272 | 10,221,063 | 10,348,528 |
| Social Investment | 88,430 | 88,430 | 82,850 |
| Current assets | 1,230,892 | 509,658 | 1,006,888 |
| Current liabilities | (423,075) | (160,820) | (711,147) |
| **Net assets** | **18,885,640** | **18,671,228** | **18,489,246** |
| Represented by | | | |
| Restricted funds | **10,000** | **7,538** | **7,538** |
| Unrestricted funds | **10,213,399** | **10,151,902** | **10,135,825** |
| Designated funds | **8,662,241** | **8,511,788** | **8,345,883** |
| **Total funds** | **18,885,640** | **18,671,228** | **18,489,246** |

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**Balance Sheet**

Tangible fixed assets decreased in the year by £250k due to the depreciation charge in the year.

Investments have increased by £127k. This reflects the overall stock market movement in 2024.

The social investment relates to a 10 year unsecured loan to assist Sophia Housing, Ireland in their plans to expand their services. This was adjusted for foreign exchange movements at 31 December 2024.

Current assets increased by £497k. This is largely due to the increase in cash and bank by £501k due to the increase in amounts held on behalf of Sisters. Debtors decreased by £3k.

Current liabilities increased by £550k mainly due to the increase in amounts held on behalf of Sisters.

**Funds Analysis**

Total reserves have decreased by £182k to £18.49m. Designated funds, which represent the commitment to provide for the retirement and care of the Congregation's members, amounted to £8.35m. General funds comprise £7.76m of tangible fixed assets and £2.09m of investments. Free reserves are £2.37m which represents approximately 14 months' expenditure. The level of free reserves held at the year-end is consistent with the target level of reserves of 12 months' expenditure.

Restricted funds relate to a donation received to be spent on the welfare of the Sisters.

## 5. Detailed control points

During the course of our audit we may identify detailed control points that we feel need to be brought to the attention of the Trustees and certain recommendations for improvements and/or corrective action. Our audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of internal control or to identify any significant deficiencies in their design or operation. The matters and detailed control points that we have identified are graded within the following framework to assist the Trustees in assessing their impact.

| RATING | RATING TYPE | CHARACTERISTICS OF RATING TYPE |
|---|---|---|
| Significant | These findings are considered to be significant to the management of risk in the business. The finding represents a serious weakness in systems and controls currently in place or a potentially fundamental control that has been omitted from the risk management systems as currently in operation. | • Key control omitted<br>• Key control not designed or operating effectively, for example as indicated by multiple exceptions found during our review work<br>• Evidence of override of controls in place with significant or potentially fraudulent outcomes<br>• Non-compliance with laws and regulations |
| Important | Important findings that should be reviewed by management, pending corrective action and or updates to systems and controls. | • Errors and exceptions noted during our testing that had corrected retrospectively during the year by management.<br>• Potential improvement to existing control noted<br>• Possibility for override of controls exists<br>• Our review noted numerous exceptions but not in key controls |
| Limited | Findings that identify non-compliance with established systems and controls. | • Minor control weakness, for example limited exceptions noted during our review work |
| Advisory | Items requiring no immediate action but which may be of interest to management or best practice advice. | • Information for department management<br>• Control operating but scope for efficiency and/or effectiveness improvements exist<br>• Control operating but not necessarily in accordance with best practice<br>• Recent or anticipated developments may necessitate new controls. |

We are pleased to confirm that no new matters arose from the current year audit to bring to your attention. We provide the latest status of outstanding issues arising from previous year audits below.

## Prior year

| ISSUE: IT PENETRATION TESTING | | CONTROL POINT RATING: ADVISORY |
|---|---|---|
| **Risk** | **Our comments & proposals** | **Update/Management response** |
| There is currently no regular penetration testing to determine vulnerabilities in the IT infrastructure. Unknown weaknesses may go undetected.<br><br>Test file restorations are also not performed. | We recommend that penetration testing and test file restorations are performed on a regular basis to ensure they work and help identify any issues. | Update comments needed |

# 6. Emerging issues

## Charity reporting and governance matters

### Charity commission guidance for charities facing decisions about donations

On 4 March 2024 the Charity Commission published guidance to help charities when deciding to accept, refuse or return a donation. Whilst the default position should be accepting donations to further a charities objectives, the Commission appreciates that there are times when this will be difficult for a charity and has set out an approach to support trustees when making difficult decisions. The guidance is set out in a way to ensure that the law, trustee duties and charity's powers are all considered.

The guidance sets out examples of when donations must be refused or returned, donations that are likely to be refused/returned, additional considerations and how to document the decision made by trustees.

The guidance can be found here.

### Updated guidance on decision-making for charity trustees (CC27)

In September 2024 the Charity Commission published updates to its guidance on making trustee decisions. The aim of these updates is to make the guidance more accessible and easier to use, however the backbone of the guidance remains the seven principles developed by the courts when they reviewed decisions made by trustees, which we have set out below.

When making decisions, trustees must:

- act within their powers
- act in good faith
- be sufficiently informed
- take into account all relevant factors
- identify and disregard any irrelevant factors
- manage conflicts of interest
- ensure their decision is within the range of decisions that a reasonable trustee body could make

The revised guidance can be found here.

### Charity Commission guidance for charity meetings

The charity commission guidance on charity meetings was also updated in July 2024 to make it more accessible and easier to use. The guidance covers how meetings should be planned, run and recorded, and sets out the ways in which meetings can be held (face to face, virtual or hybrid). The guidance emphasises that you must check your governing document to ensure that you are acting in accordance with its rules about meetings, to ensure that decisions are not invalidated.

The guidance can be found here.

### Fundraising levy review

In April 2024 the Fundraising Regulator announced plans to increase their yearly fundraising levy for the first time since its introduction in 2016. Each year there are around 2,000 charities covered by the levy, which is charged to charities who are registered with the Fundraising Regulator. The levy will increase for everyone, but the more you as a charity spend on fundraising, the higher that percentage increase will be. Conversely, the less you spend on fundraising, the lower it will be.

The revised rates take effect from September 2024, with further increases from September 2025. Details of the rate changes can be found here.

## Financial Reporting

### UK GAAP Developments – FRS 102

Following the recent Periodic Review and other amendments to UK and Ireland accounting standards, the Financial Reporting Council (FRC) has issued now revised versions of FRSs 100, 101, 102, 103, 104 and 105. The FRC has also revised the "Overview of the financial reporting framework".

The changes to FRS 102 include the significant revisions made to leasing and revenue recognition which arose from the Periodic Review 2024. Most of these amendments are effective for accounting periods beginning on or after 1 January 2026, although those changes that relate to "supplier finance arrangements" have an earlier effective date of accounting periods beginning on or after 1 January 2025.

These amendments seek to provide greater consistency and more (but not total) alignment to international accounting standards including:

- A new 5 step model for revenue recognition, which is aligned to IFRS 15: Revenue from Contracts with Customers, (with some simplifications);
- On balance sheet lease accounting for lessees, aligned to IFRS 16: Leases, (with certain practical exemptions); and
- Other modifications to fair value measurement, uncertain tax positions, business combinations, and a revised Section 2 aligned with IASB's Conceptual Framework..

The transition to the new requirements will take careful planning for many organisations currently following FRS 102. For instance, many organisations will see leases (and debt) hit their balance sheets for the first time. For some this will seem strange and for most will require careful planning to ensure, amongst other things, that all leases are captured, the financial effects are known, effects on reporting requirements e.g covenants are understood.

The new accounting standards are available on the FRC website here. Note that despite the effective dates in the future, the new versions are described as the "current edition" with versions that are still in use described as "superseded editions".

With the changes to FRS 102, there will also be changes to the Charities SORP, which had its last major revision in 2015 along with amendments in 2019. We are expecting its release in 2025, with an effective date from 1 January 2026 in line with the changes in FRS 102. An exposure draft of the SORP was issued in late March 2024. Along with the changes noted above, the exposure draft introduces a third tier of charity – those with income over £15m – from whom enhanced reporting in the trustees' report is expected.

## Employment Tax

### Increase in employer's National Insurance contributions (NIC)

The Government, as part of the Autumn Budget, announced an increase in employer's Class 1 National Insurance contributions (NIC) , rising by 1.2% to 15% and the reduction to the threshold at which employers will start to pay NIC to £5,000. It is intended that threshold limit will be fixed until 5 April 2028 and will increase in line with CPI.

The increase will also apply to Class 1A NIC (benefits in kind) and Class 1B (PAYE settlement agreements) will applied from 6 April 2025.

The Employment Allowance increased from 6 April 2025 from £5,000 to £10,500. The increased allowance will be available to all employers, not just those with a Class 1 NIC liability of less than £100,000.

### Increase in National Living Wage

Ahead of the Autumn Statement the Government announced increases in the National Minimum Wage and National Living Wage rate increases which came into effect from 1 April 2025.

| Details | NMW rate £ | Increase £ | Percentage increase % |
|---|---|---|---|
| National Living Wage (21 and over) | £12.21 | £0.77 | 6.7 |
| 18-20 year old rate | £10.00 | £1.40 | 16.3 |
| 16-17 year old rate | £7.55 | £1.15 | 18.0 |
| Apprentice rate | £7.55 | £1.15 | 18.0 |
| Accommodation offset | £10.66 | £0.67 | 6.7 |

As part of the announcement the minimum hourly rates of pay for those aged between 16-years of age and the apprentice rate have been aligned.

Employers will need to ensure that their payroll data is fully updated to reflect the increases.

### Pension salary exchange

After much speculation, the Government has not made any changes in tax relief on employees' pension contributions. Furthermore, NIC will not be levied on employer pension contributions, so pension salary exchange can be used to mitigate the increase in employers NIC.

If you do not provide your employer pension in conjunction with a pension salary exchange arrangement, then this will be an ideal time to consider implementing such an arrangement, the benefits of which include:

- Providing pensions in a National Insurance efficient manner.
- Encourage employees to think about their saving for their retirement.
- Increase employee engagement.
- Help employers to maximize their salary budget.

If you already have a pension salary exchange in place, given the Government's recent announcements, now will be an ideal time to see whether it is achieving all your objectives.

The use of a tax and NIC efficient salary can also be used to provide employees with an electric car. The chargeable percentage for electric vehicles will increase by 2% in 2028/29 and 2029/30, rising to 9% in 2029/30. The use of providing an electric vehicle in conjunction with a salary sacrifice will continue to be a viable option for employers who are looking at providing cars to their employees/directors.

### Mandating the reporting of benefits in kind via payroll software

The government confirms that the use of payroll software to report and pay tax on benefits in kind will become mandatory, in phases, from April 2026. This will apply to income tax and Class 1A NICs.

HaysMac

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**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**

England & Wales - Charity number 234184

# Accounts

# THE CONGREGATION OF THE DAUGHTERS OF WISDOM

## PROVINCE OF GREAT BRITAIN AND IRELAND

**(Registered Charity Number: 234184)**
**(Charity Registered in Scotland Number: SCO39165)**

## TRUSTEES' REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED**
**31 DECEMBER 2023**

Haysmacintyre LLP
Chartered Accountants
Registered Auditors
London

THE CONGREGATION OF THE DAUGHTERS OF WISDOM

PROVINCE OF GREAT BRITAIN AND IRELAND

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**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**OTHERWISE KNOWN AS "SISTERS OF LA SAGESSE"**

**LEGAL AND ADMINISTRATIVE DETAILS**

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| | |
|---|---|
| Registered Charity Number | 234184 |
| Scottish Registered Charities Number | SCO39165 |
| Charities Regulatory Authority (Ireland) | 20007140 |
| Delegation Leader | Sister Maureen Seddon |
| Delegation Treasurer | Sister Jean Butler |
| Named Trustees | Sister Maureen Seddon<br>Sister Margaret Morris (resigned 10 July 2023)<br>Sister Patricia Reilly<br>Sister Marie Turner<br>Sister Siobhán Boyle (appointed 10 July 2023) |
| Address | Provincial Administration<br>Wisdom House<br>Romsey<br>Hampshire<br>SO51 8EL |
| Principal Bankers | CAF Bank<br>Kings Hill Avenue<br>Kings Hill, West Malling<br>Kent ME19 4JQ |
| Solicitors | Stone King LLP<br>13 Queen Square<br>Bath<br>BA1 2HJ |
| Auditor | Haysmacintyre LLP<br>10 Queen Street Place<br>London<br>EC4R 1AG |
| Investment Managers | Brewin Dolphin<br>12 Smithfield Street<br>London<br>EC1A 9BD |
| Governing Instrument | Trust deed dated 2 March 1964 |
| Objects | Such charitable purposes which advance the religious and other charitable work for the time being carried on by or under the direction of the Congregation as the Trustees, with the approval of the Provincial, shall from time to time think fit. |

The trustees present their report and the financial statements of the Charity for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies, set out on pages 21 and 22, and comply with the Charity's trust deed, applicable law and the requirements of the Statement of Recommended Practice for Charities (SORP 2019 2nd edition).

## THE CONGREGATION OF THE DAUGHTERS OF WISDOM

1. The Congregation is an International Religious Congregation founded in France in 1703. It is administered by a Congregational Leader and her Council, who are appointed every six years at a General Chapter of representatives of all the Entities of the Congregation worldwide. The Congregational Leadership Team is based in Paris. The current General Leadership Team has been in office since August 2018 and has a mandate until July 2024.

2. Situated throughout the 5 continents, the Daughters of Wisdom commit themselves radically to live Gospel values. In a rapidly changing world where the domination of the economy, climate change and the ever growing gap between the rich and poor generates injustice and violence, the Sisters endeavour to be a voice for the voiceless, participating in collective actions that oppose the causes of injustice and promote the values of justice, peace and respect for creation and the environment.

## LEADERSHIP OF THE DELEGATION

The members of the Leadership Team are also the trustees of the Charity. During the year the mandate of the Team came to an end and a process of discernment was undertaken by the Congregation Leadership Team who visited the Delegation in April 2023. Following the discernment process the mandates of Sr Maureen Seddon, Sr Patricia Reilly, and Sr Marie Turner were renewed with Sr Siobhán Boyle succeeding Sr Margaret Morris. Their mandate is of four years' duration. The decision has also been made for Sr Siobhán Boyle to succeed Sr Jean Butler as Treasurer of the Charity in January 2024.

## AIM AND PURPOSE OF THE CHARITY

The principal objective of the Charity is to apply the assets of the Trust for such charitable purposes as shall advance the religious and other charitable work carried out by the Congregation of the Daughters of Wisdom. By caring for individual members of the Congregation throughout their lives, the Charity aims to enable and support the Sisters to live out their lives as fully as possible as Daughters of Wisdom through a wide variety of ministries and through their witness to the Gospel values.

When setting the objectives and planning the work of the Charity for the year, and when discerning the ministries of individual Sisters, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary guidance on the Advancement of Religion. With the reducing number of Sisters in the Delegation and their advancing years the variety of ministries in which they are actively engaged is changing but they nonetheless fulfil their mission and ministry in diverse areas to the fullest extent of their capabilities. These include:

### Reflection and Prayer

The Sisters of the Delegation are called to a life of prayer and apostolic service that they expressed for many years in ministry such as schools, nursing and in many forms of pastoral care in parishes wherever the Sisters were located both in the UK and overseas. Whilst their capabilities to carry on the physical aspects of such tasks has diminished the Sisters maintain their life of prayer and connections with many of the works in which they were involved. Prayer is part of the Sisters' communal life together and is the way in which they can continue to be involved in the works of the Congregation throughout the world. Members of the Delegation have continued to meet by Zoom for shared prayer and reflection, and have continued to use this method to keep in touch with one another and support those who live at a distance from another Sister.

The charism and spirituality of the Daughters of Wisdom animates the life of all the Sisters and is especially promoted in the Wisdom Centres in Romsey and Dublin. Supported by and in collaboration with their lay staff, the Sisters offer a space of prayer, reflection and quiet in a calm setting for diverse groups and needs. The Sisters in Romsey welcome to their gardens and the labyrinth those seeking a quiet space or who simply want to appreciate the beauty of nature. They are also pleased to welcome into this space families with children, when the quiet of the space is briefly interrupted by joy, laughter and shrieks of enjoyment. During the summer months an open day in the garden attracted over 500 people who shared the pleasure and joy of the gardens on a bright and warm day.

**Reflection and Prayer (continued)**

The Friends of Wisdom, an international lay association of the Daughters of Wisdom continued to meet both online and in person in the Delegation. Six Friends of Wisdom made their commitment in 2022 and the group continues to meet every month for ongoing formation. A new group of five began in February 2022 accompanied by two of the Sisters. Four of them are expected to make their commitment after Easter 2024. A third group began the formation programme online in September 2023. All continue to participate enthusiastically and profoundly and the whole group comes together from time to time. In August 2023 a week-long international gathering of Associates and Friends of our three Montfortian Congregations took place in St Laurent, France, for 168 people from 35 countries. It was attended by one Sister and one Friend of Wisdom from the UK.

**Social and pastoral ministry**

Members of the Delegation of Great Britain and Ireland (GBI) are involved in diverse forms of social and pastoral ministry. The main aim of the Sisters is to help the poor and marginalised in society regardless of their personal background, gender or individual circumstances. Their ministry of welcome is evident in both the Wisdom Centre and in their community homes where the Sisters and the staff welcome people to participate in planned activities or who seek the comfort and joy of companionship and prayer. The ministry of 'presence' is of paramount importance especially for those Sisters who are no longer able to engage in active ministry.

**Working as an international Congregation**

Daughters of Wisdom as members of a worldwide Congregation of religious women participate in international meetings and works of the Congregation outside Great Britain and Ireland. Some spent most of their active ministry overseas while others participated in projects and initiatives in conjunction with Sisters from other entities. This collaboration supports Sisters throughout the Congregation in meeting needs of those who are marginalised, impoverished, exploited or who suffer the consequences of natural disasters. Another Sister from the Delegation has served throughout this period as Executive Director of UNANIMA International in New York which is affiliated to the United Nations. The ministry of another Sister from the Delegation is to serve as Assistant Director of the Congregation's Development Office which advises, coordinates and assists with funding applications to support the ministry and development work carried on by Sisters among the poorest people in developing countries of our world.

The Delegation continues to support not only the members of the Delegation of Great Britain and Ireland, but also to remit funds to the Generalate to support the mission of the Congregation to the poorest and marginalised in under-developed and emerging communities in the various parts of the world where the Congregation is present. Following the completion of the formation house in Haiti that the Delegation had supported in previous years the trustees agreed to make a donation to support the work of the General Team as it is a number of years since they had done so and were conscious that members of the General Team had visited the Delegation a number of times including during 2023. £60,000 (2022: £100,000) was donated to the General Council in December 2023.

The number of Sisters in the Delegation at 31 December 2023 was:-

| | | |
|---|---|---|
| Below UK state pension age (66yrs) | 1 | (2022: 2) |
| Over pensionable age | 29 | (2022: 31) |

During this period none of the Sisters received salaries and only a few received a stipend, including the Sister whose ministry is based at the United Nations in New York. Any income received by the Sisters is covenanted to the Charity in accordance with their vow of poverty.

**OBJECTIVES AND ACTIVITIES**

Throughout the Delegation the Sisters, mainly retired and on a voluntary basis, are involved in a diversity of ministries. In everything they do, the Sisters are communicating the message and voice of Wisdom. In every sphere of their activity they seek to work with people who are excluded from mainstream society, people who have been trafficked, abused, who are homeless or are drug addicts, or who have mental health needs. All are invited to join Wisdom's banquet just as Jesus embodied in his life the ultimate model of inclusivity and abundance.

Typical examples of individual activities are:-

- Outreach to Caribbean and ethnic minority communities
- Visiting sick and housebound people in their homes
- Working with and on behalf of homeless people and refugees
- Spiritual accompaniment
- Parish visiting
- Involvement in Justice and Peace Groups
- Ecumenical and interfaith activities
- Teaching English to migrants and refugees
- Support to ex-prisoners who live under licence in the community
- Support to vulnerable families.

One Sister resident in each jurisdiction held the position of Safeguarding Representative in Ireland, Scotland and England/Wales.

## ILLUSTRATIONS OF THE SISTERS' WORK

Set out below are some examples of the Sisters' ministries of which collaboration forms an important part. These illustrate the range of their work and the contribution which they make to society as a whole:-

### Wisdom Centre, Romsey

For 2023, we continued to build successfully on previous good outcomes while adapting to emerging needs. All our spirituality events either had a greater attendance than we had anticipated or were fully booked. During the year our 'Open Days' included, 12-Step for Addiction, a day on the Benedictine Abbess Hildegard of Bingen, the Cosmic Christ, the Psalms, a silent day, Advent, Seasonal themes, a Wellbeing Day and days on Wisdom Spirituality. Our events are facilitated by Wisdom Centre staff, local ministers, spiritual directors and a Daughter of Wisdom. Many of our facilitators are volunteers who are involved with local churches, encouraging many new participants and church groups to use Wisdom Centre. Continuing at the Centre are NHS dementia support, a ministry of Southern health chaplaincy, our Bereavement Café, two meditation groups, Hampshire Buddhist Society, an art group, a Bible study group and a U3A local history group.

During 2023 we have attracted 7 new counsellors including a drama therapist, 6 of whom are using our facilities on a weekly basis. To accommodate spirituality days, counselling and evening groups the Centre is open 4 evenings a week and most Saturdays. During 2023 we have received first time bookings from 8 new professional organisations, 6 of which included catering. During 2023 we outperformed our planned budget, having generated more income and lower expenses than budgeted.

2023 has seen many endings and beginnings. We now have a new monthly Celtic evening which was successfully trailed in autumn 2023. We have a new low cost Christian Psychotherapy service and are also working with a group of women who have been sexually or financially abused, or been victims of coercive control. These women belong to a Christian support organisation and have been participating in our spirituality programme. A small support group is being discerned for 2024.

Our 2021-2022 project with Ukrainian families concluded very positively in 2023. In partnership with Romsey churches, we worked with English teachers, local housing organisations and helped with job applications. Wisdom Centre have contributed to Ukrainian families now being in full employment, with all children in local schools.

The Tree of Life mental health café has moved to a new venue. Wisdom Centre continues to serve growing mental health needs locally through our mental health and dementia friendly community activities alongside social prescribing and community mental health support.

Developing from our mental health outreach, our community groups are attended by some people who attend the café with their two support workers. We are dementia friendly and our monthly Friday café and craft has also become well known as a safe space for people with dementia and their carers. We are unique locally in offering adult activities which integrate both able and disabled people within the same activity.

**Wisdom Centre, Romsey (continued)**

1n 2023 we have also recruited and developed new volunteers: we have 4 very active volunteers on our staff, helping with craft groups, quiet days, reception and leading spirituality groups. In addition, our meditation, Gift of Years and Bereavement groups are volunteer led. We also have Sisters volunteering in Wisdom centre offering Spiritual Accompaniment and support with our programme and creative activities. Most of our quiet day leaders are also volunteers.

We feel 2023 has been another positive year for Wisdom Centre and anticipate further need for community and wellbeing activities through 2024.

**Marie Louise House, Romsey**

Marie Louise House was built because the Sisters had a vision of the needs of the future and realised that there was a need to provide nursing care both for Sisters and for people in the area. Marie Louise House opened in June 2005 with accommodation for 46 residents. The initial 15-year lease to Healthcare Management Trust was succeeded by a 10-year lease that will be in place until May 2030. At the end of 2023 three Sisters were resident in Marie Louise House.

Marie Louise House is managed by the Healthcare Management Trust (HMT), a registered charity. It is open to people of all faiths and none. The Home is run on an ecumenical basis: services are arranged with the different local church ministers and parishioners. At the end of 2022 a new CEO for HMT was appointed and began a review of its operations and effectiveness in 2023 that is due to report in early 2024. At present no major changes are planned that will have an effect on the continuing operation of Marie Louise House

At the start of 2023 occupancy rates had begun to increase but were setback by a higher than usual number of deaths among the residents in January and February of that year. However, thanks to the dedication and hard work by the Home Manager and her team in Marie Louise House the occupancy rate increased during the year to over 90% and the home was full with a waiting list for a number of months during the year. The increased occupancy rate during the year also delivered an improvement to the financial performance of the home and by year end a modest surplus had been generated, which is the first time since the pandemic.

The trustees readily acknowledge the dedication and hard work on the part of the Home Manager and all of the local staff in maintaining the spirit, quality and ethos of Marie Louise House throughout this time, and the contribution to that of HMT's Senior Management Team.

**Marie Louise House, Romsey**

The Convent Chapel (St Joseph's Church) is the local parish church which is leased to the Diocese of Portsmouth for a peppercorn rent. The support of the Sisters in various roles in the ministry of the Parish is greatly appreciated.

**Sophia Housing Association, Ireland**

Sophia Housing Association was founded in 1997 to support those who are homeless by providing accommodation and support within a holistic setting that helps them to address the causes of their homelessness. It also lobbies politicians and governments to develop policies and initiatives to address the complex root causes of homelessness in society. The work of Sophia is supported by numerous religious congregations in Ireland. Sophia's strategic growth is supported by a fundraising campaign and by the social impact investment that the Daughters of Wisdom contributed. This investment has been made for a 10yr period but is repayable to the Daughters of Wisdom in full at any time during the term of the investment if is requested. The dividend from the investment is used in the main to support the work and mission of Sophia with only a small percentage being returned to the Daughters of Wisdom.

**St Cecilia's School, Cregg, Ireland**

St Cecilia's School which provides person-centred education for students with moderate to severe learning disabilities was founded by the Daughters of Wisdom and it is to be the legacy left to the people of the Sligo and surrounding counties from the Sisters to continue the ethos, spirit and the work of the Daughters of Wisdom for as long as there is a need for the specialist education that it offers.

The Daughters of Wisdom will continue to be the freeholder of the school land which will operate under a long leasehold of the property. The School has been given extended territory within the site to enable them to update and extend their facilities in due course. One Sister served on its Board of Management until spring 2023 when she moved to Romsey from Sligo. It is planned that following the completion of a number of formalities and of securing approval from the Minister for Education, Patronage of St Cecilia's School will be transferred from the Daughters of Wisdom to the Bishop of the Diocese of Elphin.

The Sisters made a commitment in 2021 to support St Cecilia's School's transition to independence from the larger Cregg site with a donation of €5,000 per year for five years. The second payment of €5,000 was made in September 2023. Subsequent donations will be made at the start of each school year.

**UNANIMA International**

UNANIMA is an international Non-Governmental Organisation (NGO) with United Nations status. UNANIMA International represents 21 religious Congregations and 22,000 religious worldwide, and it aligns closely with the Daughters of Wisdom's objectives, namely to defend and empower women children, immigrants and refugees, and to live in harmony with creation and our environment. Its main function is to give voice in the corridors of power to those who are often overlooked and least well served by current programmes and policies. The Congregation Leadership Team recognised the parallels between UNANIMA's and its own ethos, vision and aspiration of spreading Wisdom values in our world. One Sister from the Delegation served as Executive Director of UNANIMA throughout 2023 and was based mainly in New York. Her eight years in this role is due to come to an end during 2024.

## GOVERNANCE, STRUCTURE AND MANAGEMENT

### Charitable Trust

In terms of Civil law, the Charity is governed by a trust deed dated 2 March 1964 and is a registered charity – Charity Registration No 234184 (England and Wales) Registration No SCO38165 (Scotland) and Registration No 20007140 (Ireland).

The accounts accompanying this report are the accounts of the Charitable Trust in which the assets of the Delegation of Great Britain and Ireland are held.

### The Delegation of Great Britain & Ireland

In June 2015 the Province of Great Britain & Ireland changed canonical status to that of a Delegation of the Congregation. This has no impact on the governance of the registered Charity, and the appointed trustees retain full control of and accountability for the Charity's assets, activities and expenditure. The day to day running of the Charity and care of the Sisters remains the responsibility of the Delegation Leader, Sr Maureen Seddon, and her Council. Sr Jean Butler continued in her role as Delegation Treasurer throughout 2023 and retired from this post in January 2024. She was succeeded in this post by Sr Siobhán Boyle.

### Trustees

The trustees of the registered Charity are appointed by the Delegation Leader of Great Britain and Ireland. The Delegation Leader is also a trustee.

The trustees are ultimately responsible for the policies, activities and assets of the Charity. They meet at least six times per year to review developments with regard to the Charity or its activities and make any important decisions, having regard to the Charity Commission's guidance on public benefit, in particular the specific guidance to charities on Advancement of Religion. During 2023 all the Trustees' meetings took place in person. When appropriate, the trustees seek advice and support from the Charity's professional advisers, property consultants, investment managers, solicitors and accountants.

The Delegation is administered from Wisdom House in Romsey, Hampshire, where the Sisters also have a Spirituality/Conference Centre, the Wisdom Centre, which is open to people of all faiths and none.

## ENGLAND

At the start of the year Sisters of the Delegation lived in six communities in England: three in Romsey, two in London and one in Lancashire.

Abbey House, the original foundation of the Congregation in England, is also the location of the miraculous cure of Sr. Gerard du Calvaire in 1927 and is an important part of the history of the Delegation. For the majority of the year there were 12 Sisters in the community. One full-time Care Coordinator and three part-time carers support the Sisters with their day-to-day needs and the community is assisted with cooking, cleaning and gardening services, all of whom provide a service and support to the Sisters that is highly valued by them.

Marie Louise House in Romsey is the nursing home owned by the Delegation but run as a separate entity by Healthcare Management Trust. Strong links are maintained between the community of Sisters in Marie Louise House and the other communities in Romsey. One Sister from the Delegation (living in Sophia Community in Romsey) is responsible for the pastoral care of the Sisters in Marie Louise House. Sisters from the Delegation can be accommodated in Marie Louise House should they need full time care and are also able to benefit from shorter stays there to assist with recuperation and recovery when needed. Happily, following the lifting of covid restrictions, open visiting was reinstated and operated throughout the year, and a number of the Sisters visited the other Sisters and other residents of Marie Louise House. The Sisters' presence is greatly valued by the staff.

## GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

### IRELAND (North and South)

The Sisters' involvement with the former residents and service users of Cregg House came to an end during the year as the remaining Sisters in the area relocated to Romsey in spring 2023. This also meant that the presence of a Sister on the Board of Management in St Cecilia's School came to an end. The departure of the Sisters from Sligo where they had had a presence for over 60 years was a landmark moment in their history as many Sisters in the Delegation had been involved in the ministry there. Their work and the good that they did and have left behind was celebrated in a mass at the Cathedral of the Immaculate Conception in Sligo presided over by Bishop Kevin Doran of Elphin Diocese. The joy was shared by many former residents, staff, families and friends who shared in many different ways in the ministry of the Sisters at Cregg House who came to express their gratitude and joy and honour the many years of service the Sisters had dedicated to this work and to the local community in Sligo.

Sophia Housing Association Ltd, founded in Dublin in 1997 by the Daughters of Wisdom, continues to expand into other parts of Ireland. It also runs the Wisdom Centre in Dublin which hosts and facilitates workshops, retreats, and leadership courses for people from all faiths and none, who are looking for a peaceful place in which to reflect and dialogue.

One Sister in Northern Ireland is involved in the pastoral and social ministries of her local parish.

The Charity is registered with the Charities Regulatory Authority in Ireland, number 20007140.

### SCOTLAND

Two Sisters in Scotland continue to be involved in a range of pastoral ministries. These include:-

- College chaplaincy
- Visiting the sick, elderly and bereaved
- Serving on the Fairtrade Steering Group of Renfrewshire County council
- Eucharistic ministry - assisting with the services in the local parish
- Representative on the Bishops' Conference's Committee for Interreligious Dialogue
- Safeguarding representative
- The Daughters of Wisdom Representative on the Conference of Religious in Scotland

The Charity is registered with the Office of the Scottish Charities Regulator, charity number SCO39165.

The presence and witness of the Sisters' religious life is complemented by the variety of their ministries and involvement in their local communities and parishes wherever they are present.

## EVENTS DURING 2023

### Assisted Living Communities: Abbey House (Romsey) & Montfort (Lytham St Anne's)

Throughout 2023 Sisters in Assisted Living Communities continued to be supported by the teams of carers and other staff. The communities in both Romsey and St Anne's faced challenges this year in recruiting additional/replacement members to their teams of carers. The community in Abbey House finished the year with a full complement of staff but a vacancy has arisen there since the start of 2024. In St Anne's the search for a cook to complete the team is ongoing despite numerous attempts to identify someone to take on this fulfilling role.

During 2023 redecorating continued in Abbey House with a number of the individual apartments being painted, and common parts such as corridors being completed. Further redecoration will continue as the opportunity arises, on an ad hoc basis, to complete the painting of the apartments without disrupting the lives of the Sisters who are resident there.

### St Joseph's Church, Romsey lease to Diocese of Portsmouth

Progress was made with the drafting of the lease during 2023 but further delays arose mainly due to changes of personnel at the solicitors acting for each party and by the end of the year the lease had not been signed. The Diocese/Parish continued to use St Joseph's on the previously agreed terms pending signing of the new lease which it is anticipated will be completed by mid-2024. The duration of the lease (10 years) will not be affected by this delay.

### Jubilee Celebrations

In 2023 six Sisters celebrated the Diamond Jubilee of their first profession as Daughters of Wisdom.

### Deaths during the year

During 2023 three Sisters from the Delegation died. All were residents in Marie Louise House at the time of their death: two had lived there for a few years and the other had moved there a few months prior to her death for support with her end of life care. The Sisters had been engaged in varied ministries throughout their lives in locations in the UK and Ireland where their service touched and enriched the lives of many who they were pleased to serve.

Deep appreciation and gratitude were expressed for the Sisters' long and fruitful lives as Daughters of Wisdom and for their many years of service and prayerful reflection that they lived whilst active members of the community and maintained as far as they were able until their final days in the Marie Louise House.

## RISKS FACED BY THE CHARITY

### RISK REVIEW

The Trustees, under the guidance of the Charity's auditors, have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced, in order that the necessary steps can be taken to lessen the risks.

During the year a risk register, covering all the major risks which the Charity is able to identify was updated and approved by the trustees. This will be reviewed annually.

A Health and Safety Policy, which includes a Fire Policy, has been drawn up and is implemented throughout the Delegation. Following the introduction in October 2023 of new requirements to be included in the drafting a Fire Risk Assessment it was agreed that the services of the PIB Risk Management, who are already engaged by the charity, will be used to prepare these risk assessments, and following their completion any remedial actions required will be implemented.

**Safeguarding**

The Charity has in place a safeguarding policy relevant to its work in England, Scotland and Ireland. All members of the Charity are familiar with these policies and of the action required of them should any allegation of abuse be made to them. Each is aware that safeguarding is an integral part of the ministry they carry out in the name of the Congregation and the Church. The Charity has, with the assistance of its broker, maintained a level of insurance cover that provides protection against claims or actions arising from any such claims. Safeguarding is an agenda item at each Leadership Team meeting. Regular update training is undertaken by members of the Leadership Team in England or Ireland, as appropriate. Each Sister in the Delegation is regularly reminded of their responsibilities under the Delegation's and Congregation's Safeguarding Policy and is provided with an updated version of the policy following any substantive changes.

During the year the charity continued its membership of the Catholic Safeguarding Standards Agency (CSSA) and the Religious Life Safeguarding Service (RLSS). The former has a promotional, oversight and enforcement role, while the latter has a supportive, representative and training/educational role, each with its own subscription model. The Trustees unanimously agreed to cooperate with and support the work of both organisations in whatever way they can. During the year the Charity renewed the Disclosure and Barring Service checks for all relevant staff members.

The Catholic Church in Scotland and Ireland began to update safeguarding policies, procedures and operations and the charity is committed to participating in this work to the greatest extent that it can.

**Investment performance**

The Charity continues to incur an operating deficit on its day-to-day operations but this is expected. The reasons for the operating deficit are fully understood by the trustees and they are satisfied that the charity has adequate reserves to meet its future financial needs. Income in recent years has been supported by the yield from the charity's investment portfolio which in 2023 amounted to £276,803 (2022: £274,809). Despite the ongoing geo-political turbulence in the world this year and the volatility of inflation rates the financial markets performed as well as could be expected. Some of the results of shareholdings were boosted by the currency fluctuations which favoured the dollar and euro against the pound, giving a better anticipated results for shareholdings denominated in non-sterling currencies.

The trustees of the Charity review performance with their investment managers each quarter against their requirements for a balanced growth/income performance and industry benchmarks. The Trustees are content that the investments performed as well as could be expected during 2023 and expressed their continued confidence in the investment managers and in the quality of information provided by them.

## FINANCIAL REVIEW

### Results for the year

A summary of the year's results can be found in the Statement of Financial Activities on page 18 of this report and accounts.

During the year ended 31 December 2023 total income amounted to £1,209,431 (2022: £1,154,166). Income was generally in line with expectations other than the investment portfolio income, as noted above. The Delegation continues to face a decline in recurring income as the number of Sisters reduces: only a few now receive regular stipends and none receives a salary. The value of funds on the balance sheet are also affected, though only to a small degree by the movement in the pound: euro exchange rate as most of its funds are now hold in sterling. Funds held in euros have been used during the year to make donations to the Congregation and other donations in non-sterling currencies, and therefore minimal gains or losses have crystalised during the year. The majority of the funds held in euros were transferred to the charity's main sterling bank accounts during 2021 and only small working balances continue to be held in the euro account.

Expenditure of £1,959,188 (2022: £1,869,915) include a donation towards the work and running expenses of the Congregation's General Administration in lieu of project funding in 2023. Throughout the year, a number of Sisters were resident in Marie Louise House, for which a fee is paid to the home's managing company, Healthcare Management Trust: the average number of Sisters resident in Marie Louise House in 2023 was three, plus occasional periods of recuperation and rehabilitation for some Sisters following a stay in hospital.

Net expenditure before gains/(losses) on investments for the year was, therefore, £749,757 (2022: £715,749). Investment gains this year amounted to £535,345 (2022: £1,291,358 loss), reflecting a calmer year in global financial markets following the upheaval of the previous year.

The Leadership Team resolved during 2016 that any communities that receive financial support from the Delegation for their ongoing living costs should no longer remit to the Delegation a portion of funds held by them at the end of the year. Communities that continue to have income greater than their needs still remit three quarters of their year-end surplus to support other communities in the Delegation.

The number of communities whose income is greater than they need has dropped dramatically in recent years, while the number of communities supported by central funds is increasing.

### Financial position and reserves policy

*Financial position*

At the end of the year to 31 December 2022 the total funds of the Charity were £18,671,228 (2022: £18,885,640). Of this some £8 million is represented by properties and other tangible fixed assets essential for the support and work of the Sisters.

£8.5 million was designated to meet the commitment to provide for the care of the older members of the Charity, which is part of the purpose of the Charity. In 2018 the Trustees agreed to draw down from the Fund to cover 50% of the nursing home fees for Sisters of the Delegation. Funds expended from the Designated Reserves during the year totalled £150,453 (2022: £153,053).

## FINANCIAL REVIEW (continued)

*Reserves policy*

This report demonstrates the range of activities which the Charity continues to carry out and the responsibility the Charity has for the care and support of its members.

All the Sisters have devoted the whole of their working lives to the Congregation and are dependent upon it for all their temporal material needs. Although Sisters invariably continue to perform charitable work long past normal retirement and pension age if they are healthy enough to do so, the work is mainly non-remunerative and the Delegation must provide for their needs and in some cases nursing care.

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 not less than twelve months expenditure. At 31 December 2023 free reserves represented some 13 months of expenditure, which the Trustees believe is sufficient taking into account current plans and anticipated inflow of funds from disposal of properties that are likely to materialise in the next 12 to 24 months.

### Restricted Funds

During the previous year a donation was made to the Charity whose use was restricted by the donor to 'the welfare of the Sisters'. The interpretation of the Sisters' 'welfare' has been left to the discretion of the serving trustees to define but is intended to exclude repairs and renewals to plant and property. The funds can be expended for their welfare in general or for any particular Sister or Sisters.

### Key management personnel

The Trustees have identified the General Manager, the Finance Manager and the Wisdom Centre Manager as the key management personnel for the Charity as they directly influence day to day operation of the whole organisation and its main mission activity respectively. Total salary paid to these personnel was £150,182 in 2023 (2022: £138,103). The pay for these posts is set prior to appointment of the individuals paying particular regard to the market rate for equivalent posts in other charities and non-charitable organisations. A pay review for all members of staff, including key management personnel, takes place annually during the budgeting cycle and is set principally with reference to cost of living and inflationary pressures balanced against the Charity's prudent management of its resources in the context of a deficit budget. In 2023 the salary review, taking account of the exceptional rise in inflation, resulted in an increase of 8% for all staff salaries from January 2023.

## PLANS FOR FUTURE PERIODS

Within the framework of the Guidance on Public Benefit, the Charity works for the:-

- Advancement of religion
- Advancement of education
- Advancement of human rights, conflict resolution and reconciliation
- Promotion of respect for the gift of Creation

During the coming year until the General Chapter of the Congregation in Angers, France, the mission of the Congregation will be carried on under the banner of the theme of the General Chapter "Love without borders!". This will be the principle guiding all members of the Congregation as they strive to manifest in their lives the transforming love of God expressed through their Wisdom charism.

## PLANS FOR FUTURE PERIODS (continued)

During 2024 the Charity will:-

- Continue the investment of further time, effort and resources into the ongoing spiritual and human development of the Sisters for mission.
- Participate in preparation for the General Chapter by holding assemblies/sessions with Sisters of the Delegation prior to and after the General Chapter to assist their involvement, using technology where required, in forming the vision of the Congregation and the theme of its work for the next six years. The sisters of the Delegation will participate in the preparation and follow-up of the General Chapter.
- During the coming year the General Chapter of the Congregation will take place in France, at which two Sisters of the Delegation will participate.
- Continue the development of the use of the Wisdom Centre, Romsey, alongside the use of the Labyrinth and other gardens which are open to the local community.
- Continue to further the mission of the Congregation internationally through serving as Executive Director of UNANIMA International and as Assistant Director of the Development Office.
- Jointly with other congregations and agencies develop the work of Sophia, Ireland, to promote the humanity and dignity of homeless and marginalised people.
- Continue to review the Delegation property portfolio and dispose of surplus property and undertake some major decorating works as required.
- Review its financial management, in particular its investment strategy and the designation of funds for care of its elderly members.
- Commence a discernment process to determine the future of the Delegation's ministries and properties.
- Continue to participate in discussions with the Conferences of Religious in England & Wales, Scotland and Ireland about the future direction and purpose of the respective Conferences.
- Continue to participate in the review of safeguarding practice for religious orders within the Catholic Church to ensure that the Delegation's practice stays current, relevant and up to date, and to prepare for an audit of its safeguarding policies that is likely to take place in 2024 or 2025.

## INVESTMENT POLICY

The Charity has a discretionary investment management agreement with Brewin Dolphin. The Trustees meet with the fund managers once every three to four months and ensure that the fund is managed in accordance with their written guidelines and with the religious and ethical principles of the Charity.

The investment objectives are:-

(a) to generate enough income to fund for the foreseeable future that part of the Charity's ongoing activities currently funded by investment income

(b) to maintain the real capital value of the investment fund in the long term

Asset allocation is benchmarked against the FTSE All Share Index weightings.

At the start of the year the portfolio opened with a value of £9,734,272, reflecting a reduction in value that followed the Russian invasion of Ukraine in 2022 and the resulting fuel crisis and global supply chain disruption. Dividend income for the year of £276,803 was higher than the previous year's income of £274,264 and £12,541 less than budgeted for the year. By the end of the year the portfolio had grown to £10,221,063 which represents steady growth during the year in market conditions that continue to be challenging.

The trustees continue to have every confidence in the investment managers to assist them in achieving their goal of a balanced growth and yield portfolio to support the Sisters' needs and mission in future years.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (Financial Reporting Standard 102).

Charity law 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 at the year end and of its income and expenditure during that year. In preparing the accounts, the Trustees are required to:-

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts;
- 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 accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

Approved by the Trustees on 23 May 2024 and signed as authorised on their behalf by:

Sr. Maureen Seddon DW

Sister Maureen Seddon D. W.
Delegation Leader
Trustee

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CONGREGATION OF THE DAUGHTERS OF WISDOM

### Opinion

We have audited the financial statements of the Congregation of the Daughters of Wisdom for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related 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 December 2023 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) regulations.

### Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts 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' 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.

### 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 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient and proper 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 14, 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 environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to health and safety regulations, employment law, safeguarding regulations and Charity law, 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 Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to depreciation charges. Audit procedures performed by the engagement team included:

- Inspecting minutes of Trustees' meetings;
- Reviewing calculations for depreciation including reviewing estimated useful economic lives;
- 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;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals;
- Reviewing valuations of investments; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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

Haysmacintyre LLP
Statutory Auditors
Date: 23 May 2024

10 Queen Street Place
London
EC4R 1AG

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

THE CONGREGATION OF THE DAUGHTERS OF WISDOM
PROVINCE OF GREAT BRITAIN AND IRELAND

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total 2023 £ | Total 2022 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations, legacies and grants | 1 | 161,149 | - | 161,149 | 11,518 |
| Charitable activities | | 496,406 | - | 496,406 | 508,052 |
| Investments | 7 | 450,912 | - | 450,912 | 436,427 |
| Other | 2 | 100,964 | - | 100,964 | 198,169 |
| **Total income** | | 1,209,431 | - | 1,209,431 | 1,154,166 |
| **Expenditure on:** | | | | | |
| Raising funds | | 48,526 | - | 48,526 | 49,057 |
| Charitable activities | | | | | |
| . Communities | | 1,690,485 | 2,462 | 1,692,947 | 1,556,420 |
| . Education | | 2,457 | - | 2,457 | 6,093 |
| . Missions and grants | | 84,902 | - | 84,902 | 147,450 |
| . Development costs | | 130,356 | | 130,356 | 110,895 |
| **Total expenditure** | 3 | 1,956,726 | 2,462 | 1,959,188 | 1,869,915 |
| **Net expenditure before net gains/(losses) on investments** | | (747,295) | (2,462) | (749,757) | (715,749) |
| Net gains/(losses) on investments | 7 | 535,345 | - | 535,345 | (1,291,358) |
| **Net expenditure** | | (211,950) | (2,462) | (214,412) | (2,007,107) |
| Transfers between funds | | - | - | - | - |
| **Net movements in funds** | | (211,950) | (2,462) | (214,412) | (2,007,107) |
| Total funds brought forward at 1 January 2023 | | 18,875,640 | 10,000 | 18,885,640 | 20,892,747 |
| **Total funds carried forward at 31 December 2023** | | 18,663,690 | 7,538 | 18,671,228 | 18,885,640 |

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

All income and expenditure derive from continuing activities. Details of comparative figures by fund are disclosed in note 13.

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**PROVINCE OF GREAT BRITAIN AND IRELAND**

## BALANCE SHEET

## AS AT 31 DECEMBER 2023

| | Notes | 2023 £ | 2023 £ | 2022 £ | 2022 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 6 | | 8,012,897 | | 8,255,121 |
| Investments | 7 | | 10,221,063 | | 9,734,272 |
| Social investments | 7 | | 88,430 | | 88,430 |
| | | | 18,322,390 | | 18,077,823 |
| **CURRENT ASSETS** | | | | | |
| Debtors | 8 | 74,580 | | 47,021 | |
| Cash at bank and in hand | | 435,078 | | 1,183,871 | |
| | | 509,658 | | 1,230,892 | |
| **CREDITORS:** amounts falling due within one year | 9 | (160,820) | | (423,075) | |
| **NET CURRENT ASSETS** | | | 348,838 | | 807,817 |
| **TOTAL NET ASSETS** | | | 18,671,228 | | 18,885,640 |
| **FUNDS** | | | | | |
| Restricted Funds | 10 | | 7,538 | | 10,000 |
| Unrestricted Funds | | | | | |
| - General Funds | | | 10,151,902 | | 10,213,399 |
| - Designated Funds | 10 | | 8,511,788 | | 8,662,241 |
| | 11 | | 18,671,228 | | 18,885,640 |

Approved by the Trustees on 23 May 2024 and signed as authorised on their behalf by:

Sr. Maureen Seddon DW

Sister Maureen Seddon D.W
Delegation Leader
Trustee

The accompanying notes form part of these accounts.

THE CONGREGATION OF THE DAUGHTERS OF WISDOM
PROVINCE OF GREAT BRITAIN AND IRELAND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

| | 2023 | | 2022 | |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cash flows from operating activities:** | | | | |
| *Net cash (used in)/provided by operating activities* | | (1,238,245) | | (922,133) |
| **Cash flows from investing activities:** | | | | |
| Dividends, interest and rents from investments | 450,912 | | 436,427 | |
| Proceeds from the sale of property, plant and equipment | 1,470 | | 229,324 | |
| Purchase of property, plant and equipment | (11,484) | | (14,746) | |
| Proceeds from sale of investments | 2,399,634 | | 2,483,280 | |
| Purchase of investments | (2,577,247) | | (2,352,894) | |
| Purchase of social investments | - | | (88,430) | |
| Movement in cash held by investment managers | 226,167 | | (47,587) | |
| *Net cash provided by/(used in) investing activities* | | 489,452 | | 645,374 |
| **Change in cash and cash equivalents in the reporting period** | | (748,793) | | (276,759) |
| **Cash and cash equivalents at the beginning of the reporting period** | | 1,183,871 | | 1,460,630 |
| **Cash and cash equivalents at the end of the reporting period** | | 435,078 | | 1,183,871 |

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Reconciliation of net expenditure to net cash flow from operating activities** | | |
| Net expenditure for the reporting period | (214,412) | (2,007,107) |
| Depreciation charge | 253,588 | 256,793 |
| Gains on sale of fixed assets | (1,350) | (114,208) |
| (Gains)/losses on investments | (535,345) | 1,291,358 |
| Dividends, interest and rents from investments | (450,912) | (436,427) |
| Increase in debtors | (27,559) | (5,117) |
| (Decrease)/increase in creditors | (262,255) | 92,575 |
| **Net cash (used in)/provided by investing activities** | (1,238,245) | (922,133) |

| **Analysis of cash and cash equivalents** | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Cash in hand | 435,078 | 1,183,871 |
| **Total cash and cash equivalents** | 435,078 | 1,183,871 |

## ACCOUNTING POLICIES

## FOR THE YEAR ENDED 31 DECEMBER 2023

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**Basis of preparation**
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Statement of Recommended Practice for Charities (SORP 2019 Second Edition) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**Preparation of accounts on a going concern basis**
The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The trustees believe it is appropriate for the going concern basis to apply to the charity. The review of the charity's financial performance and reserves position gives the trustees every confidence that the charity remains a going concern for the foreseeable future.

**Covenanted salaries and pensions**
Members' salaries, pensions and superannuation are received under deeds of covenant and are stated inclusive of income tax but net of any deductions for Irish taxation, social security payments and contributions to occupational pension schemes.

**Donations and legacies**
Donations and legacies are recognised when receivable or when the Charity becomes legally entitled to them. Receipts of property, investments or other gifts in kind are included at market value.

**Other income**
All other income is accounted for when the charity becomes entitled to the income and the amount can be quantified with reasonable accuracy.

**Expenditure**
Expenditure on raising funds consists of investment management costs.

Charitable expenditure consists of all expenditure relating to the objects of the Charity. All costs are directly attributable to the activities under which they have been analysed.

Irrecoverable VAT is included with the category of expense to which it relates.

**Tangible fixed assets**
Land and buildings are stated at a Trustees' 1991 valuation plus subsequent additions at cost, allowance being made where buildings have been demolished. All other assets are included at cost.

Depreciation is calculated by the straight line method to write off the cost/value, less anticipated residual value, over the expected useful lives of assets as follows.

Depreciation is not provided on buildings under construction until they are completed and bought into use.

| | |
|---|---|
| Freehold and long leasehold buildings | 50 years |
| Furniture and equipment | 3 to 15 years |
| Computer equipment | 3 years |
| Motor vehicles | 4/5 years |

**Investments**
Quoted investments are valued at their closing middle market price on the balance sheet date and the gain or loss taken to 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.

All movements in value are shown in the Statement of Financial Activities.

**Social investments**
Programme related investments are included at cost.

**Designated funds**
The trustees have designated funds out of the unrestricted funds to provide for the Charity's commitment to provide for the retirement and care in old age and sickness of the Charity's members. Lump sums received from members' occupational pension schemes upon their retirement and transfers from general funds are credited to this fund together with income generated by designated investments.

**Restricted funds**
Restricted funds are held subject to specific conditions declared by the donor as explained in the financial statements.

**General funds**
General funds comprise funds which are available to be used for the general purposes of the charity.

**Foreign currencies**
Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Any exchange differences arising from the translation are dealt with in the Statement of Financial Activities.

**Pension scheme**
Contributions are made to a defined contribution pension scheme for staff. The contributions are charged to the Statement of Financial Activities when they become payable.

**Critical accounting judgements and key sources of estimation uncertainty**
In the application of the accounting policies, trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Judgements made by the trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and are discussed above.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

## 1. DONATIONS AND LEGACIES

| | 2023 £ | 2022 £ |
|---|---|---|
| Unrestricted donations | 842 | 1,518 |
| Restricted donations | - | 10,000 |
| Legacies | 160,307 | - |
| | 161,149 | 11,518 |

## 2. OTHER INCOME

| | 2023 £ | 2022 £ |
|---|---|---|
| Other income | 99,614 | 83,961 |
| Gains on disposal of fixed assets (see note 6) | 1,350 | 114,208 |
| | 100,964 | 198,169 |

## 3. EXPENDITURE

| | Salaries £ | Depreciation £ | Other £ | 2023 £ | 2022 £ |
|---|---|---|---|---|---|
| ***Raising funds:*** | | | | | |
| Investment manager's fee | - | - | 48,526 | 48,526 | 49,057 |
| ***Charitable activities:*** | | | | | |
| . Communities | 378,279 | 253,588 | 1,061,080 | 1,692,947 | 1,556,420 |
| . Education | - | - | 2,457 | 2,457 | 6,093 |
| . Missions and grants | - | - | 84,902 | 84,902 | 147,450 |
| . Development costs | 60,276 | - | 70,080 | 130,356 | 110,895 |
| | 438,555 | 253,588 | 1,267,045 | 1,959,188 | 1,869,915 |

| | 2023 £ | 2022 £ |
|---|---|---|
| Missions and charitable grants comprise: | | |
| Generalate of the Congregation | 60,000 | 100,000 |
| Alms and other charitable donations | 24,902 | 47,450 |
| | 84,902 | 147,450 |

Expenditure includes:

| | 2023 £ | 2022 £ |
|---|---|---|
| Auditor's remuneration - audit fee | 17,800 | 16,200 |

## 3. EXPENDITURE (continued)

**Comparative analysis 2022**

| | Salaries £ | Depreciation £ | Other £ | 2022 £ |
|---|---|---|---|---|
| ***Raising funds:*** | | | | |
| Investment manager's fee | - | - | 49,057 | 49,057 |
| ***Charitable activities:*** | | | | |
| . Communities | 334,358 | 256,793 | 965,269 | 1,556,420 |
| . Education | - | - | 6,093 | 6,093 |
| . Missions and grants | - | - | 147,450 | 147,450 |
| . Development costs | 57,259 | - | 53,636 | 110,895 |
| | 391,617 | 256,793 | 1,221,505 | 1,869,915 |

## 4. STAFF COSTS

| | 2023 £ | 2022 £ |
|---|---|---|
| Wages and salaries | 396,630 | 352,679 |
| Social security | 27,340 | 25,150 |
| Other pension costs | 14,585 | 13,788 |
| | 438,555 | 391,617 |

| | 2023 Number | 2022 Number |
|---|---|---|
| The average number of employees in the year was: | 23 | 24 |

No employee received in excess of £60,000 in either year.

Total remuneration for key management personnel for the year was £150,182 (2022: £138,103).

## 5. TRANSACTIONS WITH THE TRUSTEES

The Trustees of the Charity are all members of a Religious Order. They have taken vows of poverty under which they renounce all rights to a personal income and assets. They are therefore entirely dependent on the charity for all their living expenses. The Trustees do not receive any payments or benefits for carrying out their duties other than their living expenses which are met by the Charity, which they receive in their capacity as members of the Religious Order.

The charity owns a property which is let to the sibling of one trustee at a fair market rent. No rent was owing at the year end.

## 6. TANGIBLE FIXED ASSETS

| | Freehold Land and Buildings | | | | | |
|---|---|---|---|---|---|---|
| | General £ | Abbey House £ | Nursing Home and Wisdom House £ | Furniture and Fittings £ | Motor Vehicles £ | Total £ |
| **COST OR VALUATION** | | | | | | |
| At 1 January 2023 | 1,510,751 | 3,700,967 | 6,792,242 | 625,651 | 86,369 | 12,715,980 |
| Additions | - | - | - | 11,484 | - | 11,484 |
| Disposals | - | - | - | (2,965) | (19,433) | (22,398) |
| At 31 December 2023 | 1,510,751 | 3,700,967 | 6,792,242 | 634,170 | 66,936 | 12,705,066 |
| **DEPRECIATION** | | | | | | |
| At 1 January 2023 | 705,437 | 714,464 | 2,360,900 | 597,886 | 82,172 | 4,460,859 |
| Charge for year | 30,217 | 74,019 | 135,847 | 11,405 | 2,100 | 253,588 |
| Disposals | - | - | - | (2,845) | (19,433) | (22,278) |
| At 31 December 2023 | 735,654 | 788,483 | 2,496,747 | 606,446 | 64,839 | 4,692,169 |
| **NET BOOK VALUE** | | | | | | |
| At 31 December 2023 | 775,097 | 2,912,484 | 4,295,495 | 27,724 | 2,097 | 8,012,897 |
| At 31 December 2022 | 805,314 | 2,986,503 | 4,431,342 | 27,765 | 4,197 | 8,255,121 |

Included in General Freehold Land and Buildings above are leasehold buildings with a cost of £281,911 and net book value of £129,376. The depreciation charge during the year was £5,639. There were no additions or disposals during the year.

## 7. INVESTMENTS

### Social Investment

The Trustees provided financial support in the form of an unsecured Social Impact Investment for £88,430 to assist Sophia Housing Association, Ireland in their plans to expand their services. The investment is repayable in full after 10 years (2032) or earlier on demand. Interest of 1.5% will be charged on the balance each year.

This investment continues the support that the Charity has provided to Sophia Housing Association for a number of years (previously as donations) as its work with homeless people and addressing the systemic causes of homelessness aligns with the ethos and work of the Daughters of Wisdom over centuries in supporting the poorest and marginalised in society. This social impact investment is a way for the Charity to continue to be involved in this important work whilst recognising that the capacity of its members for hands-on involvement is limited by their own advancing years.

## 7. INVESTMENTS (continued)

| | 2023 £ | 2022 £ |
|---|---|---|
| Opening market value | 9,734,272 | 11,108,429 |
| Additions | 2,577,247 | 2,352,894 |
| Disposals (sale proceeds) | (2,399,634) | (2,483,280) |
| Net investment gains/(losses) | 535,345 | (1,291,358) |
| Movements in cash | (226,167) | 47,587 |
| Closing market value | 10,221,063 | 9,734,272 |
| Cost of investments - At 31 December | 8,792,454 | 8,592,261 |

**Analysis of Investments Held**

| | Quoted Investments £ | Unquoted Investments £ | Total 2023 £ | Total 2022 £ |
|---|---|---|---|---|
| Quoted Investments: | | | | |
| Government Stocks | 1,770,864 | - | 1,770,864 | 1,354,948 |
| Unit Trusts and Investment Trusts | 1,344,497 | - | 1,344,497 | 1,384,784 |
| Ordinary Shares | 6,415,427 | - | 6,415,427 | 6,098,465 |
| Property | 314,833 | - | 314,833 | 302,122 |
| Commodities | 114,193 | - | 114,193 | 106,537 |
| Unquoted Investments: | | | | |
| Portfolio Cash | - | 261,249 | 261,249 | 487,416 |
| **TOTAL INVESTMENTS** | 9,959,814 | 261,249 | 10,221,063 | 9,734,272 |

**Investment Income**

| | 2023 £ | 2022 £ |
|---|---|---|
| Listed investments | 276,803 | 274,809 |
| Portfolio and other cash and bank deposits | 12,569 | 3,110 |
| Rental income | 158,508 | 158,508 |
| Care home share of surplus | 3,032 | - |
| | 450,912 | 436,427 |

## 8. DEBTORS

| | 2023 £ | 2022 £ |
|---|---|---|
| Accrued income | 59,378 | 32,475 |
| Sundry debtors and prepayment | 15,202 | 14,546 |
| | 74,580 | 47,021 |

## 9. CREDITORS: amounts falling due within one year

| | 2023 £ | 2022 £ |
|---|---|---|
| Amounts held on behalf of Sisters | 105,006 | 260,180 |
| Other creditors and accruals | 55,814 | 162,895 |
| | 160,820 | 423,075 |

## 10. FUNDS

**Restricted Funds**
A donation was received in a prior year by the Charity whose use was restricted by the donor to 'the welfare of the Sisters'.

**Designated Funds**

**Retirement Fund**

This fund has been designated to provide for the Charity's commitment to provide for the retirement and care in old age and sickness of the Congregation's members. Lump sums received from members' occupational pension schemes upon their retirement and transfers from General Funds are credited to this fund. A review of the Congregation's membership has indicated that a fund of at least £9.5m would be required to finance fully the Charity's commitment to provide care for its elderly members. Towards this requirement, the Trustees, in 1999, designated to this fund the charity's investment portfolio. The level of the Charity's funds and of its commitment will be kept under review by the Trustees and further designations will be considered.

| Analysis of Movements - 2023 | At 1 January 2023 £ | Expenditure £ | At 31 December 2023 3 |
|---|---|---|---|
| Retirement Fund | 8,662,241 | (150,453) | 8,511,788 |

| Analysis of Movements - 2022 | At 1 January 2022 £ | Expenditure £ | At 31 December 2022 £ |
|---|---|---|---|
| Retirement Fund | 8,815,294 | (153,053) | 8,662,241 |

## 11. ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2023

| | General Fund £ | Retirement Fund £ | Restricted Fund £ | Total £ |
|---|---|---|---|---|
| **Fund balances at 31 December 2023 are represented by:** | | | | |
| Tangible fixed assets | 8,012,897 | - | - | 8,012,897 |
| Investments | 1,797,705 | 8,511,788 | - | 10,309,493 |
| Current assets | 502,120 | - | 7,538 | 509,658 |
| Current liabilities | (160,820) | - | - | (160,820) |
| **Total net assets** | 10,151,902 | 8,511,788 | 7,538 | 18,671,228 |
| **Unrealised gains included above** | | | | |
| On listed investment assets | | | | 1,428,609 |
| **Reconciliation of movements in unrealised gains on investments** | | | | |
| Unrealised gain at 1 January 2023 | | | | 1,142,010 |
| Less: amount in respect of disposals in year | | | | (248,746) |
| | | | | 893,264 |
| Unrealised gains on revaluations in the year | | | | 535,345 |
| **Unrealised gains at 31 December 2023** | | | | 1,428,609 |

## 12. ANALYSIS OF NET ASSETS BETWEEN FUNDS – 2022

| | Unrestricted Funds | | | |
|---|---|---|---|---|
| | General Fund £ | Retirement Fund £ | Restricted Fund £ | Total £ |
| **Fund balances at 31 December 2022 are represented by:** | | | | |
| Tangible fixed assets | 8,255,121 | - | - | 8,255,121 |
| Investments | 1,160,461 | 8,662,241 | - | 9,822,702 |
| Current assets | 1,220,892 | - | 10,000 | 1,230,892 |
| Current liabilities | (423,075) | - | - | (423,075) |
| **Total net assets** | 10,213,399 | 8,662,241 | 10,000 | 18,885,640 |
| **Unrealised gains included above** | | | | |
| On listed investment assets | | | | 1,142,010 |
| **Reconciliation of movements in unrealised gains on investments** | | | | |
| Unrealised gain at 1 January 2022 | | | | 3,171,940 |
| Less: amount in respect of disposals in year | | | | (738,571) |
| | | | | 2,433,369 |
| Unrealised gains on revaluations in the year | | | | (1,291,358) |
| **Unrealised gains at 31 December 2022** | | | | 1,142,011 |

## 13. ACTIVITIES BY FUND IN PREVIOUS YEAR

| | Unrestricted Funds | | Total |
|---|---|---|---|
| | General | Designated | 2022 |
| | £ | £ | £ |
| **Income from:** | | | |
| Donations, legacies and grants | 1,518 | 10,000 | 11,518 |
| Charitable activities | 508,052 | - | 508,052 |
| Investments | 436,427 | - | 436,427 |
| Other | 198,169 | - | 198,169 |
| **Total income** | 1,144,166 | 10,000 | 1,154,166 |
| **Expenditure on:** | | | |
| Raising funds | 49,057 | - | 49,057 |
| Charitable activities | | | |
| . Communities | 1,556,420 | - | 1,556,420 |
| . Education | 6,093 | - | 6,093 |
| . Missions and grants | 147,450 | - | 147,450 |
| . Development costs | 110,895 | - | 110,895 |
| **Total expenditure** | 1,869,915 | - | 1,869,915 |
| **Net income/(expenditure) before net (losses)/gains on investments** | (725,749) | 10,000 | (715,749) |
| Net (losses)/gains on investments | (1,291,358) | - | (1,291,358) |
| **Net income/(expenditure)** | (2,017,107) | 10,000 | (2,007,107) |
| Transfers between funds | - | - | - |
| **Net movements in funds** | (2,017,107) | 10,000 | (2,007,107) |
| Total funds brought forward | | | |
| At 1 January 2022 | 20,892,747 | - | 20,892,747 |
| **Total funds carried forward at 31 December 2022** | 18,875,640 | 10,000 | 18,885,640 |

## 14. RELATED PARTY TRANSACTIONS

There were no related party transactions in the current or preceding year.

THE CONGREGATION OF THE DAUGHTERS OF WISDOM
PROVINCE OF GREAT BRITAIN AND IRELAND

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

**These pages do not form part of the statutory financial statements.**

| | Province £ | Houses £ | 2023 Total £ | 2022 Total £ |
|---|---|---|---|---|
| **INCOME** | | | | |
| Salaries and stipends | 54,176 | - | 54,176 | 41,477 |
| **Pensions** | | | | |
| Superannuation | 90,459 | 46,341 | 136,800 | 130,475 |
| State pensions | 127,085 | 172,279 | 299,364 | 290,084 |
| Attendance allowance | 1,362 | 4,704 | 6,066 | 5,878 |
| Private Pension receipt | - | - | - | 40,138 |
| | 218,906 | 223,324 | 442,230 | 466,575 |
| **Investment income** | | | | |
| Rented properties | 158,508 | - | 158,508 | 158,508 |
| Quoted investments | 276,803 | - | 276,803 | 274,809 |
| Bank deposit interest – general | 12,201 | 368 | 12,569 | 3,110 |
| Care home share of surplus | 3,032 | - | 3,032 | - |
| | 450,544 | 368 | 450,912 | 436,427 |
| **Donations and legacies** | | | | |
| Other donations | 830 | 12 | 842 | 11,518 |
| Legacies | 160,307 | - | 160,307 | - |
| | 161,137 | 12 | 161,149 | 11,518 |
| **Other income** | | | | |
| Wisdom Centre income | 92,222 | - | 92,222 | 72,105 |
| Chez Nous income | 6,555 | - | 6,555 | 11,856 |
| Miscellaneous income | 532 | 305 | 837 | - |
| | 99,309 | 305 | 99,614 | 83,961 |
| **Total income (excluding surplus on disposal of fixed assets)** | 984,072 | 224,009 | 1,208,081 | 1,039,958 |
| **Total expenditure (pages 32 and 33)** | (1,467,176) | (492,012) | (1,959,188) | (1,869,915) |
| **Net expenditure before investment gains/(losses) and exceptional items** | (483,104) | (268,003) | (751,107) | (829,957) |
| **Surplus on disposal of tangible fixed assets** | 1,350 | - | 1,350 | 114,208 |
| **Net expenditure before investment gains/(losses)** | (481,754) | (268,003) | (749,757) | (715,749) |

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

## CHARITABLE EXPENDITURE

## FOR THE YEAR ENDED 31 DECEMBER 2023

**These pages do not form part of the statutory financial statements.**

| | Province | Houses | 2023 | 2022 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Charitable activities** | | | | |
| **OCCUPANCY** | | | | |
| Insurances | 7,314 | 8,904 | 16,218 | 15,937 |
| Rents | 16,745 | 4,932 | 21,677 | 34,215 |
| Repairs and maintenance | 123,917 | 80,334 | 204,251 | 132,478 |
| Council tax | 6,748 | 7,641 | 14,389 | 14,897 |
| Water rates | 49 | 3,138 | 3,187 | 3,344 |
| Gas and electricity | 10,089 | 61,859 | 71,948 | 48,863 |
| Other | 4,303 | 14,959 | 19,262 | 17,746 |
| Depreciation | 251,488 | - | 251,488 | 250,473 |
| | 420,653 | 181,767 | 602,420 | 517,953 |
| **COMMUNITY** | | | | |
| Sisters' personal allowances | 1,360 | 53,572 | 54,932 | 60,306 |
| Food | 1,540 | 83,407 | 84,947 | 81,622 |
| Household | 3,661 | 55,125 | 58,786 | 62,047 |
| Medical | 1,120 | 36,785 | 37,905 | 35,537 |
| Nursing home charges | 300,905 | - | 300,905 | 306,105 |
| Nursing care costs | - | 2,379 | 2,379 | 2,549 |
| Funeral and expenses | 20,911 | - | 20,911 | 13,325 |
| Retreat/holidays | 1,475 | 11,728 | 13,203 | 7,872 |
| | 330,972 | 242,996 | 573,968 | 569,363 |
| **ALMS AND DONATIONS** | | | | |
| Given to missions | 60,024 | 845 | 60,869 | 100,867 |
| Given as general donations | 17,114 | 5,302 | 22,416 | 45,083 |
| Masses stipends | 885 | 732 | 1,617 | 1,500 |
| | 78,023 | 6,879 | 84,902 | 147,450 |
| **TRAVEL** | | | | |
| Travel fares | 3,994 | 29,958 | 33,952 | 38,596 |
| Motor expenses – insurances | 753 | - | 753 | 835 |
| Depreciation | 2,100 | - | 2,100 | 6,320 |
| | 6,847 | 29,958 | 36,805 | 45,751 |
| Carried forward | 836,495 | 461,600 | 1,298,095 | 1,280,517 |

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

## CHARITABLE EXPENDITURE

## FOR THE YEAR ENDED 31 DECEMBER 2023

**These pages do not form part of the statutory financial statements.**

| | Province £ | Houses £ | 2023 £ | 2022 £ |
|---|---|---|---|---|
| Brought forward | 836,495 | 461,600 | 1,298,095 | 1,280,517 |
| **LEGAL AND PROFESSIONAL** | | | | |
| Professional fees | 39,254 | - | 39,254 | 55,703 |
| Less allocated to management and administration and Investment managers' fees (See below) | (20,090) | - | (20,090) | (23,790) |
| | 19,164 | - | 19,164 | 31,913 |
| **OTHER** | | | | |
| Wages, salaries, tax and NI | 358,286 | 19,993 | 378,279 | 334,358 |
| Bank charges/card fees | 691 | 1,006 | 1,697 | 1,701 |
| Courses, education | 2,293 | 164 | 2,457 | 6,094 |
| Conferences and retreats | 9,909 | 188 | 10,097 | 510 |
| Associations/subscriptions | 1,468 | - | 1,468 | 2,381 |
| Library | 323 | 5,711 | 6,034 | 7,698 |
| General office expenses and small repairs | 21,198 | 3,350 | 24,548 | 21,832 |
| Safeguarding and advertising | 14,725 | - | 14,725 | 12,726 |
| Exchange (gain)/loss | 3,652 | - | 3,652 | (13,557) |
| | 412,545 | 30,412 | 442,957 | 373,743 |
| **DEVELOPMENT COSTS** | | | | |
| Leadership expenses | 10,777 | - | 10,777 | 5,454 |
| Provincial House, Chez Nous & Leadership | 18,712 | - | 18,712 | 24,956 |
| The Cottage, Sligo expenses | - | - | - | 4,942 |
| Wisdom Centre expenses | 40,591 | - | 40,591 | 18,284 |
| Wisdom Centre salaries | 60,276 | - | 60,276 | 57,259 |
| | 130,356 | - | 130,356 | 110,895 |
| Investment managers' fees | 48,526 | - | 48,526 | 49,057 |
| **Costs of raising funds** | 48,526 | - | 48,526 | 49,057 |
| **MANAGEMENT AND ADMINISTRATION** | | | | |
| Audit and accountancy: haysmacintyre | 20,090 | - | 20,090 | 23,790 |
| **TOTAL EXPENDITURE** | 1,467,176 | 492,012 | 1,959,188 | 1,869,915 |

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**

England & Wales - Charity number 234184

# Accounts

# THE CONGREGATION OF THE DAUGHTERS OF WISDOM

## PROVINCE OF GREAT BRITAIN AND IRELAND

**(Registered Charity Number: 234184)**
**(Charity Registered in Scotland Number: SCO39165)**

## TRUSTEES' REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED**
**31 DECEMBER 2022**

Haysmacintyre LLP
Chartered Accountants
Registered Auditors
London

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**

**PROVINCE OF GREAT BRITAIN AND IRELAND**

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| Notes to the Financial Statements | 21-30 |

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**OTHERWISE KNOWN AS "SISTERS OF LA SAGESSE"**

**LEGAL AND ADMINISTRATIVE DETAILS**

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| | | |
|---|---|---|
| Registered Charity Number | 234184 | |
| Scottish Registered Charities Number | SCO39165 | |
| Charities Regulatory Authority (Ireland) | 20007140 | |
| Delegation Leader | Sister Maureen Seddon | |
| Delegation Treasurer | Sister Jean Butler | |
| Named Trustees | Sister Maureen Seddon<br>Sister Margaret Morris<br>Sister Patricia Reilly<br>Sister Marie Turner | |
| Address | Provincial Administration<br>Wisdom House<br>Romsey<br>Hampshire<br>SO51 8EL | |
| Principal Bankers | HSBC Bank Plc<br>50 Above Bar Street<br>Southampton<br>SO14 7DS | CAF Bank<br>Kings Hill Avenue<br>Kings Hill, West Malling<br>Kent ME19 4JQ |
| Solicitors | Stone King LLP<br>13 Queen Square<br>Bath<br>BA1 2HJ | |
| Auditor | Haysmacintyre LLP<br>10 Queen Street Place<br>London<br>EC4R 1AG | |
| Investment Managers | Brewin Dolphin<br>12 Smithfield Street<br>London<br>EC1A 9BD | |
| Governing Instrument | Trust deed dated 2 March 1964 | |
| Objects | Such charitable purposes which advance the religious and other charitable work for the time being carried on by or under the direction of the Congregation as the Trustees, with the approval of the Provincial, shall from time to time think fit. | |

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**

**TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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The trustees present their report and the financial statements of the Charity for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies, set out on pages 21 and 22, and comply with the Charity's trust deed, applicable law and the requirements of the Statement of Recommended Practice for Charities (SORP 2015 2nd edition).

## THE CONGREGATION OF THE DAUGHTERS OF WISDOM

1. The Congregation is an International Religious Congregation founded in France in 1703. It is administered by a Congregational Leader and her Council, who are appointed every six years at a General Chapter of representatives of all the Entities of the Congregation worldwide. The Congregational Leadership Team is based in Paris. The current General Leadership Team has been in office since August 2018 and has a mandate until 2024.

2. Situated throughout the 5 continents, the Daughters of Wisdom commit themselves radically to live Gospel values. In a rapidly changing world where the domination of the economy and the ever growing gap between the rich and poor generates injustice and violence, the Sisters endeavour to be a voice for the voiceless, participating in collective actions that oppose the causes of injustice and promote the values of justice, peace and respect for creation and the environment.

## AIM AND PURPOSE OF THE CHARITY

The principal objective of the Charity is to apply the assets of the Trust for such charitable purposes as shall advance the religious and other charitable work carried out by the Congregation of the Daughters of Wisdom. By caring for individual members of the Congregation throughout their lives, the Charity aims to enable and support the Sisters to live out their lives as fully as possible as Daughters of Wisdom through a wide variety of ministries.

When setting the objectives and planning the work of the Charity for the year, and when discerning the ministries of individual Sisters, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary guidance on the Advancement of Religion. With the reducing number of Sisters in the Delegation and their advancing years the variety of ministries in which they are actively engaged is changing but they nonetheless fulfil their mission and ministry in diverse areas to the fullest extent of their capabilities. These include:

### Reflection and Prayer

The Sisters of the Delegation are called to a life of prayer, contemplation and apostolic service which they expressed for many years in joint ministry such as schools, nursing and in many forms of pastoral care in parishes wherever the Sisters are located both in the UK and overseas. Whilst their capabilities to carry on the physical aspects of such tasks has diminished as their ages have advanced the Sisters maintain their life of prayer and connections with many of the works in which they were involved. Prayer is part of the Sisters' communal life together and is the way in which they can continue to be involved in the life of the Congregation and the needs of the world. During the year the Sisters were pleased that churches re-opened and that they were once again able to share in mass and other services in their local parish church. Members of the Delegation have continued to meet monthly by zoom for shared prayer and reflection, and have continued to use this same method to keep in touch with one another and support those who live at a distance from another Sister.

The charism and spirituality of the Daughters of Wisdom animates the life of all the Sisters and is especially promoted in the Wisdom Centres in Romsey and Dublin. Supported by and in collaboration with their lay staff, the Sisters offer a space of prayer, reflection and quiet in a calm setting for diverse groups and needs. The Sisters welcome to their gardens and the labyrinth in Romsey those seeking a quiet space or who simply want to appreciate the beauty of nature. They are also pleased to welcome into this space families with children, when the quiet of the space is briefly interrupted by joy, laughter and shrieks of enjoyment

The Friends of Wisdom, an international lay association of the Daughters of Wisdom continued to meet this year both online and in person. Six lay people made their commitment on the 8th September 2022 and continue to meet every month for ongoing formation and deepening their commitment. A new group of five began in February 2022 accompanied by two of the Sisters. All continue to participate enthusiastically and profoundly and are faithful to the monthly meetings.

**Social and pastoral ministry**

Members of the Delegation of Great Britain and Ireland (GBI) are involved in diverse forms of social and pastoral ministry. The main aim of the Sisters is to help particularly the poor and marginalised in society regardless of their personal background, gender or individual circumstances. The Sisters have been flexible in meeting whatever needs they can while their neighbourhoods and they themselves continued to be somewhat limited by the lingering effects of the Covid pandemic. Various ministries of the Delegation resumed during the year, whilst some Sisters continued to be actively involved by phone and letter writing to the parish and wider community.

**Working as an international Congregation**

Daughters of Wisdom as members of a worldwide Congregation of religious women participate in international meetings and works of the Congregation outside Great Britain and Ireland. Some spent most of their active ministry overseas while others participated in projects and initiatives in conjunction with Sisters from other entities. This collaboration supports Sisters throughout the Congregation in meeting needs of those who are marginalised, impoverished, exploited or who suffer the consequences of natural disasters. A Sister from the Delegation continues to serve as Executive Director of UNANIMA International in New York which is affiliated to the United Nations. The ministry of another Sister from the Delegation is to serve as Assistant Director of the Congregation's Development Office which advises, coordinates and assists with funding applications to support the ministry and development work carried on by Sisters among the poorest people in developing countries of our world.

The Delegation continues to support not only the members of the Delegation of Great Britain and Ireland, but also to remit funds to the Generalate to support the mission of the Congregation to the poorest and marginalised in under-developed and emerging communities in the various parts of the world where the Congregation is present. In 2022 a request for further funding for the construction of a formation house in Haiti was considered and agreed by the Trustees. They agreed to contribute £100,000 (payable in euros) to the next phase of the construction. Due to the natural and climatic disasters in Haiti it was not possible to obtain the required confirmation of expenditure of the previous year's grant before the end of the financial year, but the agreed support has been recorded as a creditor within the accounts as it is likely to be paid in spring 2023.

The number of Sisters in the Delegation at 31 December 2022 was:-

| | | |
|---|---|---|
| Below UK state pension age (66yrs) | 2 | (2021: 2) |
| Over pensionable age | 31 | (2021: 32) |

During this period none of the Sisters received salaries and only a few received a stipend, including the Sister whose ministry is based at the United Nations in New York. Any income received by the Sisters is covenanted to the Charity in accordance with their vow of poverty.

**OBJECTIVES AND ACTIVITIES**

Throughout the Delegation the Sisters, mainly retired and on a voluntary basis, are involved in a diversity of ministries. In everything they do, the Sisters are communicating the message and voice of Wisdom. In every sphere of their activity they seek to work with people who are excluded from mainstream society, people who have been trafficked, abused, who are homeless or are drug addicts, or who have mental health needs. All are invited to join Wisdom's banquet just as Jesus embodied in his life the ultimate model of inclusivity and abundance.

Typical examples of individual activities are:-

- Outreach to Caribbean and ethnic minority communities
- Visiting sick and housebound people in their homes
- Working with and on behalf of homeless people and refugees
- Spiritual accompaniment
- Parish visiting
- Pastoral ministry to people with intellectual disability
- Involvement in Justice and Peace Groups
- Ecumenical and interfaith activities.

One@ Sister resident in each jurisdiction holds the position of Safeguarding Representative in Ireland, Scotland and England/Wales.

## ILLUSTRATIONS OF THE SISTERS' WORK

Set out below are some examples of the Sisters' ministries of which collaboration forms an important part. These illustrate the range of their work and the contribution which they make to society as a whole:-

### Wisdom Centre, Romsey

2022 has been a year of consolidation, but there are also many new developments.

We have continued to welcome an increasing number of therapists and clients. Other wellbeing activities include four Yoga classes a week and a regular sound therapy group (Sound Bath). We continue to grow our weekly community support groups, for example the NHS Tree of Life Café. Corporate hospitality clients have returned through 2022, the majority of which are healthcare, education and training organisations. This is good news, but hosting a diverse range of activities brings its own challenges, e.g. room availability and staff cover. The Centre is now open four evenings per week. We have organised staff to permanently accommodate new needs and emerging working patterns.

In addition to wellbeing activities and various community groups our community ministry now includes a Bible study group, a monthly University of the Third Age (U3A) History group and other U3A gatherings. We have also been pleased to welcome NHS dementia support, a ministry of Southern Health chaplaincy, as well as a Ukrainian refugee support group providing friendship, peer support and practical help, particularly with finding employment. Some of the Ukrainian mothers have since joined together in multi-occupancy households/community where two/three women share work, financial and childcare responsibilities. Christian counsellors working from Wisdom Centre have also been able to support Ukrainian families with trauma.

In 2021 we started our creative and community cafés. By the end of 2022 the creative cafés reached capacity every month. In line with Daughters of Wisdom's ecological and environmental aims most of our activities involve repurposing everyday items such as glass jars, plastic pots and donated materials of fabric and wool. Our main purpose is creating community around easy-to-do activities which are accessible to those of all abilities. The creative cafe is attracting people with carers for dementia and from our other social ministries. Our café is now supported by GP social prescribing and the community mental health team. Lunch at the community café had a slower start and is now catching up with those attending the craft session who now join us for lunch having got to know people through craft activities.

In November we ran a second very successful heritage event, led by our Archivist. In June we took part in the National Gardens Open Gardens Scheme in Romsey and contributed to raising several thousand pounds for nursing and other charities.

Our Spirituality programme is flourishing. An article on the Wisdom Centre was included in the Retreats Association handbook 2023 which has generated some further interest in the work of the Centre. The work of the Centre has been supported by the active involvement of a number of facilitators from other churches in the area, which helps to promote the ecumenical aspect of the work and the inclusivity of the ministry of the Daughters of Wisdom: three Anglican Priests have been first time facilitators and have brought new ideas and people to Wisdom Centre. By the end of 2022 some events were at or near capacity as they had been before the pandemic. New and successful in 2022 was a secular wellbeing day in June, a joint enterprise of Wisdom Centre and local wellbeing teachers. We plan to repeat this activity 2023. We also held a new

**Wisdom Centre, Romsey (continued)**

ecological day in July and facilitated a 'quiet day' on the Psalms led by a local minister who also provided the live harp music for the day. 'Wisdom Days' have been developing interest in Wisdom Spirituality.

Running days on wellbeing and ecological themes has attracted younger participants to the Wisdom Centre as has our social media and website presence. Topical quiet days have attracted the attention of church leaders and subsequently church leader training has increased. Younger participants coming through Wessex region churches have encouraged Ministers/ Pastors/ Elders to utilise the centre.

Considering the challenges we faced to overcome the after-effects of the covid pandemic, we feel 2022 has been a positive year for Wisdom Centre.

**Marie Louise House, Romsey**

Marie Louise House was built because the Sisters had a vision of the needs of the future and realised that there was a need to provide nursing care both for Sisters and for people in the area. Marie Louise House opened in June 2005 with accommodation for 46 residents. The initial 15-year lease to Healthcare Management Trust was succeeded by a 10-year lease that will be in place until May 2030. At the end of 2022 four Sisters were resident in Marie Louise House.

Marie Louise House is managed by the Healthcare Management Trust (HMT), a registered charity. It is open to people of all faiths and none. The Home is run on an ecumenical basis: services are arranged with the different local church ministers and parishioners.

A new Home Manager and Deputy Manager were appointed to Marie Louise House during 2021 and have succeeded in improving its performance and attractiveness as a provider of high quality care that is recognised and valued locally. This view was confirmed by the awarding of a 'Good' rating following an inspection by the Care Quality Commission during the year.

Occupancy rates improved considerably during the year but remained below the long-term average for Marie Louise House. Efforts to improve this had begun to have some effect towards the end of the year but were set back by an unexpectedly high number of deaths in December 2022 and January 2023. Notwithstanding this occupancy rates continue to improve. Marie Louise House did not generate a surplus in 2022.

The trustees recognise and readily acknowledge the dedication and hard work on the part of the Home Manager and all of the local staff in maintaining the spirit, quality and ethos of Marie Louise House throughout this time, and the contribution to that of the Senior Management Team.

Long term plans for Marie Louise House

An agreement for Healthcare Management Trust to buy Marie Louise House from the charity subject to securing planning permission for a 32-bed extension has lapsed due to delay and cost increases that led HMT to withdraw the planning application. They continue to operate the home under the existing 10 year lease which runs until May 2030. Further reflection and consideration of the future of MLH beyond this timescale is ongoing to find a way that meets the interests of the Daughters of Wisdom, HMT and the residents and staff of Marie Louise House.

**Sophia Housing Association, Ireland**

2022 was the 25th anniversary of the founding of Sophia Housing Association by a Daughter of Wisdom and Eamonn Martin. Eamonn sadly died during the year . Its purpose is to support those who are homeless by providing accommodation within a holistic setting that helps them to address the causes of their homelessness. It also addresses the societal causes of homelessness and the lack of person centred care for those who find themselves in this situation. The work of Sophia is supported by numerous religious congregations in Ireland. The number of people who have been supported during this 25 year is impressive, and it is Sophia's intention to extend its services in the coming 10 years with the ongoing support of religious congregations and capital grants from the Irish government. During 2022 the trustees of the Daughters of Wisdom were invited to support the work of Sophia with an investment in a social impact bond that Sophia had created. The Trustees' support for this initiative and the work of Sophia has to be balanced with their own needs and mission. They were pleased to invest €100,000 with Sophia for a 10 year period and forego the majority of the return on this investment in favour of funding Sophia's ongoing work. The investment will be repayable in full at the end of the term, or on earlier demand should the Daughters of Wisdom need to call on these funds.

**St Cecilia's School, Cregg, Ireland**

Following the sale of the campus at Cregg, where from 1995 the Sisters provided services for children and adults, the Sisters were pleased to leave St Cecilia's School as the legacy of their work in the area. St Cecilia's School which provides person-centred education for people with moderate to severe intellectual disability will continue the ethos and spirit of the Daughters of Wisdom for as long as there is a need for the specialist education that it offers. The Daughters of Wisdom will continue to be the freeholder of the school land which will operate under a long leasehold of the property. The School has been given extended territory within the site to enable them to update and extend their facilities in due course. During the year a nature trail was installed that allows pupils at the school to develop their outdoor education that many of them find stimulating and helpful. During the year the school role increased to 72 necessitating some of the school activities being accommodated in temporary buildings until an overall plan for its development is agreed and approved by the Department of Education. During the year the Delegation Leader continue to serve as Patron of St Cecilia's and another Sister as a member of its Board of Management. It is planned that trusteeship of St Cecilia's School will be transferred to the local Bishop, the Bishop of Elphin Diocese. Arrangements for transfer of the trusteeship are well advanced with only a few final details to be agreed before formal approval of the change is sought from the Department of Education. When the transfer has been completed the Bishop of Elphin will assume the role of Patron of St Cecilia's School.

The Sisters made a commitment in 2021 to support St Cecilia's School transition to independence from the larger Cregg site with a donation of €5,000 per year for five years. The first payment was made in September 2022 and it is planned to make subsequent donations at the start of each school year.

**UNANIMA International**

UNANIMA is an international Non-Governmental Organisation (NGO) with United Nations status. UNANIMA International represents 21 religious Congregations and 22,000 religious worldwide and corresponds to the Daughters of Wisdom's objectives, namely to defend and empower women, children, immigrants and refugees, and to live in harmony with creation and our environment. Its main function is to give voice in the corridors of power to those who are often overlooked and least well served by current programmes and policies. The Congregation Leadership Team recognised the parallels between UNANIMA's and its own ethos, vision and aspiration of spreading Wisdom values in our world. In 2016, a Daughter of Wisdom from Great Britain & Ireland was appointed as Director of UNANIMA INTERNATIONAL. Having served two mandates of three years' duration each and agreeing to a two-year extension of her role she will be relinquishing her post at the end of 2024. During her tenure and in collaboration with Sophia Housing Association which she founded in Ireland she has greatly raised the profile of UNANIMA, the Daughters of Wisdom and the plight of homelessness

## GOVERNANCE, STRUCTURE AND MANAGEMENT

### Charitable Trust

In terms of Civil law, the Charity is governed by a trust deed dated 2 March 1964 and is a registered charity – Charity Registration No 234184 (England and Wales) Registration No SCO38165 (Scotland) and Registration No 20007140 (Ireland).

The accounts accompanying this report are the accounts of the Charitable Trust in which the assets of the Delegation of Great Britain and Ireland are held.

### The Delegation of Great Britain & Ireland

In June 2015 the Province of Great Britain & Ireland changed canonical status to that of a Delegation of the Congregation. This has no impact on the governance of the registered Charity, and the appointed trustees retain full control of and accountability for the Charity's assets, activities and expenditure. The day to day running of the Charity and care of the Sisters remains the responsibility of the Delegation Leader, Sr Maureen Seddon, and her Council. Sr Jean Butler has continued in her role as Delegation Treasurer.

### Trustees

The trustees of the registered Charity are appointed by the Delegation Leader of Great Britain and Ireland. The Delegation Leader is also a trustee.

The trustees are ultimately responsible for the policies, activities and assets of the Charity. They meet at least six times per year to review developments with regard to the Charity or its activities and make any important decisions, having regard to the Charity Commission's guidance on public benefit, in particular the specific guidance to charities on Advancement of Religion. During the year the Trustees meetings took place both by zoom and in person. When appropriate, the trustees seek advice and support from the Charity's professional advisers, property consultants, investment managers, solicitors and accountants.

The Delegation is administered from Wisdom House in Romsey, Hampshire, where the Sisters also have a Spirituality/Conference Centre, the Wisdom Centre, which is open to people of all faiths and none.

## ENGLAND

At the start of the year Sisters of the Delegation lived in ten communities in the north east, north west and south of England. During the year two communities closed and one amalgamated with another local community. The communities in Preston and Newcastle closed, severing the links with cities and areas where the Daughters of Wisdom have served and had a presence for several decades. In St Annes-on- Sea following the relocation of one Sister to Romsey the two communities were able to join together and form one community in one house in the town.

Abbey House, the original foundation of the Congregation in England, is also the location of the miraculous cure of Sr. Gerard du Calvaire in 1927 and is an important part of the history of the Delegation. For the majority of the year there were 12 Sisters in the community. One full-time Care Coordinator and three part-time carers support the Sisters with their day-to-day needs and the community is assisted with cooking, cleaning and gardening services, all of whom provide a service and support to the Sisters that is highly valued by them.

Marie Louise House in Romsey is the nursing home owned by the Delegation but run as a separate entity by Healthcare Management Trust. Strong links are maintained between the community of Sisters in Marie Louise House and the other communities in Romsey. One Sister from the Delegation (living in Sophia Community in Romsey) is responsible for the pastoral care of the Sisters in Marie Louise House. Sisters from the Delegation can be accommodated in Marie Louise House should they need full time care and are also able to benefit from shorter stays there to assist with recuperation and recovery when needed. Although Marie Louise House was closed to visitors for short periods during the year due to covid restrictions the Sisters continued to visit Marie Louise House whenever they could, which has been greatly appreciated by the Sisters, residents and staff. By the end of the year a new approach to living with covid had been agreed and it is hoped to limit the future occasions when Marie Louise House will not be able to welcome visitors.

## GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

### IRELAND (North and South)

One Sister continued in a limited way during the past year to be involved in pastoral ministry to people with intellectual disability who are former residents of Cregg Services, Sligo. She was also involved in welcoming to Cregg, thanks to the compassion and generosity of the new owner, 320 refugees from Ukraine

The Sisters are pleased to continue their involvement with and support of St Cecilia's School, a special school for pupils with a range of intellectual disabilities for whom the school provides a stimulating, learning environment. The Principal and staff, supported by a Board of Management that includes a Daughter of Wisdom, value every pupil who attends the school and work intensely with each one to help them to achieve their full potential in an environment suited to their needs.

Sophia Housing Association Ltd, founded in Dublin in 1998 by the Daughters of Wisdom, continues to expand into other parts of Ireland. It also runs the Wisdom Centre in Dublin which hosts and facilitates workshops, retreats, and leadership courses for people from all faiths and none, who are looking for a peaceful place in which to reflect and dialogue. One Sister continues to serve on the Board of Sophia Housing Association whilst another Sister carries out pastoral ministry in the Wisdom Centre on a voluntary basis.

One Sister in Northern Ireland is involved in the pastoral and social ministries of her local parish.

The Charity is registered with the Charities Regulatory Authority in Ireland, number 20007140.

### SCOTLAND

Two Sisters in Scotland continue to be involved in a range of pastoral ministries. These include:-

- College and Hospice chaplaincy
- Visiting the sick, elderly and bereaved
- Serving on the Fairtrade Steering Group of Renfrewshire County Council
- Eucharistic ministry - assisting with the services in the local parish
- Representative on the Bishops' Conference's Committee for Interreligious Dialogue

The Charity is registered with the Office of the Scottish Charities Regulator, charity number SCO39165.

The witness of the Sisters' religious life is complemented by the variety of their ministries and involvement in their local communities and parishes wherever they are present.

## EVENTS DURING 2022

### Assisted Living Communities: Abbey House (Romsey) & Montfort (Lytham St Anne's)

Throughout 2022 Sisters in Assisted Living Communities continued to be supported by the teams of carers and other staff. Thanks in no small part to the dedication and flexibility of the staff involved it was possible to maintain essential care for the Sisters throughout the year even with the continued presence of covid in the country. Both communities re-opened cautiously after the coronavirus pandemic and by the end of the year had returned to their normal level of activity and visitors.

### St Joseph's Church, Romsey

For a number of reasons beyond the control of the Trustees the lease from the Charity to the Diocese of Portsmouth of St Joseph's Church in Romsey was not completed during the year. The Diocese/Parish continued to use St Joseph's on the previously agreed terms pending signing of the new lease which it is anticipated will be completed in mid-2023. The duration of the lease (10 years) will not be affected by this delay.

### Jubilee Celebrations

In 2022 two Sisters celebrated milestone anniversaries of their first profession as a Daughter of Wisdom: one celebrated seventy years of Profession and the other celebrated sixty years of Profession. The Sisters celebrated with the Sisters of their community and with their family members who were once again able to share in the celebration following the lifting of covid restrictions. Thanks were given to God for their lives of service and dedication and they were appropriately feted by their community, friends and family.

### Deaths during the year

During 2022 three Sisters from the Delegation died: two who were residents in Marie Louise House and one who lived in a nursing home in the St Annes on Sea. The Sisters had been engaged in many and varied ministries throughout their lives in many locations in the UK and Ireland where their service touched and enriched the lives of many who they were pleased to serve.

Deep appreciation and gratitude were expressed for the Sisters' long and fruitful lives as Daughters of Wisdom and for their many years of service and prayerful reflection that they lived whilst active members of the community and maintained as far as they were able until their final days in the respective nursing homes.

## RISKS FACED BY THE CHARITY

### RISK REVIEW

The Trustees, under the guidance of the Charity's auditors, have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced, in order that the necessary steps can be taken to lessen the risks.

During the year a risk register, covering all the major risks which the Charity is able to identify was updated and approved by the trustees. This will be reviewed annually.

A Health and Safety Policy, which includes a Fire Policy, has been drawn up and is implemented throughout the Delegation. Following recommendations of the Fire Officer, a maintenance programme to deal with these is now in place. Implementing these steps has ongoing financial implications.

### Safeguarding

The Charity has in place a safeguarding policy relevant to its work in England, Scotland and Ireland. All members of the Charity are familiar with these policies and of the action required of them should any allegation of abuse be made to them. Each is aware that safeguarding is an integral part of the ministry they carry out in the name of the Congregation and the Church. The Charity has, with the assistance of its broker, maintained a level of insurance cover that provides protection against claims or actions arising from any such claims. Safeguarding is an agenda item at each Leadership Team meeting. Regular update training is undertaken by all members as required. Each Sister in the Delegation is regularly reminded of their responsibilities under the Delegation's and Congregation's Safeguarding Policy and is provided with an updated version of the policy following any substantive changes.

During the previous year the Catholic Church in England & Wales reviewed the way in which religious congregations are supported in carrying out their safeguarding duties and responsibilities and two new bodies were established: the Catholic Safeguarding Standards Agency (CSSA) and the Religious Life Safeguarding Service (RLSS). The former has a promotional, regulatory and enforcement role, while the latter has a supportive, representative and training/educational role, each with its own subscription model. The Trustees unanimously agreed to fully cooperate with and support the work of both organisations, and contractual agreements are in place. During the year the Charity began renewing the Disclosure and Barring Service checks for all relevant staff members.

The Catholic Church in Scotland in 2022 established the Scottish Catholic Standards Safeguarding Agency (SCSSA) as an independent safeguarding agency. The National Board for Safeguarding Children in the Catholic Church in Ireland is currently updating its policies and procedures and is now looking towards the protection of vulnerable adults.

### Investment performance

The Charity continues to incur an operating deficit on its day-to-day operations but this is expected and the Trustees are fully aware of the reasons and are satisfied that the charity has adequate reserves to meet its future financial needs. Income in recent years has been supported by the yield from the charity's investment portfolio which in 2022 amounted to £274,764 (2021: £295,067). Despite the geo-political turbulence in the world this year, especially following the Russian invasion of Ukraine, and the soaring inflation rates and supply line challenges the financial markets performed as well as could be expected. Some of the results of shareholdings were boosted by the currency fluctuations which favoured the dollar and euro against the pound, giving better than anticipated results for shareholdings denominated in non-sterling currencies.

The Trustees of the Charity review performance with their investment managers each quarter against their requirements for a balanced growth/income performance and industry benchmarks. They are content that for the time being at least the portfolio continues to have an overweight in equities against its benchmark value as they are persuaded by the investment managers' view that bonds and gilts currently represent a poorer investment vehicle, particularly in light of recent increases in interest rates in major economies. The Trustees are content that the investments performed as well as could be expected during 2022 considering all the turmoil that resulted from global events during the year.

The Trustees continue to have confidence in the investment managers and on the quality of information provided by them.

**Change of bank**

Following a review during the previous year the Trustees decided to move their main banking services in the UK from HSBC to CAF Bank, a specialist charity bank. Formal approval of the application to open accounts with CAF bank was given in April 2022, however as CAF Bank is not part of the switching service the accounts there were operated in tandem with the HSBC accounts until all standing order and direct debit instructions were set up on the new accounts. By the end of the year the accounts in HSBC were closed and all balances remaining in the accounts were transferred to CAF Bank.

**FINANCIAL REVIEW**

**Results for the year**

A summary of the year's results can be found in the Statement of Financial Activities on page 18 of this report and accounts.

During the year ended 31st December 2022 total income amounted to £1,154,166 (2021: £2,264,064). Income was generally in line with expectations other than the investment portfolio income, as noted above. The Delegation continues to face a decline in recurring Income as the number of Sisters reduces: only a few now receive regular stipends and none receives a salary. The value of funds on the balance sheet are also affected by the movement in the pound: euro exchange rate. Funds held in euros have been used during the year to make donations to the Congregation and other donations in non-sterling currencies, and therefore minimal gains or losses have crystalised during the year. Funds held in euros were transferred to the charity's main sterling bank accounts during the previous year: only funds required for euro transactions have been retained in that currency.

Expenditure of £1,869,915 (2021: £1,891,638) include a donation towards the Congregation's construction of a formation house in Haiti which is included as a creditor within the accounts of £97,376. Throughout the year, a number of Sisters were resident in Marie Louise House, for which a fee is paid to the home's managing company, Healthcare Management Trust: the average number of Sisters resident in Marie Louise House in 2022 was five.

The deficit for the year was, therefore, £715,749 (2021: surplus £372,426). Investment losses this year amounted to £1,291,358 (2021: gains £1,296,447), reflecting the global geo-political turmoil. Lower levels of income from investments was matched by a reduction in major works and repairs carried out during the year.

The Leadership Team resolved during 2016 that any communities that receive financial support from the Delegation for their ongoing living costs should no longer remit to the Delegation a portion of funds held by them at the end of the year. Communities that continue to have income greater than their needs still remit three quarters of their year-end surplus to support other communities in the Delegation.

The number of communities whose income is greater than they need has dropped dramatically in recent years, while the number of communities supported by central funds is increasing.

**Financial position and reserves policy**

*Financial position*

At the end of the year to 31 December 2022 the total funds of the Charity were £18,885,640 (2021: £20,892,747). Of this some £8.26 million is represented by properties and other tangible fixed assets essential for the support and work of the Sisters.

£8.66 million was designated to meet the commitment to provide for the care of the older members of the Charity, which is part of the purpose of the Charity. In 2018 the Trustees agreed to draw down from the fund to cover a portion of the nursing home fees for Sisters of the Delegation. Funds expended from the Designated Reserves totalled £153,053 (2021: £154,656) being 50% of the relevant fees with the balance being met from general funds. Nonetheless the Trustees are resolved to restore the value of the fund to at least its previous level as and when funds become available in order that the care and health needs of the Sisters of the Delegation can be met in the future as required.

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## FINANCIAL REVIEW (continued)

*Reserves policy*

This report demonstrates the range of activities which the Charity continues to carry out and the responsibility the Charity has for the care and support of its members.

All the Sisters have devoted the whole of their working lives to the Congregation and are dependent upon it for all their temporal material needs. Although Sisters invariably continue to perform charitable work long past normal retirement age if they are healthy enough to do so, the work is mainly non-remunerative and the Delegation must provide for their needs and in some cases nursing care.

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 not less than twelve months expenditure. At 31 December 2022 free reserves amounted to £1,958,278 and represented some 12 months of expenditure, which the Trustees believe is sufficient taking into account current plans and anticipated inflow of funds from disposal of properties that are likely to materialise in the next 12 to 24 months.

**Restricted Funds**

During the year a donation was made to the Charity whose use was restricted by the donor to 'the welfare of the Sisters'. The interpretation of the Sisters' 'welfare' has been left to the discretion of the serving trustees to define but is not intended to include repairs and renewals to plant and property. The funds can be expended for their welfare in general or for any particular Sister or Sisters

**Key management personnel**

The Trustees have identified the General Manager, the Finance Manager and the Wisdom Centre Manager as the key management personnel for the Charity as they directly influence day to day operation of the whole organisation and its main mission activity respectively. Total salary paid to these personnel was £138,103 in 2022 (2021:£133,389). The pay for these posts is set prior to appointment of the individuals paying particular regard to the market rate for equivalent posts in other charities and non-charitable organisations. A pay review for all members of staff, including key management personnel, takes place annually during the budgeting cycle and is set principally with reference to cost of living and inflationary pressures balanced against the Charity's prudent management of its resources in the context of a deficit budget. In 2022 the salary review, taking account of the exceptional rise in inflation, resulted in an increase across the board of 8% for all staff salaries from January 2023.

## PLANS FOR FUTURE PERIODS

Within the framework of the Guidance on Public Benefit, the Charity works for the:-

- Advancement of religion
- Advancement of education
- Advancement of human rights, conflict resolution and reconciliation
- Promotion of respect for the gift of Creation
- Declaration of the Commitment to *Laudato Si* action platform

During the coming two years the mission of the Congregation will be carried on under the banner of the theme of the General Chapter "Love without borders!". This will be the principle guiding all members of the Congregation as they strive to manifest in their lives the transforming love of God expressed through their Wisdom charism.

## PLANS FOR FUTURE PERIODS (continued)

During 2023 the Charity will:-

- Continue the investment of further time, effort and resources into the ongoing spiritual and human development of the Sisters for mission.
- Continue the development of the use of the Wisdom Centre, Romsey, alongside the use of the Labyrinth and other gardens which are open to the local community.
- Continue to further the mission of the Congregation internationally through serving as Executive Director of UNANIMA International and as Assistant Director of the Development Office.
- Jointly with other congregations and agencies develop the work of Sophia, Ireland, to promote the humanity and dignity of homeless and marginalised people.
- Continue to review the Delegation property portfolio and dispose of surplus property.
- Review its financial management, in particular its investment strategy and the designation of funds for care of its elderly members.
- Continue to participate in the review of safeguarding practice for religious orders within the Catholic Church to ensure that the Delegation's practice stays current, relevant and up to date, and to prepare for an audit of its safeguarding policies that is likely to take place in 2023 or 2024.

## INVESTMENT POLICY

The Charity has a discretionary investment management agreement with Brewin Dolphin. The Trustees meet with the fund managers once every three to four months and ensure that the fund is managed in accordance with their written guidelines and with the religious and ethical principles of the Charity.

The investment objectives are:-

(a) to generate enough income to fund for the foreseeable future that part of the Charity's ongoing activities currently funded by investment income

(b) to maintain the real capital value of the investment fund in the long term

Asset allocation is benchmarked against the FTSE All Share Index weightings.

At the start of the year the portfolio opened with a value of £11,108,429, £1.5 million more than at the start of the previous year. As noted elsewhere in this report the Russian invasion of Ukraine and in particular the resulting fuel crisis and disruption to global supply chains resulted in significant falls in equity values across the globe. Dividend income for the year of £274,764 was lower than the previous year's income of £295,067 and £12,541 less than budgeted for the year. By the end of the year the portfolio had reduced in value to £9,734,272, approximately where it had been two years previously. However, some comfort can be taken from the longer term (5-10 years) performance of the portfolio.

The trustees continue to have every confidence in the investment managers to assist them in achieving their goal of a balanced growth and yield portfolio to support the Sisters' needs and mission in future years.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (Financial Reporting Standard 102).

Charity law 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 at the year end and of its income and expenditure during that year. In preparing the accounts, the Trustees are required to:-

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts;
- 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 accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

Approved by the Trustees on 6 July 2023 and signed as authorised on their behalf by:

……
Sister Maureen Seddon D. W.
Delegation Leader
Trustee

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CONGREGATION OF THE DAUGHTERS OF WISDOM

### Opinion

We have audited the financial statements of the Congregation of the Daughters of Wisdom for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related 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 December 2022 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) regulations.

### Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts 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' 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.

### 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 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient and proper 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 14, 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 environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to health and safety regulations, employment law, safeguarding regulations and Charity law, 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 Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to depreciation charges. Audit procedures performed by the engagement team included:
- Inspecting minutes of Trustees' meetings;
- Reviewing calculations for depreciation including reviewing estimated useful economic lives;
- 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;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals;
- Reviewing valuations of investments; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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
Date:

10 Queen Street Place
London
EC4R 1AG

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

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**PROVINCE OF GREAT BRITAIN AND IRELAND**

## STATEMENT OF FINANCIAL ACTIVITIES

## FOR THE YEAR ENDED 31 DECEMBER 2022

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total 2022 £ | Total 2021 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations, legacies and grants | 1 | 1,518 | 10,000 | 11,518 | 17,719 |
| Charitable activities | | 508,052 | - | 508,052 | 495,934 |
| Investments | 7 | 436,427 | - | 436,427 | 589,816 |
| Other | 2 | 198,169 | - | 198,169 | 1,160,595 |
| **Total income** | | 1,144,166 | 10,000 | 1,154,166 | 2,264,064 |
| **Expenditure on:** | | | | | |
| Raising funds | | 49,057 | - | 49,057 | 51,534 |
| Charitable activities | | | | | |
| . Communities | | 1,556,420 | - | 1,556,420 | 1,486,909 |
| . Education | | 6,093 | - | 6,093 | 1,870 |
| . Missions and grants | | 147,450 | - | 147,450 | 218,091 |
| . Development costs | | 110,895 | - | 110,895 | 133,234 |
| **Total expenditure** | 3 | 1,869,915 | - | 1,869,915 | 1,891,638 |
| **Net income/(expenditure) before net (losses)/gains on investments** | | (725,749) | 10,000 | (715,749) | 372,426 |
| Net (losses)/gains on investments | 7 | (1,291,358) | - | (1,291,358) | 1,296,447 |
| **Net income/(expenditure)** | | (2,017,107) | 10,000 | (2,007,107) | 1,668,873 |
| Transfers between funds | | - | - | - | - |
| **Net movements in funds** | | (2,017,107) | 10,000 | (2,007,107) | 1,668,873 |
| Total funds brought forward at 1 January 2022 | | 20,892,747 | - | 20,892,747 | 19,223,874 |
| **Total funds carried forward at 31 December 2022** | | 18,875,640 | 10,000 | 18,885,640 | 20,892,747 |

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

All income and expenditure derive from continuing activities. Details of comparative figures by fund are disclosed in note 13.

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**PROVINCE OF GREAT BRITAIN AND IRELAND**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2022**

| | Notes | 2022 £ | 2022 £ | 2021 £ | 2021 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 6 | | 8,255,121 | | 8,612,284 |
| Investments | 7 | | 9,734,272 | | 11,108,429 |
| Social Investments | 7 | | 88,430 | | - |
| | | | 18,077,823 | | 19,720,713 |
| **CURRENT ASSETS** | | | | | |
| Debtors | 8 | 47,021 | | 41,904 | |
| Cash at bank and in hand | | 1,183,871 | | 1,460,630 | |
| | | 1,230,892 | | 1,502,534 | |
| **CREDITORS:** amounts falling due within one year | 9 | (423,075) | | (330,500) | |
| **NET CURRENT ASSETS** | | | 807,817 | | 1,172,034 |
| **TOTAL NET ASSETS** | | | 18,885,640 | | 20,892,747 |
| **FUNDS** | | | | | |
| Restricted Funds | 10 | | 10,000 | | - |
| Unrestricted Funds | | | | | |
| - General Funds | | | 10,213,399 | | 12,077,453 |
| - Designated Funds | 10 | | 8,662,241 | | 8,815,294 |
| | 11 | | 18,885,640 | | 20,892,747 |

Approved by the Trustees on 6 July 2023 and signed as authorised on their behalf by:

……
Sister Maureen Seddon D.W
Delegation Leader
Trustee

The accompanying notes form part of these accounts.

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**PROVINCE OF GREAT BRITAIN AND IRELAND**

## STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED 31 DECEMBER 2022

| | 2022 | | 2021 | |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cash flows from operating activities:** | | | | |
| ***Net cash (used in)/provided by operating activities*** | | (922,133) | | (1,120,600) |
| **Cash flows from investing activities:** | | | | |
| Dividends, interest and rents from investments | 436,427 | | 589,816 | |
| Proceeds from the sale of property, plant and equipment | 229,324 | | 1,101,494 | |
| Purchase of property, plant and equipment | (14,746) | | (7,674) | |
| Proceeds from sale of investments | 2,483,280 | | 2,329,064 | |
| Purchase of investments | (2,352,894) | | (2,021,883) | |
| Purchase of social investments | (88,430) | | - | |
| Movement in cash held by investment managers | (47,587) | | (256,696) | |
| ***Net cash provided by/(used in) investing activities*** | | 645,374 | | 1,734,121 |
| **Change in cash and cash equivalents in the reporting period** | | (276,759) | | 613,521 |
| **Cash and cash equivalents at the beginning of the reporting period** | | 1,460,630 | | 847,109 |
| **Cash and cash equivalents at the end of the reporting period** | | 1,183,871 | | 1,460,630 |

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Reconciliation of net income/(expenditure) to net cash flow from operating activities** | | |
| Net (expenditure)/income for the reporting period | (2,007,107) | 1,668,873 |
| Depreciation charge | 256,793 | 260,014 |
| Gains on sale of fixed assets | (114,208) | (1,100,150) |
| Losses/(gains) on investments | 1,291,358 | (1,296,447) |
| Dividends, interest and rents from investments | (436,427) | (589,816) |
| (Increase)/decrease in debtors | (5,117) | 1,645 |
| Increase/(decrease) in creditors | 92,575 | (64,719) |
| **Net cash (used in)/provided by investing activities** | (922,133) | (1,120,600) |

| **Analysis of cash and cash equivalents** | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Cash in hand | 1,183,871 | 1,460,630 |
| **Total cash and cash equivalents** | 1,183,871 | 1,460,630 |

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**PROVINCE OF GREAT BRITAIN AND IRELAND**

**ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Basis of preparation**
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Statement of Recommended Practice for Charities (SORP 2015 Second Edition) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**Preparation of accounts on a going concern basis**
The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The trustees believe it is appropriate for the going concern basis to apply to the charity. The review of the charity's financial performance and reserves position gives the trustees every confidence that the charity remains a going concern for the foreseeable future.

**Covenanted salaries and pensions**
Members' salaries, pensions and superannuation are received under deeds of covenant and are stated inclusive of income tax but net of any deductions for Irish taxation, social security payments and contributions to occupational pension schemes.

**Donations and legacies**
Donations and legacies are recognised when receivable or when the Charity becomes legally entitled to them. Receipts of property, investments or other gifts in kind are included at market value.

**Other income**
All other income is accounted for when the charity becomes entitled to the income and the amount can be quantified with reasonable accuracy.

**Expenditure**
Expenditure on raising funds consists of investment management costs.

Charitable expenditure consists of all expenditure relating to the objects of the Charity. All costs are directly attributable to the activities under which they have been analysed.

Irrecoverable VAT is included with the category of expense to which it relates.

**Tangible fixed assets**
Land and buildings are stated at a Trustees' 1991 valuation plus subsequent additions at cost, allowance being made where buildings have been demolished. All other assets are included at cost.

Depreciation is calculated by the straight line method to write off the cost/value, less anticipated residual value, over the expected useful lives of assets as follows.

Depreciation is not provided on buildings under construction until they are completed and bought into use.

| | |
|---|---|
| Freehold and long leasehold buildings | 50 years |
| Furniture and equipment | 3 to 15 years |
| Computer equipment | 3 years |
| Motor vehicles | 4/5 years |

**Investments**
Quoted investments are valued at their closing middle market price on the balance sheet date and the gain or loss taken to 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.

All movements in value are shown in the Statement of Financial Activities.

**Social investments**
Programme related investments are included at cost.

**Designated funds**
The trustees have designated funds out of the unrestricted funds to provide for the Charity's commitment to provide for the retirement and care in old age and sickness of the Charity's members. Lump sums received from members' occupational pension schemes upon their retirement and transfers from general funds are credited to this fund together with income generated by designated investments.

**Restricted funds**
Restricted funds are held subject to specific conditions declared by the donor as explained in the financial statements.

**General funds**
General funds comprise funds which are available to be used for the general purposes of the charity.

**Foreign currencies**
Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Any exchange differences arising from the translation are dealt with in the Statement of Financial Activities.

**Pension scheme**
Contributions are made to a defined contribution pension scheme for staff. The contributions are charged to the Statement of Financial Activities when they become payable.

**Critical accounting judgements and key sources of estimation uncertainty**
In the application of the accounting policies, trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Judgements made by the trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and are discussed above.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

## 1. DONATIONS AND LEGACIES

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Unrestricted donations | 1,518 | 1,553 |
| Restricted donations | 10,000 | - |
| Furlough grants | - | 16,166 |
| | 11,518 | 17,719 |

## 2. OTHER INCOME

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Other income | 83,961 | 60,445 |
| Gains on disposal of fixed assets (see note 6) | 114,208 | 1,100,150 |
| | 198,169 | 1,160,595 |

## 3. EXPENDITURE

| | Salaries | Depreciation | Other | 2022 | 2021 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| ***Raising funds:*** | | | | | |
| Investment manager's fee | - | - | 49,057 | 49,057 | 51,534 |
| ***Charitable activities:*** | | | | | |
| . Communities | 334,358 | 256,793 | 965,269 | 1,556,420 | 1,486,909 |
| . Education | - | - | 6,093 | 6,093 | 1,870 |
| . Missions and grants | - | - | 147,450 | 147,450 | 218,091 |
| . Development costs | 57,259 | - | 53,636 | 110,895 | 133,234 |
| | 391,617 | 256,793 | 1,221,505 | 1,869,915 | 1,891,638 |

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Missions and charitable grants comprise: | | |
| Generalate of the Congregation | 100,000 | 198,030 |
| Alms and other charitable donations | 47,450 | 20,061 |
| | 147,450 | 218,091 |
| Expenditure includes: | | |
| Auditor's remuneration - audit fee | 16,200 | 14,000 |

## 3. EXPENDITURE (continued)

**Comparative analysis 2021**

| | Salaries £ | Depreciation £ | Other £ | 2021 £ |
|---|---|---|---|---|
| ***Raising funds:*** | | | | |
| Investment manager's fee | - | - | 51,534 | 51,534 |
| ***Charitable activities:*** | | | | |
| . Communities | 295,567 | 260,014 | 931,328 | 1,486,909 |
| . Education | - | - | 1,870 | 1,870 |
| . Missions and grants | - | - | 218,091 | 218,091 |
| . Development costs | 38,353 | - | 94,881 | 133,234 |
| | 333,920 | 260,014 | 1,297,704 | 1,891,638 |

## 4. STAFF COSTS

| | 2022 £ | 2021 £ |
|---|---|---|
| Wages and salaries | 352,679 | 301,351 |
| Social security | 25,150 | 20,167 |
| Other pension costs | 13,788 | 12,402 |
| | 391,617 | 333,920 |

| | 2022 Number | 2021 Number |
|---|---|---|
| The average number of employees in the year was: | 24 | 24 |

No employee received in excess of £60,000 in either year.

Total remuneration for key management personnel for the year was £138,103 (2021: £133,389).

## 5. TRANSACTIONS WITH THE TRUSTEES

The Trustees of the Charity are all members of a Religious Order. They have taken vows of poverty under which they renounce all rights to a personal income and assets. They are therefore entirely dependent on the charity for all their living expenses. The Trustees do not receive any payments or benefits for carrying out their duties other than their living expenses which are met by the Charity, which they receive in their capacity as members of the Religious Order.

The charity owns a property which is let to the sibling of one trustee at a fair market rent. No rent was owing at the year end.

## 6. TANGIBLE FIXED ASSETS

| | Freehold Land and Buildings | | | | | |
|---|---|---|---|---|---|---|
| | General £ | Abbey House £ | Nursing Home and Wisdom House £ | Furniture and Fittings £ | Motor Vehicles £ | Total £ |
| **COST OR VALUATION** | | | | | | |
| At 1 January 2022 | 1,682,478 | 3,700,967 | 6,792,242 | 622,948 | 103,242 | 12,901,877 |
| Additions | - | - | - | 14,746 | - | 14,746 |
| Disposals | (171,727) | - | - | (12,043) | (16,873) | (200,643) |
| At 31 December 2022 | 1,510,751 | 3,700,967 | 6,792,242 | 625,651 | 86,369 | 12,715,980 |
| **DEPRECIATION** | | | | | | |
| At 1 January 2022 | 731,832 | 640,445 | 2,225,053 | 599,539 | 92,724 | 4,289,593 |
| Charge for year | 30,217 | 74,019 | 135,847 | 10,390 | 6,320 | 256,793 |
| Disposals | (56,612) | - | - | (12,043) | (16,872) | (85,527) |
| At 31 December 2022 | 705,437 | 714,464 | 2,360,900 | 597,886 | 82,172 | 4,460,859 |
| **NET BOOK VALUE** | | | | | | |
| At 31 December 2022 | 805,314 | 2,986,503 | 4,431,342 | 27,765 | 4,197 | 8,255,121 |
| At 31 December 2021 | 950,646 | 3,060,522 | 4,567,189 | 23,409 | 10,518 | 8,612,284 |

Included in General Freehold Land and Buildings above are leasehold buildings with a cost of £281,911 and net book value of £135,015. The depreciation charge during the year was £5,639. There were no additions or disposals during the year.

## 7. INVESTMENTS

### Social Investment

The Trustees provided financial support in the form of an unsecured Social Impact Investment for £88,430 to assist Sophia Housing Association, Ireland in their plans to expand their services. The investment is repayable in full after 10 years (2032) or earlier on demand. Interest of 1.5% will be charged on the balance each year.

This investment continues the support that the Charity has provided to Sophia Housing Association for a number of years (previously as donations) as its work with homeless people and addressing the systemic causes of homelessness aligns with the ethos and work of the Daughters of Wisdom over centuries in supporting the poorest and marginalised in society. This social impact investment is a way for the Charity to continue to be involved in this important work whilst recognising that the capacity of its members for hands-on involvement is limited by their own advancing years.

## 7. INVESTMENTS (continued)

| | 2022 £ | 2021 £ |
|---|---|---|
| Opening market value | 11,108,429 | 9,862,467 |
| Additions | 2,352,894 | 2,021,883 |
| Disposals (sale proceeds) | (2,483,280) | (2,329,064) |
| Net investment (losses)/gains | (1,291,358) | 1,296,447 |
| Movements in cash | 47,587 | 256,696 |
| Closing market value | 9,734,272 | 11,108,429 |
| Cost of investments - At 31 December | 8,592,261 | 7,936,489 |

**Analysis of Investments Held**

| | Quoted Investments £ | Unquoted Investments £ | Total 2022 £ | Total 2021 £ |
|---|---|---|---|---|
| Quoted Investments: | | | | |
| Government Stocks | 1,354,948 | - | 1,354,948 | 1,158,175 |
| Unit Trusts and Investment Trusts | 1,384,784 | - | 1,384,784 | 1,505,100 |
| Ordinary Shares | 6,098,465 | - | 6,098,465 | 7,480,658 |
| Property | 302,122 | - | 302,122 | 499,308 |
| Commodities | 106,537 | - | 106,537 | - |
| Unquoted Investments: | | | | |
| Pension Scheme Deferred Annuity Contracts | - | - | - | 25,359 |
| Portfolio Cash | - | 487,416 | 487,416 | 439,829 |
| **TOTAL INVESTMENTS** | 9,246,856 | 487,416 | 9,734,272 | 11,108,429 |

**Investment Income**

| | 2022 £ | 2021 £ |
|---|---|---|
| Listed investments | 274,809 | 286,196 |
| Portfolio and other cash and bank deposits | 3,110 | 109,031 |
| Rental income | 158,508 | 194,589 |
| | 436,427 | 589,816 |

## 8. DEBTORS

| | 2022 £ | 2021 £ |
|---|---|---|
| Accrued income | 32,475 | 18,002 |
| Sundry debtors and prepayment | 14,546 | 23,902 |
| | 47,021 | 41,904 |

## 9. CREDITORS: amounts falling due within one year

| | 2022 £ | 2021 £ |
|---|---|---|
| Amounts held on behalf of Sisters | 260,180 | 263,207 |
| Other creditors and accruals | 162,895 | 67,293 |
| | 423,075 | 330,500 |

## 10. FUNDS

**Restricted Funds**
During the year a donation of £10,000 was received by the Charity whose use was restricted by the donor to 'the welfare of the Sisters'.

**Designated Funds**

**Retirement Fund**

This fund has been designated to provide for the Charity's commitment to provide for the retirement and care in old age and sickness of the Congregation's members. Lump sums received from members' occupational pension schemes upon their retirement and transfers from General Funds are credited to this fund. A review of the Congregation's membership has indicated that a fund of at least £9.5m would be required to finance fully the Charity's commitment to provide care for its elderly members. Towards this requirement, the Trustees, in 1999, designated to this fund the charity's investment portfolio. The level of the Charity's funds and of its commitment will be kept under review by the Trustees and further designations will be considered.

| Analysis of Movements - 2022 | At 1 January 2022 £ | Expenditure £ | At 31 December 2022 £ |
|---|---|---|---|
| Retirement Fund | 8,815,294 | (153,053) | 8,662,241 |

| Analysis of Movements - 2021 | At 1 January 2021 £ | Expenditure £ | At 31 December 2021 £ |
|---|---|---|---|
| Retirement Fund | 8,969,950 | (154,656) | 8,815,294 |

## 11. ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2022

| | General Fund £ | Retirement Fund £ | Restricted Fund £ | Total £ |
|---|---|---|---|---|
| **Fund balances at 31 December 2022 are represented by:** | | | | |
| Tangible fixed assets | 8,255,121 | - | - | 8,255,121 |
| Investments | 1,160,461 | 8,662,241 | - | 9,822,702 |
| Current assets | 1,220,892 | - | 10,000 | 1,230,892 |
| Current liabilities | (423,075) | - | - | (423,075) |
| **Total net assets** | 10,213,399 | 8,662,241 | 10,000 | 18,885,640 |
| **Unrealised gains included above** | | | | |
| On listed investment assets | | | | 1,142,010 |
| **Reconciliation of movements in unrealised gains on investments** | | | | |
| Unrealised gain at 1 January 2022 | | | | 3,171,940 |
| Less: amount in respect of disposals in year | | | | (738,571) |
| | | | | 2,433,369 |
| Unrealised gains on revaluations in the year | | | | (1,291,358) |
| **Unrealised gains at 31 December 2022** | | | | 1,142,011 |

## 12. ANALYSIS OF NET ASSETS BETWEEN FUNDS – 2021

| | Unrestricted Funds | | |
|---|---|---|---|
| | General Fund | Retirement Fund | Total |
| | £ | £ | £ |
| **Fund balances at 31 December 2021 are represented by:** | | | |
| Tangible fixed assets | 8,612,284 | - | 8,612,284 |
| Investments | 2,293,135 | 8,815,294 | 11,108,429 |
| Current assets | 1,502,534 | - | 1,502,534 |
| Current liabilities | (330,500) | - | (330,500) |
| **Total net assets** | 12,077,453 | 8,815,294 | 20,892,747 |
| **Unrealised gains included above** | | | |
| On listed investment assets | | | 3,171,940 |
| **Reconciliation of movements in unrealised gains on investments** | | | |
| Unrealised gain at 1 January 2021 | | | 2,720,907 |
| Less: amount in respect of disposals in year | | | (628,099) |
| | | | 2,092,808 |
| Unrealised gains on revaluations in the year | | | 1,079,132 |
| **Unrealised gains at 31 December 2021** | | | 3,171,940 |

## 13. ACTIVITIES BY FUND IN PREVIOUS YEAR

| | Notes | Unrestricted Funds General £ | Unrestricted Funds Designated £ | Total 2021 £ |
|---|---|---|---|---|
| **Income from:** | | | | |
| Donations, legacies and grants | 1 | 17,719 | - | 17,719 |
| Charitable activities | | 495,934 | - | 495,934 |
| Investments | 7 | 589,816 | - | 589,816 |
| Other | 2 | 1,160,595 | - | 1,160,595 |
| **Total income** | | 2,264,064 | - | 2,264,064 |
| **Expenditure on:** | | | | |
| Raising funds | | 51,534 | - | 51,534 |
| Charitable activities | | | | |
| . Communities | | 1,332,253 | 154,656 | 1,486,909 |
| . Education | | 1,870 | - | 1,870 |
| . Missions and grants | | 218,091 | - | 218,091 |
| . Development costs | | 133,234 | - | 133,234 |
| **Total expenditure** | 3 | 1,736,982 | 154,656 | 1,891,638 |
| **Net income/(expenditure) before net gains on investments** | | 527,082 | (154,656) | 372,426 |
| Net gains on investments | 7 | 1,296,447 | - | 1,296,447 |
| **Net income/(expenditure)** | | 1,823,529 | (154,656) | 1,668,873 |
| Transfers between funds | | - | - | - |
| **Net movements in funds** | | 1,823,529 | (154,656) | 1,668,873 |
| Total funds brought forward at 1 January 2021 | | 10,253,924 | 8,969,950 | 19,223,874 |
| **Total funds carried forward at 31 December 2021** | | 12,077,453 | 8,815,294 | 20,892,747 |

## 14. RELATED PARTY TRANSACTIONS

There were no related party transactions in the current or preceding year.

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**PROVINCE OF GREAT BRITAIN AND IRELAND**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**These pages do not form part of the statutory financial statements.**

| | Province £ | Houses £ | 2022 Total £ | 2021 Total £ |
|---|---|---|---|---|
| **INCOME** | | | | |
| Salaries and stipends | 41,477 | - | 41,477 | 44,707 |
| **Pensions** | | | | |
| Superannuation | 65,861 | 64,614 | 130,475 | 145,337 |
| State pensions | 89,925 | 200,159 | 290,084 | 299,449 |
| Attendance allowance | - | 5,878 | 5,878 | 4,195 |
| Mobility allowance | - | - | - | 2,246 |
| Private Pension receipt | 40,138 | - | 40,138 | - |
| | 195,924 | 270,651 | 466,575 | 451,227 |
| **Investment income** | | | | |
| Rented properties | 158,508 | - | 158,508 | 194,589 |
| Quoted investments | 274,809 | - | 274,809 | 286,196 |
| Bank deposit interest – general | 2,517 | 593 | 3,110 | 109,031 |
| | 435,834 | 593 | 436,427 | 589,816 |
| **Donations and legacies** | | | | |
| Other donations | 10,563 | 955 | 11,518 | 1,553 |
| Furlough grants | - | - | - | 16,166 |
| | 10,563 | 955 | 11,518 | 17,719 |
| **Other income** | | | | |
| Wisdom Centre income | 72,105 | - | 72,105 | 56,831 |
| Chez Nous income | 836 | 11,020 | 11,856 | 2,745 |
| Miscellaneous income | - | - | - | 869 |
| | 72,941 | 11,020 | 83,961 | 60,445 |
| **Total income (excluding surplus on disposal of fixed assets)** | 756,739 | 283,219 | 1,039,958 | 1,163,914 |
| **Total expenditure (pages 32 and 33)** | (1,415,389) | (454,526) | (1,869,915) | (1,891,638) |
| **Net expenditure before investment gains and exceptional items** | (658,650) | (171,307) | (829,957) | (727,724) |
| **Surplus on disposal of tangible fixed assets** | 114,208 | - | 114,208 | 1,100,150 |
| **Net (expenditure)/income before investment gains** | (544,442) | (171,307) | (715,749) | 372,426 |

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**PROVINCE OF GREAT BRITAIN AND IRELAND**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)**

**CHARITABLE EXPENDITURE**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**These pages do not form part of the statutory financial statements.**

| | Province | Houses | 2022 | 2021 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Charitable activities** | | | | |
| **OCCUPANCY** | | | | |
| Insurances | 6,669 | 9,268 | 15,937 | 13,017 |
| Rents | 29,505 | 4,710 | 34,215 | 41,218 |
| Repairs and maintenance | 86,442 | 46,036 | 132,478 | 98,089 |
| Council tax | 6,233 | 8,664 | 14,897 | 16,627 |
| Water rates | 442 | 2,902 | 3,344 | 4,390 |
| Gas and electricity | 7,144 | 41,719 | 48,863 | 52,089 |
| Other | 711 | 17,035 | 17,746 | 17,673 |
| Depreciation | 250,473 | - | 250,473 | 253,691 |
| | 387,619 | 130,334 | 517,953 | 496,794 |
| **COMMUNITY** | | | | |
| Sisters' personal allowances | 1,712 | 58,594 | 60,306 | 52,747 |
| Food | 1,253 | 80,369 | 81,622 | 67,534 |
| Household | 3,299 | 58,748 | 62,047 | 49,781 |
| Medical | 573 | 34,964 | 35,537 | 33,185 |
| Nursing home charges | 306,105 | - | 306,105 | 309,313 |
| Nursing care costs | - | 2,549 | 2,549 | 1,496 |
| Funeral and expenses | 13,325 | - | 13,325 | 4,307 |
| Retreat/holidays | 814 | 7,058 | 7,872 | 8,266 |
| | 327,081 | 242,282 | 569,363 | 526,629 |
| **ALMS AND DONATIONS** | | | | |
| Given to missions | 100,030 | 837 | 100,867 | 198,972 |
| Given as general donations | 32,544 | 12,539 | 45,083 | 17,754 |
| Masses stipends | 240 | 1,260 | 1,500 | 1,365 |
| | 132,814 | 14,636 | 147,450 | 218,091 |
| **TRAVEL** | | | | |
| Travel fares | 5,517 | 33,079 | 38,596 | 24,071 |
| Motor expenses – insurances | 835 | - | 835 | 768 |
| Depreciation | 6,320 | - | 6,320 | 6,320 |
| | 12,672 | 33,079 | 45,751 | 31,159 |
| Carried forward | 860,186 | 420,331 | 1,280,517 | 1,272,673 |

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**PROVINCE OF GREAT BRITAIN AND IRELAND**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)**

**CHARITABLE EXPENDITURE**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**These pages do not form part of the statutory financial statements.**

| | Province £ | Houses £ | 2022 £ | 2021 £ |
|---|---|---|---|---|
| Brought forward | 860,186 | 420,331 | 1,280,517 | 1,272,673 |
| **LEGAL AND PROFESSIONAL** | | | | |
| Professional fees | | | | |
| Less allocated to management and administration and | 55,703 | - | 55,703 | 66,169 |
| Investment managers' fees (See below) | (23,790) | - | (23,790) | (19,800) |
| | 31,913 | - | 31,913 | 46,369 |
| **OTHER** | | | | |
| Wages, salaries, tax and NI | 330,783 | 3,575 | 334,358 | 295,567 |
| To DSS sisters NI contributions and pension contributions | - | - | - | 318 |
| Bank charges/card fees | 436 | 1,265 | 1,701 | 5,855 |
| Courses, education | 5,957 | 137 | 6,094 | 1,870 |
| Conferences and retreats | 388 | 122 | 510 | 303 |
| Associations/subscriptions | 2,381 | - | 2,381 | 2,460 |
| Library | 434 | 7,264 | 7,698 | 7,545 |
| General office expenses and small repairs | - | 21,832 | 21,832 | 19,776 |
| Safeguarding and advertising | 12,726 | - | 12,726 | 8,315 |
| Exchange (gain)/loss | (13,557) | - | (13,557) | 26,019 |
| | 339,548 | 34,195 | 373,743 | 368,028 |
| **DEVELOPMENT COSTS** | | | | |
| Leadership expenses | 5,454 | - | 5,454 | 164 |
| Provincial House, Chez Nous & Leadership | 24,956 | - | 24,956 | 16,530 |
| The Cottage, Sligo expenses | 4,942 | - | 4,942 | 58,186 |
| Formation, pastoral care & pre-novincial | - | - | - | 130 |
| Wisdom Centre expenses | 18,284 | - | 18,284 | 19,871 |
| Wisdom Centre salaries | 57,259 | - | 57,259 | 38,353 |
| | 110,895 | - | 110,895 | 133,234 |
| Investment managers' fees | 49,057 | - | 49,057 | 51,534 |
| **Costs of raising funds** | 49,057 | - | 49,057 | 51,534 |
| **MANAGEMENT AND ADMINISTRATION** | | | | |
| Audit and accountancy: haysmacintyre | 23,790 | - | 23,790 | 19,800 |
| **TOTAL EXPENDITURE** | 1,415,389 | 454,526 | 1,869,915 | 1,891,638 |

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**

England & Wales - Charity number 234184

# Accounts

# THE CONGREGATION OF THE DAUGHTERS OF WISDOM

## PROVINCE OF GREAT BRITAIN AND IRELAND

(Registered Charity Number: 234184)
(Charity Registered in Scotland Number: SCO39165)

## TRUSTEES' REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021

Haysmacintyre LLP
Chartered Accountants
Registered Auditors
London

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**

**PROVINCE OF GREAT BRITAIN AND IRELAND**

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**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**OTHERWISE KNOWN AS "SISTERS OF LA SAGESSE"**

**LEGAL AND ADMINISTRATIVE DETAILS**

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| | |
|---|---|
| Registered Charity Number | 234184 |
| Scottish Registered Charities Number | SCO39165 |
| Charities Regulatory Authority (Ireland) | 20007140 |
| Delegation Leader | Sister Maureen Seddon |
| Delegation Treasurer | Sister Jean Butler |
| Named Trustees | Sister Maureen Seddon<br>Sister Margaret Morris<br>Sister Patricia Reilly<br>Sister Marie Turner |
| Address | Provincial Administration<br>Wisdom House<br>Romsey<br>Hampshire<br>SO51 8EL |
| Principal Bankers | HSBC Bank Plc<br>50 Above Bar Street<br>Southampton<br>SO14 7DS |
| Solicitors | Stone King LLP<br>13 Queen Square<br>Bath<br>BA1 2HJ |
| Auditor | Haysmacintyre LLP<br>10 Queen Street Place<br>London<br>EC4R 1AG |
| Investment Managers | Brewin Dolphin<br>12 Smithfield Street<br>London<br>EC1A 9BD |
| Governing Instrument | Trust deed dated 2 March 1964 |
| Objects | Such charitable purposes which advance the religious and other charitable work for the time being carried on by or under the direction of the Congregation as the Trustees, with the approval of the Provincial, shall from time to time think fit. |

The trustees present their report and the financial statements of the Charity for the year ended 31 December 2021

The financial statements have been prepared in accordance with the accounting policies, set out on pages 21 and 22, and comply with the Charity's trust deed, applicable law and the requirements of the Statement of Recommended Practice for Charities (SORP 2015 2nd edition).

## THE CONGREGATION OF THE DAUGHTERS OF WISDOM

1. The Congregation is an International Religious Congregation founded in France in 1703. It is administered by a Congregational Leader and her Council, who are appointed every six years at a General Chapter of representatives of all the Entities of the Congregation worldwide. The Congregational Leadership Team is based in Paris. The current General Leadership Team has been in office since August 2018 and has a mandate until 2024.

2. Situated throughout the 5 continents, the Daughters of Wisdom commit themselves radically to live Gospel values. In a rapidly changing world where the domination of the economy and the ever growing gap between the rich and poor generates injustice and violence, the Sisters endeavour to be a voice for the voiceless, participating in collective actions that oppose the causes of injustice and promote the values of justice, peace and respect for creation and the environment.

## AIM AND PURPOSE OF THE CHARITY

The principal objective of the Charity is to apply the assets of the Trust for such charitable purposes as shall advance the religious and other charitable work carried out by the Congregation of the Daughters of Wisdom. By caring for individual members of the Congregation throughout their lives, the Charity aims to enable and support the Sisters to live out their lives as fully as possible as Daughters of Wisdom through a wide variety of ministries.

When setting the objectives and planning the work of the Charity for the year, and when discerning the ministries of individual Sisters, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary guidance on the Advancement of Religion. With the reducing number of Sisters in the Delegation and their advancing years the variety of ministries in which they are actively engaged is changing but they nonetheless fulfil their mission and ministry in diverse areas to the fullest extent of their capabilities. These include:

### Reflection and Prayer

During the past year the Charity's members continued their focus on reflection and prayer as they began to learn how to live in a post-pandemic world. Their communal prayer and intercession as an expression of their faith and mission has been increasingly valued during the year, particularly as other acts of communal worship for many believers were suspended for a significant period of time. However, the streaming of masses was greatly appreciated. Monthly meetings of the Delegation by Zoom for prayer and reflection were also appreciated. Many people and intentions are held in prayer by the Sisters every day.

The charism and spirituality of the Daughters of Wisdom animates the life of all the Sisters and is especially promoted in the Wisdom Centres in Romsey and Dublin. Supported by and in collaboration with their lay staff, the Sisters offer a space of prayer, reflection and quiet in a calm setting for diverse groups and needs. The Sisters welcome to their gardens and the labyrinth in Romsey those seeking a quiet space or who simply want to appreciate the beauty of nature. They are also pleased to welcome into this space families with children, when the quiet of the space is briefly interrupted by joy, laughter and shrieks of enjoyment. Our grounds were, for the first time chosen to be part of La Ronde open gardens in Romsey, a charitable event. The gardens will be open as part of the National Garden Scheme Open Gardens in May 2022 an event which raises substantial donations for various charities, eg Cancer Research and Mind.

The Friends of Wisdom, an international lay association of the Daughters of Wisdom that had been re-established in the UK during the previous year, continued to meet both online and in person. The 7 lay people and 4 Daughters of Wisdom involved continue to participate enthusiastically and profoundly.

### Social and pastoral ministry

Members of the Delegation of Great Britain and Ireland (GBI) are involved in diverse forms of social and pastoral ministry. The main aim of the Sisters is to help particularly the poor and marginalised in society regardless of their personal background, gender or individual circumstances. The Sisters have been flexible in meeting whatever needs they can while their neighbourhoods and they themselves continued to be limited by the Covid pandemic. The various ministries of the Delegation resumed during the year, albeit cautiously, but towards the end of the year it was suspended once again due to a resurgence of the pandemic. Some Sisters became actively involved by phone and letter writing to the parish community.

### Working as an international Congregation

Daughters of Wisdom as members of a worldwide Congregation of religious women participate in international meetings and works of the Congregation outside Great Britain and Ireland. Some spent most of their active ministry overseas while others participated in projects and initiatives in conjunction with Sisters from other entities. This collaboration supports Sisters throughout the Congregation in meeting needs of those who are marginalised, impoverished, exploited or who suffer the consequences of natural disasters. One Sister of the Delegation serves on the Congregation's International Committee for Justice, Peace and the Integrity of Creation. Another Sister from the Delegation has served throughout this period as Executive Director of UNANIMA International in New York which is affiliated to the United Nations. The ministry of another Sister from the Delegation is to serve as Assistant Director of the Congregation's Development Office which advises, coordinates and assists with funding applications to support the ministry and development work carried on by Sisters among the poorest people in developing countries of our world.

The Delegation continues to support not only the members of the Delegation of Great Britain and Ireland, but also to remit funds to the Generalate to support the mission of the Congregation to the poorest and marginalised in under-developed and emerging communities in the various parts of the world where the Congregation is present. In 2021 a request for funding to construct a formation house in Haiti was considered and agreed by the Trustees. They agreed to contribute £198,030 (€230,000) to the construction of accommodation suitable for the formation of novices and young Sisters within their own country.

A donation of £8,984 (€10,000) was made to Sophia Housing Association in Ireland to support its ongoing work providing shelter, assistance and support to homeless people and for its work advocating on their behalf.

The number of Sisters in the Delegation at 31 December 2021 was:-

| | | |
|---|---|---|
| Below UK state pension age (66yrs) | 2 | (2020: 2) |
| Over pensionable age | 32 | (2020: 34) |

During this period none of the Sisters received salaries and only a few received a stipend, including the Sister whose ministry is based at the United Nations in New York. Any income received by the Sisters is covenanted to the Charity in accordance with their vow of poverty.

## OBJECTIVES AND ACTIVITIES

Throughout the Delegation the Sisters, mainly retired and on a voluntary basis, are involved in a diversity of ministries. In everything they do, the Sisters are communicating the message and voice of Wisdom. In every sphere of their activity they seek to work with people who are excluded from mainstream society, people who have been trafficked, abused, who are homeless or are drug addicts, or who have mental health needs. All are invited to join Wisdom's banquet just as Jesus embodied in his life the ultimate model of inclusivity and abundance.

Typical examples of individual activities are:-

- Outreach to Caribbean and ethnic minority communities
- Visiting sick and housebound people in their homes
- Working with and on behalf of homeless people and refugees
- Spiritual accompaniment
- Parish visiting
- Pastoral ministry to people with intellectual disability
- Involvement in Justice and Peace Groups
- Ecumenical and interfaith activities.

Our Sister resident in each jurisdiction holds the position of Safeguarding Representative in Ireland, Scotland and England/Wales.

## ILLUSTRATIONS OF THE SISTERS' WORK

Set out below are some examples of the Sisters' ministries of which collaboration forms an important part. These illustrate the range of their work and the contribution which they make to society as a whole:-

### Wisdom Centre, Romsey

The Coronavirus pandemic substantially reshaped our ministry in 2021. Although staff hours were reduced in 2021, an agile approach to responsibility has enabled us to increase overall opening hours to accommodate new needs locally.

In response to an opportunity created by cancelled bookings, we have been well placed to welcome counsellors/clients unable to access in-person services elsewhere. Additionally, we have developed weekly community support groups, serving a variety of needs, a ministry which previously proved difficult to accommodate because of regular bookings. By serving new needs, we have built a foundation on which to reshape the Centre. Indeed our new activities are feeding our spirituality programme with new, younger participants.

Needing a Covid-secure venue, Tree of Life Café joined us in 2020. With further funding from Romsey Churches for 2021 onwards, Tree of Life Café has made Wisdom Centre its permanent home. Romsey Robins Friendship & Bereavement Support Group also joined us early in the year. A further support group, an NHS Chaplaincy carer group for adult/older persons' Mental Health, began meeting on a regular evening. Towards the end of the year we also commenced our own Community Café & Creative Café as a response to social isolation. Community events also took place outdoors.

Once limited in-person meetings became possible, church and spiritual group participation began with Freedom Church, who made Wisdom Centre their temporary home because their office had turned into a 'recording studio' from which to broadcast services. The Church later decided to run their Alpha Course here. Other Church activities followed: St Peter's Church community support outreach met at the Centre in-person; Olive Branch Christian counselling ran training sessions in the Wisdom Centre.

During the pandemic much of our Spirituality Programme, Friends of Wisdom and Spiritual Direction was adapted for Zoom. Although Friends of Wisdom has continued online, in mid-summer, a Covid–secure version of our own programme was able to recommence in person along with our weekly art group, meditation, a new weekly 'sound bath' session and yoga. A new group, Hampshire Buddhist Society, also started meeting monthly on a Saturday morning at the Centre. A handful of Covid-secure corporate and healthcare groups also recommenced at the Centre, including University Hospitals Southampton healthcare worker training and team building, Healthcare Management Trust all-day meetings and Train Aid staff development. In 2022 there is still room to grow and include more of our former professional groups, should they wish to return.

A very positive outcome from this pandemic has been the development of community ministry and Friends of Wisdom. Our hospitality to counsellors, support groups, carers and church outreach has increased awareness in the local community of Wisdom Centre and the ministry of the Daughters of Wisdom.

**Marie Louise House, Romsey**

Marie Louise House was built because the Sisters had a vision of the needs of the future and realised that there was a need to provide nursing care both for Sisters and for people in the area. Marie Louise House opened in June 2005 with accommodation for 46 residents. The initial 15-year lease to Healthcare Management Trust was succeeded last year by a new 10-year lease that will be in place until May 2030. At the end of 2021 three Sisters were resident in Marie Louise House.

Marie Louise House is managed by the Healthcare Management Trust (HMT), a registered charity. It is open to people of all faiths and none. The Home is run on an ecumenical basis, so services are arranged with the different local church ministers and parishioners. Like so many other nursing homes the pandemic had a distressing effect on Marie Louise House exacerbated in their case by the departure in late 2019 of the long-serving Home Manager. Initial attempts to appoint a replacement Manager were frustrated when the appointee left for personal reasons shortly after taking up the post. Following a further recruitment exercise a new Home Manager and Deputy Manager were appointed and have succeeded in improving the performance and CQC Rating of Marie Louise House. Visitors to Marie Louise House were limited during the year, sometimes severely, which was upsetting for staff and residents alike. The number of new admissions during the year, whilst higher than the previous year, was still considerably lower than the long-term average. Occupancy rates remained historically low during the year and despite some very sensible mitigation measures by HMT Marie Louise House did not generate a surplus in 2021.

The trustees recognise and readily acknowledge the dedication and hard work on the part of the Home Manager and Deputy Manager as well as the senior Management of HMT in maintaining the spirit, quality and ethos of Marie Louise House throughout this time. They are also most appreciative of the commitment and dedication shown by all the staff.

Long term plans for Marie Louise House

In September 2019 an agreement was signed by the trustees committing to sell Marie Louise House to HMT subject to them securing planning permission for a 32 bed extension. The agreement included a new 10 year lease to cover any period between the expiry of the initial lease in May 2020 and the completion of the contract for sale. The planning application was submitted on 24th December 2019. As well as administrative delays caused by the pandemic the application has been delayed by an environmental issue within the Solent region. By the time of signing these accounts HMT had decided not to continue with the planning application that they had submitted. They have begun discussions with the Daughters of Wisdom to identify a suitable way forward in the best interests of Marie Louise House and its residents.

**SOPHIA HOUSING ASSOCIATION - Ireland**

Sophia Housing Association which is in partnership with Midlands Simon Community operates nationally in Ireland. It is a weaving of holistic support for marginalised people who are out of home which enables them to become aware of their own inner strength and potential so that they may participate fully in society. One Sister who is the founder of Sophia previously served as its Chair and continues to be a Board member; another Sister is also on the Board of Sophia. The work of Sophia is supported by numerous religious congregations in Ireland.

There is a "Wisdom Centre" as part of the project in Cork Street, Dublin. The vision of the Wisdom Centre is to be a quiet space where people can get in touch with their own creative energy through a holistic programme which includes art, drama, music, sharing and reflection. The Wisdom Centre includes an innovative approach to the ministry of Sophia, which is about the physical, social, educational and spiritual needs of all persons. The Centre is used for those living within the project and shared within the wider community.

The work of Sophia has expanded to include supporting refugees and asylum seekers in Ireland.

During the year Sophia Housing Association approached the Daughters of Wisdom with a proposal for the Daughters of Wisdom to invest in a Social Impact Investment scheme that Sophia Housing Association planned to use to support its development/growth in the next 10 years. Discussions between the two organisations made some progress but have not yet reached a definite conclusion that can be reported at this time.

**Facilities for people with intellectual disability in Ireland**

During the year work continued to the greatest extent allowed under the covid pandemic restrictions on the plan to relocate the remaining service users from Cregg House and campus to smaller homes in the community. The ongoing pandemic also prevented to a large degree the ministry of the Sisters to the residents of Cregg. By the end of the year resettling Cregg residents in community houses was complete. The Sisters locally in Rosses Point continue to support the former residents of Cregg in their new homes.

Disposal of land and facilities at Cregg, Ireland

Following a period of reflection and discussion about the long term plans for Cregg the trustees offered the property and land there for sale on the open market in June 2019. Significant delays due to the pandemic resulted in the contract for sale not being completed until August 2021. After deducting legal fees, estate agents fees etc the sale realised £1,101,494. These funds will be used to provide for the care needs of the Sisters in the Delegation and to support the development work of the Congregation amongst the poorer peoples of the world where the Daughters of Wisdom have a presence. The Daughters of Wisdom believe that the purchaser of the site has plans to use it for some form of care facility and look forward to seeing the continuation of this service at this location.

Alongside the residential and day services at Cregg House is St Cecilia's School for children with intellectual disability that was founded by the Sisters. The school provides education for students with moderate to profound intellectual disability and increasingly to children with profound autism whose needs cannot be met within mainstream education. The Delegation Leader continues to be Patron of St Cecilia's School and one Sister is on its Board of Management.

The Sisters are very conscious of the work and tremendous good that has been accomplished in Cregg over the years and wished to leave a suitable legacy as symbol of gratitude. They were keen to leave in place something that will continue to support this work in a meaningful way. As a result they decided to exclude from the sale and leave as their legacy an extended site for St Cecilia's School as this will secure its future and allow it to grow and develop in years ahead. As the presence of the Daughters of Wisdom in Sligo has diminished in recent years, discussions are ongoing about transferring the Patronage and trusteeship of St Cecilia's School to the local Bishop and Diocese. It is not possible at this stage to know with any degree of certainty when these discussions might be concluded. The Sisters agreed during the year to support St Cecilia's School transition to independence with a donation of €5,000 for each of the next five years.

**UNANIMA International**

UNANIMA is an international Non-Governmental Organisation (NGO) with United Nations status. UNANIMA International represents 21 religious Congregations and 22,000 religious worldwide and corresponds to the Daughters of Wisdom's objectives, namely to defend and empower women, children, immigrants and refugees, and to live in harmony with creation and our environment. Its main function is to give voice in the corridors of power to those who are often overlooked and least well served by current programmes and policies. The Congregation Leadership Team recognised the parallels between UNANIMA's and its own ethos, vision and aspiration of spreading Wisdom values in our world. In 2016, having already served as a member of the Board of Directors of UNANIMA, at the request of the Congregational Leadership Team, a Sister was appointed as UNANIMA's Executive Director for 3 years from January 2017 and her mandate was extended for a further 3 years in 2020. Throughout this year she has directed the work of UNANIMA in conjunction with its Board of Directors relying on modern technology for much of the working that was of necessity carried out remotely. A notable achievement during the year was the adoption by the United Nations General Assembly (in full assembly) of the First Resolution on Homelessness. The Resolution urged Member States to end all forms of discrimination against individuals experiencing homelessness, address the structural drivers of homelessness, and to decriminalise homelessness. It recognised that those who were homeless were more severely impacted during the pandemic and urged Member States to ensure the homelessness policies complied with their international human rights obligations and were consistent with the 2030 Agenda for Sustainable Development.

## GOVERNANCE, STRUCTURE AND MANAGEMENT

### Charitable Trust

In terms of Civil law, the Charity is governed by a trust deed dated 2 March 1964 and is a registered charity – Charity Registration No 234184 (England and Wales) Registration No SCO38165 (Scotland) and Registration No 20007140 (Ireland).

The accounts accompanying this report are the accounts of the Charitable Trust in which the assets of the Delegation of Great Britain and Ireland are held.

### The Delegation of Great Britain & Ireland

In June 2015 the Province of Great Britain & Ireland changed canonical status to that of a Delegation of the Congregation. This has no impact on the governance of the registered Charity, and the appointed trustees retain full control of and accountability for the Charity's assets, activities and expenditure. The day to day running of the Charity and care of the Sisters remains the responsibility of the Delegation Leader, Sr Maureen Seddon, and her Council. Sr Jean Butler has continued in her role as Delegation Treasurer.

### Trustees

The trustees of the registered Charity are appointed by the Delegation Leader of Great Britain and Ireland. The Delegation Leader is also a trustee.

The trustees are ultimately responsible for the policies, activities and assets of the Charity. They meet at least six times per year to review developments with regard to the Charity or its activities and make any important decisions, having regard to the Charity Commission's guidance on public benefit, in particular the specific guidance to charities on Advancement of Religion. During the year the Trustees meetings took place by Zoom. When appropriate, the trustees seek advice and support from the Charity's professional advisers, property consultants, investment managers, solicitors and accountants.

The Delegation is administered from Wisdom House in Romsey, Hampshire, where the Sisters also have a Spirituality/Conference Centre, the Wisdom Centre, which is open to people of all faiths and none.

## ENGLAND

During the year the Sisters of the Delegation lived in ten communities in the north east, north west and south of England.

Abbey House, the original foundation of the Congregation in England, is also the location of the miraculous cure of Sr. Gerard du Calvaire in 1927 and is an important part of the history of the Delegation. For the majority of the year there were 12 Sisters in the community. One full-time Care Coordinator and two part-time carers support the Sisters with their day-to-day needs and the community is assisted with cooking, cleaning and gardening services, all of whom provide a service and support to the Sisters that is highly valued by them.

Marie Louise House in Romsey is the nursing home owned by the Delegation but run as a separate entity by Healthcare Management Trust. Strong links are maintained between the community of Sisters in Marie Louise House and the other communities in Romsey. One Sister from the Delegation (living in Sophia Community in Romsey) is responsible for the pastoral care of the Sisters in Marie Louise House. Sisters from the Delegation can be accommodated in Marie Louise House should they need full time care and are also able to benefit from shorter stays there to assist with recuperation and recovery when needed. This year the opportunities for Sisters to visit Marie Louise House have been very limited but they hope to be able to resume visiting all of the residents and staff as soon as permitted by government and health authority regulations.

## GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

### IRELAND (North and South)

One Sister continues, albeit in a very limited way during the past year, to be involved in pastoral ministry to people with intellectual disability in Cregg Services, Sligo.

The Sisters are pleased to continue their involvement with St Cecilia's School, a special school for pupils with a range of intellectual disabilities for whom the school provides a stimulating, learning environment. The Principal and staff, supported by a Board of Management that includes a Daughter of Wisdom, value every pupil who attends the school and work intensely with each one to help them to achieve their full potential in an environment suited to their needs. The Delegation Leader is the Patron of St Cecilia's School. During the previous year new trustees were appointed for the school and following discussion agreement was reached for the Bishop of Elphin Diocese to take on the patronage of St Cecilia's school when the Daughters of Wisdom cease to be the owners of the Cregg property. Formal discussions to bring this into effect are ongoing at the time of signing these accounts. The Daughters of Wisdom will continue to be the freeholder of the school land which will operate under a long leasehold of the property. Should the school relocate or close in the future the leasehold interest would revert to the Daughters of Wisdom.

Sophia Housing Association Ltd, founded in Dublin in 1998 by the Daughters of Wisdom, continues to expand into other parts of Ireland. It also runs the Wisdom Centre in Dublin which hosts and facilitates workshops, retreats, and leadership courses for people from all faiths and none, who are looking for a peaceful place in which to reflect and dialogue. Two Sisters continue to serve on the Board of Sophia Housing Association.

One Sister in Northern Ireland is involved in the pastoral and social ministries of her local parish.

The Charity is registered with the Charities Regulatory Authority in Ireland, number 20007140.

### SCOTLAND

Two Sisters in Scotland continue to be involved in a range of pastoral ministries. These include:-

- College and Hospice chaplaincy
- Visiting the sick, elderly and bereaved
- Serving on the Fairtrade Steering Group of Renfrewshire County council
- Eucharistic ministry - assisting with the services in the local parish
- Representative on the Bishops' Conference's Committee for Interreligious Dialogue

The Charity is registered with the Office of the Scottish Charities Regulator, charity number SCO39165.

The witness of the Sisters' religious life is complemented by the variety of their ministries and involvement in their local communities and parishes wherever they are present.

## EVENTS DURING 2021

### Coronavirus pandemic

The most obvious impact of the coronavirus pandemic on the Charity is the decision by the Trustees to hold their meetings online. This continues to be an effective way for the Charity to be governed, and a date to resume in-person meetings has not yet been identified.

### Dedication to Commitment to Laudato Si Platform

On 8th December 2021, in union with the Congregation, members of the Delegation formally adopted the values and principles set out by Pope Francis in the encyclical *Laudato Si.* Members are committed to integrating into their daily lives and ministry care of the environment and the peoples of our world so that all might enjoy the created world in which they live. Staff employed in the Delegation are similarly engaged in the pledge.

### Assisted Living Communities: Abbey House (Romsey) & Montfort (Lytham St Anne's)

Throughout 2021 Sisters in Assisted Living Communities continued to be supported by the teams of carers and other staff. Thanks in no small part to the dedication and flexibility of the staff involved it was possible to maintain provisions and essential supplies for the Sisters. Movement of visitors and other people into the community was restricted and Sisters went out for essential journeys only. Although this may at times have seemed isolating for the Sisters concerned it did mean that they avoided the virus.

### St Joseph's Church, Romsey

During the previous year progress was slow on agreeing the lease for St Joseph's Church to the Diocese of Portsmouth mainly due to staffing issues within the Diocesan office. Early in 2022 terms of the lease have been agreed and the document is being prepared for signature by the respective legal representatives.

### Jubilee Celebrations

In 2021 four Sisters celebrated significant anniversaries of their first profession as a Daughter of Wisdom: two celebrated seventy years of Profession and two celebrated sixty years of Profession. The circumstances that prevailed during the year meant that these milestones were marked in a quieter way than normal. Each Sister celebrated with the Sisters of her community where this was possible, but all were honoured in remembrance, prayer and thanksgiving by all the Sisters of the Delegation and by the General Leadership Team.

### Deaths during the year

During 2021 one Sister from the Delegation died in Marie Louise House. She spent many of her latter years in Marie Louise House where she received excellent care from their dedicated staff. Her requiem Mass, attended by representatives from Marie Louise House, celebrated with the community in Abbey House with prayerful support of the Sisters in the Delegation, was followed by burial in Woodley cemetery in Romsey.

Deep appreciation and gratitude were expressed for Sister's long and fruitful life as a Daughter of Wisdom and for the many years of prayerful reflection that she lived whilst in Marie Louise House

## RISKS FACED BY THE CHARITY

### RISK REVIEW

The trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced, in order that the necessary steps can be taken to lessen the risks.

During the year a risk register, covering all the major risks which the Charity is able to identify was updated and approved by the trustees. This will be reviewed annually.

A Health and Safety Policy, which includes a Fire Policy, has been drawn up and is implemented throughout the Delegation. Following recommendations of the Fire Officer, a maintenance programme to deal with these is now in place. Implementing these steps has ongoing financial implications.

#### Safeguarding

The Charity has in place a safeguarding policy relevant to its work in England, Scotland and Ireland. All members of the Charity are familiar with these policies and of the action required of them should any allegation of abuse be made to them. Each is aware that safeguarding is an integral part of the ministry they carry out in the name of the Congregation and the Church. In common with many religious charities who in the past have been involved in education and medical or social care the Charity is conscious that it may be susceptible to allegations of historic abuse. The Charity has, with the assistance of its broker, maintained a level of insurance cover that provides protection against claims or actions arising from any such claims. Safeguarding is an agenda item at each Leadership Team meeting. Regular update training is undertaken by members of the Leadership Team in England or Ireland, as appropriate. Each Sister in the Delegation is regularly reminded of their responsibilities under the Delegation's and Congregation's Safeguarding Policy and is provided with an updated version of the policy following any substantive changes.

During the year the Catholic Church in England & Wales reviewed the way in which religious congregations are supported in carrying out their safeguarding duties and responsibilities. This resulted in the establishment of a two new bodies: the Catholic Safeguarding Standards Agency (CSSA) and the Religious Life Safeguarding Service (RLSS) to provide support, guidance and training on safeguarding to its members. The Trustees unanimously agreed to register with RLSS and to make a one-off donation to support other congregations who were not able themselves to meet the costs of membership. This will be an ongoing service with an annual subscription.

The Catholic Church in Scotland and Ireland are currently updating their policies, procedures and operations.

#### Investment performance

The Charity continues to incur an operating deficit on its day-to-day operations but this is expected and the trustees are fully aware of the reasons and are satisfied that the charity has adequate reserves to meet its future financial needs. Income in recent years has been supported by the yield from the charity's investment portfolio which in 2021 amounted to £286,196 (2020: £239,058). Despite the turbulence in financial markets in the previous year the portfolio recovered all of the value that it had lost and began the year slightly above the prior year's opening value. The positive performance of the equity market in 2021 resulted in many companies reinstating the dividends that had been cancelled during the previous year which, together with the overall increase in the portfolio's value, produced the increased dividend income for the charity during the year.

The trustees of the Charity review performance with their investment managers each quarter against their requirements for a balanced growth/income performance and industry benchmarks. They are content that for the time being at least the portfolio has an overweight in equities against its benchmark value as they are persuaded by the investment managers' view that bonds and gilts currently represent a poorer investment vehicle. The Trustees are content that the investments performed well during 2021 considering all the unusual circumstances that the global economy has endured.

The Trustees continue to have confidence in the investment managers and on the quality of information provided by them.

### Change of bank

During the year the Trustees decided to review the provider of banking services in the UK. After considering a number of alternative providers the Trustees decided to move their main banking facilities to CAF Bank, a UK based bank that was founded to support charities and charitable activity. By the end of the year the application to open accounts with CAF Bank had been submitted and was under review. In early April 2022 CAF Bank confirmed that the application had been approved. Work is under way to complete the transfer which is likely to be completed by the middle of 2022. In due course the accounts held with HSBC will be closed.

## FINANCIAL REVIEW

### Results for the year

A summary of the year's results can be found in the Statement of Financial Activities on page 18 of this report and accounts.

During the year ended 31st December 2021 total income amounted to £2,281,744 (2020:£1,114,737). Income was generally in line with expectations other than the investment portfolio income, as noted above. The Delegation continues to face a decline in recurring income as the number of Sisters reduces: only a few now receive regular stipends and none receives a salary. The value of funds on the balance sheet are also affected by the movement in the pound: euro exchange rate. Funds held in euros have been used during the year to make donations to the Congregation and other donations in non-sterling currencies, and therefore minimal gains or losses have crystalised during the year. Funds, principally the proceeds of sale of the Cregg site, have also been transferred from euros to sterling during the year to meet the Charity's cashflow needs.

Expenditure of £1,909,316 (2020:£1,666,922) include a donation of £198,000 towards the Congregation's construction of a formation house in Haiti. Throughout the year, a number of Sisters were resident in Marie Louise House, for which a fee is paid to the home's managing company, Healthcare Management Trust: the average number of Sisters resident in Marie Louise House in 2021 was five.

The surplus of income for the year was, therefore, £372,428 (2020: deficit £552,185). Investment gains this year amounted to £1,296,447 (2020: £289,561). Income during the year was boosted by the sale of a property in Ireland, and expenses were reduced as a result of capital expenditure projects being delayed.

The Leadership Team resolved during 2016 that any communities that receive financial support from the Delegation for their ongoing living costs should no longer remit to the Delegation a portion of funds held by them at the end of the year. Communities that continue to have income greater than their needs still remit three quarters of their year-end surplus to support other communities in the Delegation.

The number of communities whose income is greater than they need has dropped dramatically in recent years, while the number of communities supported by central funds is increasing.

### Financial position and reserves policy

*Financial position*

At the end of the year to 31 December 2021 the total funds of the Charity were £20,892,749 (2020: £19,223,874). Of this some £8.6 million is represented by properties and other tangible fixed assets essential for the support and work of the Sisters.

£9.5 million was designated to meet the commitment to provide for the care of the older members of the Charity, which is part of the purpose of the Charity. In 2018 the Trustees agreed to draw down from the fund to cover a portion of the nursing home fees for Sisters of the Delegation. Funds expended from the Designated Reserves totalled £154,656 (2020: £137,335) being 50% of the relevant fees with the balance being met from general funds. Nonetheless the Trustees are resolved to restore the value of the fund to at least its previous level as and when funds become available in order that the care and health needs of the Sisters of the Delegation can be met in the future as required.

## FINANCIAL REVIEW (continued)

*Reserves policy*

This report demonstrates the range of activities which the Charity continues to carry out and the responsibility the Charity has for the care and support of its members.

All the Sisters have devoted the whole of their working lives to the Congregation and are dependent upon it for all their temporal material needs. Although Sisters invariably continue to perform charitable work long past normal retirement age if they are healthy enough to do so, the work is mainly non-remunerative and the Delegation must provide for their needs and in some cases nursing care.

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 not less than twelve months expenditure. At 31 December 2021 free reserves represented some 22 months of expenditure, which the Trustees believe is sufficient taking into account current plans and anticipated inflow of funds from disposal of properties that are likely to materialise in the next 12 to 24 months.

**Key management personnel**

The Trustees have identified the General Manager, the Finance Manager and the Wisdom Centre Manager as the key management personnel for the Charity as they directly influence day to day operation of the whole organisation and its main mission activity respectively. Total salary paid to these personnel was £133,389 in 2021 (2020: £132,795). The pay for these posts is set prior to appointment of the individuals paying particular regard to the market rate for equivalent posts in other charities and non-charitable organisations. A pay review for all members of staff, including key management personnel, takes place annually during the budgeting cycle and is set principally with reference to cost of living and inflationary pressures balanced against the Charity's prudent management of its resources in the context of a deficit budget. In 2021 the salary review resulted in an across the board increase of 3.5% for all staff salaries from January 2022.

## PLANS FOR FUTURE PERIODS

Within the framework of the Guidance on Public Benefit, the Charity works for the:-

- Advancement of religion
- Advancement of education
- Advancement of human rights, conflict resolution and reconciliation
- Promotion of respect for the gift of Creation

During the coming year and for the two subsequent years the mission of the Congregation will be carried on under the banner of the theme of the General Chapter "Love without borders!". This will be the principle guiding all members of the Congregation as they strive to manifest in their lives the transforming love of God expressed through their Wisdom charism.

During 2021 the Charity will:-

- Continue the investment of further time, effort and resources into the ongoing spiritual and human development of the Sisters for mission.
- Continue the development of the use of the Wisdom Centre, Romsey, alongside the use of the Labyrinth and other gardens which are open to the local community.
- Continue to further the mission of the Congregation internationally through serving as Executive Director of UNANIMA International and as Assistant Director of the Development Office.
- Jointly with other congregations and agencies develop the work of Sophia, Ireland, to promote the humanity and dignity of homeless and marginalised people.
- Continue to review the Delegation property portfolio and dispose of surplus property.
- Review its financial management, in particular its investment strategy and the designation of funds for care of its elderly members
- Participate in the review of safeguarding practice for religious orders within the Catholic Church to ensure that the Delegation's practice stays current, relevant and up to date

## INVESTMENT POLICY

The Charity has a discretionary investment management agreement with Brewin Dolphin. The Trustees meet with the fund managers once every three to four months and ensure that the fund is managed in accordance with their written guidelines and with the religious and ethical principles of the Charity.

The investment objectives are:-

(a) to generate enough income to fund for the foreseeable future that part of the Charity's ongoing activities currently funded by investment income
(b) to maintain the real capital value of the investment fund in the long term

Asset allocation is benchmarked against the FTSE All Share Index weightings.

At the start of the year after a very turbulent year in 2020 the portfolio opened with a value of £9,855,167, £235,486 ahead of its opening value 12 months earlier. The equity market continued its usual, and more normal, series of ups and downs through the year and having achieved growth of over £1m ended the year at £11,097,131. This was prior to the fuel price crisis and the invasion of Ukraine by Russian forces that both had a negative effect on global stock markets. By the end of March 2022 the portfolio had reduced in value to £10,616,803.

The trustees continue to have every confidence in the investment managers to assist them in achieving their goal of a balanced growth and yield portfolio to support the Sisters' needs and mission in future years.

**Post balance sheet events**

After the year end but prior to the signing of the accounts the charity was informed by the Healthcare Management Trust that it would no longer be proceeding with the purchase of Marie Louise House and the construction of the planned extension. They will however continue to operate the care home under the terms of the current lease and are committed to providing the same high quality care to residents. Consideration is being given by both parties to the longer terms plans for Marie Louise House and a new plan will be formulated in due course.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (Financial Reporting Standard 102).

Charity law 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 at the year end and of its income and expenditure during that year. In preparing the accounts, the Trustees are required to:-

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

Approved by the Trustees on 30th June 2022 and signed as authorised on their behalf by:

...Sr. Maureen Seddon DW.
Sister Maureen Seddon D. W.
Delegation Leader
Trustee

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CONGREGATION OF THE DAUGHTERS OF WISDOM

### Opinion

We have audited the financial statements of the Congregation of the Daughters of Wisdom for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related 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 December 2021 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) regulations.

### Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts 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' 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.

### 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 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient and proper 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 14, 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 environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to health and safety regulations, employment law, safeguarding regulations and Charity law, 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 Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to depreciation charges. Audit procedures performed by the engagement team included:
- Inspecting minutes of Trustees' meetings;
- Reviewing calculations for depreciation including reviewing estimated useful economic lives;
- 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;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals;
- Reviewing valuations of investments; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation

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, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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

Haysmacintyre LLP
Statutory Auditors
Date: 30 June 2022

10 Queen Street Place
London
EC4R 1AG

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

THE CONGREGATION OF THE DAUGHTERS OF WISDOM
PROVINCE OF GREAT BRITAIN AND IRELAND

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

| | Notes | Unrestricted Funds General £ | Unrestricted Funds Designated £ | Total 2021 £ | Total 2020 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations, legacies and grants | 1 | 17,719 | - | 17,719 | 50,085 |
| Charitable activities | | 495,934 | - | 495,934 | 527,037 |
| Investments | 7 | 589,816 | - | 589,816 | 445,745 |
| Other | 2 | 1,160,595 | - | 1,160,595 | 91,870 |
| **Total income** | | 2,264,064 | - | 2,264,064 | 1,114,737 |
| **Expenditure on:** | | | | | |
| Raising funds | | 51,534 | - | 51,534 | 44,968 |
| Charitable activities | | | | | |
| . Communities | | 1,332,253 | 154,656 | 1,486,909 | 1,435,864 |
| . Education | | 1,870 | - | 1,870 | 3,463 |
| . Missions and grants | | 218,091 | - | 218,091 | 96,049 |
| . Development costs | | 133,234 | - | 133,234 | 86,578 |
| **Total expenditure** | 3 | 1,736,982 | 154,656 | 1,891,638 | 1,666,922 |
| **Net income/(expenditure) before net gains on investments** | | 527,082 | (154,656) | 372,426 | (552,185) |
| Net gains on investments | 7 | 1,296,447 | - | 1,296,447 | 289,561 |
| **Net income/(expenditure)** | | 1,823,529 | (154,656) | 1,668,873 | (262,624) |
| Transfers between funds | | - | - | - | - |
| **Net movements in funds** | | 1,823,529 | (154,656) | 1,668,873 | (262,624) |
| Total funds brought forward at 1 January 2021 | | 10,253,924 | 8,969,950 | 19,223,874 | 19,486,498 |
| **Total funds carried forward at 31 December 2021** | | 12,077,453 | 8,815,294 | 20,892,747 | 19,223,874 |

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

All income and expenditure derive from continuing activities. Details of comparative figures by fund are disclosed in note 13.

THE CONGREGATION OF THE DAUGHTERS OF WISDOM
PROVINCE OF GREAT BRITAIN AND IRELAND

## BALANCE SHEET

## AS AT 31 DECEMBER 2021

| | Notes | 2021 £ | 2021 £ | 2020 £ | 2020 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 6 | | 8,612,284 | | 8,865,968 |
| Investments | 7 | | 11,108,429 | | 9,862,467 |
| | | | 19,720,713 | | 18,728,435 |
| **CURRENT ASSETS** | | | | | |
| Debtors | 8 | 41,904 | | 43,549 | |
| Cash at bank and in hand | | 1,460,630 | | 847,109 | |
| | | 1,502,534 | | 890,658 | |
| **CREDITORS:** amounts falling due within one year | 9 | (330,500) | | (395,219) | |
| **NET CURRENT ASSETS** | | | 1,172,034 | | 495,439 |
| **TOTAL NET ASSETS** | | | 20,892,747 | | 19,223,874 |
| **FUNDS** | | | | | |
| Unrestricted Funds | | | | | |
| - General Funds | | | 12,077,453 | | 10,253,924 |
| - Designated Funds | 10 | | 8,815,294 | | 8,969,950 |
| | 11 | | 20,892,747 | | 19,223,874 |

Approved by the Trustees on 30th June 2022 and signed as authorised on their behalf by:

Sr. Maureen Seddon DW

Sister Maureen Seddon D.W
Delegation Leader
Trustee

The accompanying notes form part of these accounts.

THE CONGREGATION OF THE DAUGHTERS OF WISDOM
PROVINCE OF GREAT BRITAIN AND IRELAND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

| | 2021 | | 2020 | |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cash flows from operating activities:** | | | | |
| *Net cash provided by (used in) operating activities* | | (1,120,600) | | (656,703) |
| **Cash flows from investing activities:** | | | | |
| Dividends, interest and rents from investments | 589,816 | | 445,745 | |
| Proceeds from the sale of property, plant and equipment | 1,101,494 | | 6,040 | |
| Purchase of property, plant and equipment | (7,674) | | (18,260) | |
| Proceeds from sale of investments | 2,329,064 | | 710,318 | |
| Purchase of investments | (2,021,883) | | (569,905) | |
| Movement in cash held by investment managers | (256,696) | | (95,638) | |
| *Net cash provided by (used in) investing activities* | | 1,734,121 | | 478,300 |
| **Change in cash and cash equivalents in the reporting period** | | 613,521 | | (178,403) |
| **Cash and cash equivalents at the beginning of the reporting period** | | 847,109 | | 1,025,512 |
| **Cash and cash equivalents at the end of the reporting period** | | 1,460,630 | | 847,109 |

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| **Reconciliation of net income/(expenditure) to net cash flow from operating activities** | | |
| Net income/(expenditure) for the reporting period | 1,668,873 | (262,624) |
| Depreciation charge | 260,014 | 263,800 |
| Gains on sale of fixed assets | (1,100,150) | (2,840) |
| Gains on investments | (1,296,447) | (289,561) |
| Dividends, interest and rents from investments | (589,816) | (445,745) |
| Decrease/(increase) in debtors | 1,645 | 48,353 |
| (Decrease)/increase in creditors | (64,719) | 31,914 |
| **Net cash (used in)/provided by investing activities** | (1,120,600) | (656,703) |

| | 2021 | 2020 |
|---|---|---|
| **Analysis of cash and cash equivalents** | £ | £ |
| Cash in hand | 1,460,630 | 847,109 |
| **Total cash and cash equivalents** | 1,460,630 | 847,109 |

## ACCOUNTING POLICIES

## FOR THE YEAR ENDED 31 DECEMBER 2021

**Basis of preparation**
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Statement of Recommended Practice for Charities (SORP 2015 Second Edition) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**Preparation of accounts on a going concern basis**
The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The year just ended is characterised by periods of disruption alongside periods of normal activity for the Charity. During the year the charity benefited from the ongoing furlough grant for relevant staff and a significant increase in the value of its listed investments that covered the operating losses that it had fully expected. The trustees believe it is appropriate for the going concern basis to apply to the charity. The review of the charity's financial performance and reserves position gives the trustees every confidence that the charity remains a going concern for the foreseeable future.

**Covenanted salaries and pensions**
Members' salaries, pensions and superannuation are received under deeds of covenant and are stated inclusive of income tax but net of any deductions for Irish taxation, social security payments and contributions to occupational pension schemes.

**Donations and legacies**
Donations and legacies are recognised when receivable or when the Charity becomes legally entitled to them. Receipts of property, investments or other gifts in kind are included at market value.

**Other income**
All other income is accounted for when the charity becomes entitled to the income and the amount can be quantified with reasonable accuracy.

**Expenditure**
Expenditure on raising funds consists of investment management costs.

Charitable expenditure consists of all expenditure relating to the objects of the Charity. All costs are directly attributable to the activities under which they have been analysed.

Irrecoverable VAT is included with the category of expense to which it relates.

**Tangible fixed assets**
Land and buildings are stated at a Trustees' 1991 valuation plus subsequent additions at cost, allowance being made where buildings have been demolished. All other assets are included at cost.

Depreciation is calculated by the straight line method to write off the cost/value, less anticipated residual value, over the expected useful lives of assets as follows.

Depreciation is not provided on buildings under construction until they are completed and bought into use.

| | |
|---|---|
| Freehold and long leasehold buildings | 50 years |
| Furniture and equipment | 3 to 15 years |
| Computer equipment | 3 years |
| Motor vehicles | 4/5 years |

**Investments**
Quoted investments are valued at their closing middle market price on the balance sheet date and the gain or loss taken to 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.

All movements in value are shown in the Statement of Financial Activities.

**Designated funds**
The trustees have designated funds out of the unrestricted funds to provide for the Charity's commitment to provide for the retirement and care in old age and sickness of the Charity's members. Lump sums received from members' occupational pension schemes upon their retirement and transfers from general funds are credited to this fund together with income generated by designated investments.

**Foreign currencies**
Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Any exchange differences arising from the translation are dealt with in the Statement of Financial Activities.

**Pension scheme**
Contributions are made to a defined contribution pension scheme for staff. The contributions are charged to the Statement of Financial Activities when they become payable.

**Critical accounting judgements and key sources of estimation uncertainty**
In the application of the accounting policies, trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Judgements made by the trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and are discussed above.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

## 1. DONATIONS AND LEGACIES

| | 2021 £ | 2020 £ |
|---|---|---|
| Donations | 1,553 | 2,565 |
| Furlough grants | 16,166 | 47,520 |
| | 17,719 | 50,085 |

## 2. OTHER INCOME

| | 2021 £ | 2020 £ |
|---|---|---|
| Other income | 60,445 | 57,732 |
| Gains on disposal of fixed assets (see note 6) | 1,100,150 | 2,840 |
| Exchange rate gain | - | 31,298 |
| | 1,160,595 | 91,870 |

## 3. EXPENDITURE

| | Salaries £ | Depreciation £ | Other £ | 2021 £ | 2020 £ |
|---|---|---|---|---|---|
| ***Raising funds:*** | | | | | |
| Investment manager's fee | - | - | 51,534 | 51,534 | 44,968 |
| ***Charitable activities:*** | | | | | |
| . Communities | 295,567 | 260,014 | 931,328 | 1,486,909 | 1,435,864 |
| . Education | - | - | 1,870 | 1,870 | 3,463 |
| . Missions and grants | - | - | 218,091 | 218,091 | 96,049 |
| . Development costs | 38,353 | - | 94,881 | 133,234 | 86,578 |
| | 333,920 | 260,014 | 1,297,704 | 1,891,638 | 1,666,922 |

| | 2021 £ | 2020 £ |
|---|---|---|
| Missions and charitable grants comprise: | | |
| Generalate of the Congregation | 198,030 | 42,150 |
| Alms and other charitable donations | 37,739 | 53,899 |
| | 235,769 | 96,049 |

Expenditure includes:

| | | | |
|---|---|---|---|
| Auditor's remuneration | - audit fee | 14,000 | 13,500 |

## 3. EXPENDITURE (continued)

**Comparative analysis 2020**

| | Salaries £ | Depreciation £ | Other £ | 2020 £ |
|---|---|---|---|---|
| ***Raising funds:*** | | | | |
| Investment manager's fee | - | - | 44,968 | 44,968 |
| ***Charitable activities:*** | | | | |
| . Communities | 320,211 | 263,800 | 851,853 | 1,435,864 |
| . Education | - | - | 3,463 | 3,463 |
| . Missions and grants | - | - | 96,049 | 96,049 |
| . Development costs | 46,104 | - | 40,474 | 86,578 |
| | 366,315 | 263,800 | 1,036,807 | 1,666,922 |

## 4. STAFF COSTS

| | 2021 £ | 2020 £ |
|---|---|---|
| Wages and salaries | 301,351 | 333,342 |
| Social security | 20,167 | 20,278 |
| Other pension costs | 12,402 | 12,695 |
| | 333,920 | 366,315 |

| | 2021 Number | 2020 Number |
|---|---|---|
| The average number of employees in the year was: | 24 | 27 |

No employee received in excess of £60,000 in either year.

Total remuneration for key management personnel for the year was £133,389 (2020: £132,795).

## 5. TRANSACTIONS WITH THE TRUSTEES

The Trustees of the Charity are all members of a Religious Order. They have taken vows of poverty under which they renounce all rights to a personal income and assets. They are therefore entirely dependent on the charity for all their living expenses. The Trustees do not receive any payments or benefits for carrying out their duties other than their living expenses which are met by the Charity, which they receive in their capacity as members of the Religious Order.

The charity owns a property which is let to the sibling of one trustee at a fair market rent. No rent was owing at the year end.

## 6. TANGIBLE FIXED ASSETS

| | Freehold Land and Buildings | | | | | |
|---|---|---|---|---|---|---|
| | General £ | Abbey House £ | Nursing Home and Wisdom House £ | Furniture and Fittings £ | Motor Vehicles £ | Total £ |
| **COST OR VALUATION** | | | | | | |
| At 1 January 2021 | 1,682,478 | 3,700,967 | 6,792,242 | 615,274 | 105,478 | 12,896,439 |
| Additions | - | - | - | 7,674 | - | 7,674 |
| Disposals | - | - | - | - | (2,236) | (2,236) |
| At 31 December 2021 | 1,682,478 | 3,700,967 | 6,792,242 | 622,948 | 103,242 | 12,901,877 |
| **DEPRECIATION** | | | | | | |
| At 1 January 2021 | 698,182 | 566,426 | 2,089,206 | 589,361 | 87,296 | 4,030,471 |
| Charge for year | 33,650 | 74,019 | 135,847 | 10,178 | 6,320 | 260,014 |
| Disposals | - | - | - | - | (892) | (892) |
| At 31 December 2021 | 731,832 | 640,445 | 2,225,053 | 599,539 | 92,724 | 4,289,593 |
| **NET BOOK VALUE** | | | | | | |
| At 31 December 2021 | 950,646 | 3,060,522 | 4,567,189 | 23,409 | 10,518 | 8,612,284 |
| At 31 December 2020 | 984,296 | 3,134,541 | 4,703,036 | 25,913 | 18,182 | 8,865,968 |

Included in General Freehold Land and Buildings above are leasehold buildings with a cost of £281,911 and net book value of £140,654. The depreciation charge during the year was £5,639. There were no additions or disposals during the year.

## 7. INVESTMENTS

| | 2021 £ | 2020 £ |
|---|---|---|
| Opening market value | 9,862,467 | 9,617,681 |
| Additions | 2,021,883 | 569,905 |
| Disposals (sale proceeds) | (2,329,064) | (710,318) |
| Net investment gains | 1,296,447 | 289,561 |
| Movements in cash | 256,696 | 95,638 |
| Closing market value | 11,108,429 | 9,862,467 |
| Cost of investments - At 31 December | 7,936,489 | 7,141,560 |

### Analysis of Investments Held

| | Quoted Investments £ | Unquoted Investments £ | Total 2021 £ | Total 2020 £ |
|---|---|---|---|---|
| Quoted Investments: | | | | |
| Government Stocks | 1,158,175 | - | 1,158,175 | 1,088,141 |
| Unit Trusts and Investment Trusts | 1,505,100 | - | 1,505,100 | 960,882 |
| Ordinary Shares | 7,480,658 | - | 7,480,658 | 7,227,385 |
| Property | 499,308 | - | 499,308 | 381,492 |
| Unquoted Investments: | | | | |
| Pension Scheme Deferred Annuity Contracts | - | 25,359 | 25,359 | 21,434 |
| Portfolio Cash | - | 439,829 | 439,829 | 183,133 |
| **TOTAL INVESTMENTS** | 10,643,241 | 465,188 | 11,108,429 | 9,862,467 |

### Investment Income

| | 2021 £ | 2020 £ |
|---|---|---|
| Listed investments | 286,196 | 239,058 |
| Portfolio and other cash and bank deposits | 109,031 | 1,331 |
| Rental income | 194,589 | 205,356 |
| | 589,816 | 445,745 |

## 8. DEBTORS

| | 2021 £ | 2020 £ |
|---|---|---|
| Accrued income | 18,002 | 14,503 |
| Sundry debtors and prepayment | 23,902 | 29,046 |
| | 41,904 | 43,549 |

## 9. CREDITORS: amounts falling due within one year

| | 2021 £ | 2020 £ |
|---|---|---|
| Amounts held on behalf of Sisters | 263,207 | 266,306 |
| Other creditors and accruals | 67,293 | 128,913 |
| | 330,500 | 395,219 |

## 10. DESIGNATED FUND

### Retirement Fund

This fund has been designated to provide for the Charity's commitment to provide for the retirement and care in old age and sickness of the Congregation's members. Lump sums received from members' occupational pension schemes upon their retirement and transfers from General Funds are credited to this fund. A review of the Congregation's membership has indicated that a fund of at least £9.5m would be required to finance fully the Charity's commitment to provide care for its elderly members. Towards this requirement, the Trustees, in 1999, designated to this fund the charity's investment portfolio. The level of the Charity's funds and of its commitment will be kept under review by the Trustees and further designations will be considered.

| Analysis of Movements - 2021 | At 1 January 2021 £ | Expenditure £ | At 31 December 2021 £ |
|---|---|---|---|
| Retirement Fund | 8,969,950 | (154,656) | 8,815,294 |

| Analysis of Movements - 2020 | At 1 January 2020 £ | Expenditure £ | At 31 December 2020 £ |
|---|---|---|---|
| Retirement Fund | 9,107,285 | (137,335) | 8,969,950 |

## 11. ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2021

| | Unrestricted Funds | | |
|---|---|---|---|
| | General Fund £ | Retirement Fund £ | Total £ |
| **Fund balances at 31 December 2021 are represented by:** | | | |
| Tangible fixed assets | 8,612,284 | - | 8,612,284 |
| Investments | 2,293,135 | 8,815,294 | 11,108,429 |
| Current assets | 1,502,534 | - | 1,502,534 |
| Current liabilities | (330,500) | - | (330,500) |
| **Total net assets** | 12,077,453 | 8,815,294 | 20,892,747 |
| **Unrealised gains included above** | | | |
| On listed investment assets | | | 3,171,940 |
| **Reconciliation of movements in unrealised gains on investments** | | | |
| Unrealised gain at 1 January 2021 | | | 2,720,907 |
| Less: amount in respect of disposals in year | | | (628,099) |
| | | | 2,092,808 |
| Unrealised gains on revaluations in the year | | | 1,079,132 |
| **Unrealised gains at 31 December 2021** | | | 3,171,940 |

## 12. ANALYSIS OF NET ASSETS BETWEEN FUNDS – 2020

| | Unrestricted Funds | | |
|---|---|---|---|
| | General Fund £ | Retirement Fund £ | Total £ |
| **Fund balances at 31 December 2020 are represented by:** | | | |
| Tangible fixed assets | 8,865,968 | - | 8,865,968 |
| Investments | 892,517 | 8,969,950 | 9,862,467 |
| Current assets | 890,658 | - | 890,658 |
| Current liabilities | (395,219) | - | (395,219) |
| **Total net assets** | 10,253,924 | 8,969,950 | 19,223,874 |
| **Unrealised gains included above** | | | |
| On listed investment assets | | | 2,720,907 |
| **Reconciliation of movements in unrealised gains on investments** | | | |
| Unrealised gain at 1 January 2020 | | | 2,636,705 |
| Add: amount in respect of disposals in year | | | (263,150) |
| | | | 2,373,555 |
| Unrealised gains on revaluations in the year | | | 347,352 |
| **Unrealised gains at 31 December 2020** | | | 2,720,907 |

## 13. ACTIVITIES BY FUND IN PREVIOUS YEAR

| | Notes | Unrestricted Funds General £ | Designated £ | Total 2020 £ |
|---|---|---|---|---|
| **Income from:** | | | | |
| Donations, legacies and grants | 1 | 50,085 | - | 50,085 |
| Charitable activities | | 527,037 | - | 527,037 |
| Investments | 7 | 445,745 | - | 445,745 |
| Other | 2 | 91,870 | - | 91,870 |
| **Total income** | | 1,114,737 | - | 1,114,737 |
| **Expenditure on:** | | | | |
| Raising funds | | 44,968 | - | 44,968 |
| Charitable activities | | | | |
| . Communities | | 1,298,529 | 137,335 | 1,435,864 |
| . Education | | 3,463 | - | 3,463 |
| . Missions and grants | | 96,049 | - | 96,049 |
| . Development costs | | 86,578 | - | 86,578 |
| **Total expenditure** | 3 | 1,529,587 | 137,335 | 1,666,922 |
| **Net expenditure before net gains on investments** | | (414,850) | (137,335) | (552,185) |
| Net gains on investments | 7 | 289,561 | - | 289,561 |
| **Net income/(expenditure)** | | (125,289) | (137,335) | (262,624) |
| Transfers between funds | | - | - | - |
| **Net movements in funds** | | (125,289) | (137,335) | (262,624) |
| Total funds brought forward at 1 January 2020 | | 10,379,213 | 9,107,285 | 19,486,498 |
| **Total funds carried forward at 31 December 2020** | | 10,253,924 | 8,969,950 | 19,223,874 |

## 14. RELATED PARTY TRANSACTIONS

There were no related party transactions in the current or preceding year.

THE CONGREGATION OF THE DAUGHTERS OF WISDOM
PROVINCE OF GREAT BRITAIN AND IRELAND

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

These pages do not form part of the statutory financial statements.

| | Province £ | Houses £ | 2021 Total £ | 2020 Total £ |
|---|---|---|---|---|
| **INCOME** | | | | |
| Salaries and stipends | 44,707 | - | 44,707 | 56,539 |
| **Pensions** | | | | |
| Superannuation | 61,969 | 83,368 | 145,337 | 155,241 |
| State pensions | 105,736 | 193,713 | 299,449 | 304,337 |
| Attendance allowance | - | 4,195 | 4,195 | 4,815 |
| Mobility allowance | - | 2,246 | 2,246 | 1,494 |
| Private Pension receipt | - | - | - | 4,611 |
| | 167,705 | 283,522 | 451,227 | 470,498 |
| **Investment income** | | | | |
| Rented properties | 194,589 | - | 194,589 | 205,356 |
| Quoted investments | 286,196 | - | 286,196 | 239,058 |
| Bank deposit interest – general | 109,029 | 2 | 109,031 | 1,331 |
| | 589,814 | 2 | 589,816 | 445,745 |
| **Donations and legacies** | | | | |
| Other donations | 525 | 1,028 | 1,553 | 2,565 |
| Furlough grants | 16,166 | - | 16,166 | 47,520 |
| | 16,691 | 1,028 | 17,719 | 50,085 |
| **Other income** | | | | |
| Exchange rate gains | - | - | - | 31,298 |
| Wisdom Centre income | 56,831 | - | 56,831 | 55,226 |
| Chez Nous income | 2,745 | - | 2,745 | 1,485 |
| Miscellaneous income | 869 | - | 869 | 1,021 |
| | 60,445 | - | 60,445 | 89,030 |
| **Total income (excluding surplus on disposal of fixed assets)** | 879,362 | 284,552 | 1,163,914 | 1,111,897 |
| **Total expenditure (pages 32 and 33)** | (1,493,722) | (397,916) | (1,891,638) | (1,666,922) |
| **Net expenditure before investment gains and exceptional items** | (614,360) | (113,364) | (727,724) | (555,025) |
| **Surplus on disposal of tangible fixed assets** | 1,099,291 | 859 | 1,100,150 | 2,840 |
| **Net income/(expenditure) before investment gains** | 484,931 | (112,505) | 372,426 | (552,185) |

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

## CHARITABLE EXPENDITURE

## FOR THE YEAR ENDED 31 DECEMBER 2021

**These pages do not form part of the statutory financial statements.**

| | Province £ | Houses £ | 2021 £ | 2020 £ |
|---|---|---|---|---|
| **Charitable activities** | | | | |
| **OCCUPANCY** | | | | |
| Insurances | 4,921 | 8,096 | 13,017 | 11,705 |
| Rents | 36,641 | 4,577 | 41,218 | 40,270 |
| Repairs and maintenance | 52,273 | 45,816 | 98,089 | 71,805 |
| Council tax | 5,939 | 10,688 | 16,627 | 17,173 |
| Water rates | 141 | 4,249 | 4,390 | 5,590 |
| Gas and electricity | 7,619 | 44,470 | 52,089 | 46,024 |
| Other | 2,539 | 15,134 | 17,673 | 20,160 |
| Depreciation | 253,691 | - | 253,691 | 255,633 |
| | 363,764 | 133,030 | 496,794 | 468,360 |
| **COMMUNITY** | | | | |
| Sisters' personal allowances | 838 | 51,909 | 52,747 | 48,957 |
| Food | 219 | 67,315 | 67,534 | 69,193 |
| Household | 2,999 | 46,782 | 49,781 | 47,731 |
| Medical | 218 | 32,967 | 33,185 | 34,357 |
| Nursing home charges | 309,071 | 242 | 309,313 | 274,670 |
| Nursing care costs | 242 | 1,254 | 1,496 | 2,824 |
| Funeral and expenses | 4,307 | - | 4,307 | 6,786 |
| Retreat/holidays | - | 8,266 | 8,266 | 6,559 |
| | 317,894 | 208,735 | 526,629 | 491,077 |
| **ALMS AND DONATIONS** | | | | |
| Given to missions | 198,030 | 942 | 198,972 | 42,763 |
| Given as general donations | 9,697 | 8,057 | 17,754 | 51,046 |
| Masses stipends | 590 | 775 | 1,365 | 2,240 |
| | 208,317 | 9,774 | 218,091 | 96,049 |
| **TRAVEL** | | | | |
| Travel fares | 2,505 | 21,566 | 24,071 | 28,338 |
| Motor expenses – insurances | 768 | - | 768 | 1,016 |
| Depreciation | 6,320 | - | 6,320 | 8,167 |
| | 9,593 | 21,566 | 31,159 | 37,521 |
| Carried forward | 899,568 | 373,105 | 1,272,673 | 1,093,007 |

THE CONGREGATION OF THE DAUGHTERS OF WISDOM
PROVINCE OF GREAT BRITAIN AND IRELAND

DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

CHARITABLE EXPENDITURE

FOR THE YEAR ENDED 31 DECEMBER 2021

**These pages do not form part of the statutory financial statements.**

| | Province £ | Houses £ | 2021 £ | 2020 £ |
|---|---|---|---|---|
| Brought forward | 899,568 | 373,105 | 1,272,673 | 1,093,007 |
| **LEGAL AND PROFESSIONAL** | | | | |
| Professional fees | | | | |
| Less allocated to management and administration and | 66,169 | - | 66,169 | 113,350 |
| Investment managers' fees (See below) | (19,800) | - | (19,800) | (60,028) |
| | 46,369 | - | 46,369 | 53,322 |
| **OTHER** | | | | |
| Wages, salaries, tax and NI | 291,317 | 4,250 | 295,567 | 320,211 |
| To DSS sisters NI contributions and pension contributions | 318 | - | 318 | 318 |
| Bank charges/card fees | 4,430 | 1,425 | 5,855 | 1,931 |
| Courses, education | 1,801 | 69 | 1,870 | 3,463 |
| Conferences and retreats | 303 | - | 303 | 400 |
| Associations/subscriptions | 2,460 | - | 2,460 | 2,683 |
| Library | 271 | 7,274 | 7,545 | 6,410 |
| General office expenses and small repairs | 8,052 | 11,724 | 19,776 | 17,790 |
| Safeguarding and advertising | 8,315 | - | 8,315 | 8,780 |
| Exchange loss | 26,019 | - | 26,019 | - |
| HMT share of surplus adjustment | - | - | - | 12,001 |
| | 343,286 | 24,742 | 368,028 | 373,987 |
| **DEVELOPMENT COSTS** | | | | |
| Leadership expenses | 164 | - | 164 | 2,169 |
| Provincial House, Chez Nous & Leadership | 16,530 | - | 16,530 | 17,355 |
| The Cottage, Sligo expenses | 58,186 | - | 58,186 | 816 |
| Formation, pastoral care & pre-novincial | 61 | 69 | 130 | 850 |
| Wisdom Centre expenses | 19,871 | - | 19,871 | 19,284 |
| Wisdom Centre salaries | 38,353 | - | 38,353 | 46,104 |
| | 133,165 | 69 | 133,234 | 86,578 |
| Investment managers' fees | 51,534 | - | 51,534 | 44,968 |
| **Costs of raising funds** | 51,534 | - | 51,534 | 44,968 |
| **MANAGEMENT AND ADMINISTRATION** | | | | |
| Audit and accountancy: haysmacintyre | 19,800 | - | 19,800 | 15,060 |
| **TOTAL EXPENDITURE** | 1,493,722 | 397,916 | 1,891,638 | 1,666,922 |

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**

England & Wales - Charity number 234184

# Accounts

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**

**PROVINCE OF GREAT BRITAIN AND IRELAND**

**(Registered Charity Number: 234184)**
**(Charity Registered in Scotland Number: SCO39165)**

# TRUSTEES' REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED**
**31 DECEMBER 2020**

Haysmacintyre LLP
Chartered Accountants
Registered Auditors
London

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**

**PROVINCE OF GREAT BRITAIN AND IRELAND**

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**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**OTHERWISE KNOWN AS "SISTERS OF LA SAGESSE"**

**LEGAL AND ADMINISTRATIVE DETAILS**

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| | |
|---|---|
| Registered Charity Number | 234184 |
| Scottish Registered Charities Number | SCO39165 |
| Charities Regulatory Authority (Ireland) | 20007140 |
| Delegation Leader | Sister Maureen Seddon |
| Delegation Treasurer | Sister Jean Butler |
| Named Trustees | Sister Maureen Seddon<br>Sister Margaret Morris<br>Sister Patricia Reilly<br>Sister Marie Turner |
| Address | Provincial Administration<br>Wisdom House<br>Romsey<br>Hampshire<br>SO51 8EL |
| Principal Bankers | HSBC Bank Plc<br>50 Above Bar Street<br>Southampton<br>SO14 7DS |
| Solicitors | Stone King LLP<br>13 Queen Square<br>Bath<br>BA1 2HJ |
| Auditor | Haysmacintyre LLP<br>10 Queen Street Place<br>London<br>EC4R 1AG |
| Investment Managers | Brewin Dolphin<br>12 Smithfield Street<br>London<br>EC1A 9BD |
| Governing Instrument | Trust deed dated 2 March 1964 |
| Objects | Such charitable purposes which advance the religious and other charitable work for the time being carried on by or under the direction of the Congregation as the Trustees, with the approval of the Provincial, shall from time to time think fit. |

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**

**TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The trustees present their report and the financial statements of the Charity for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies, set out on pages 21 and 22, and comply with the Charity's trust deed, applicable law and the requirements of the Statement of Recommended Practice for Charities (SORP 2015) (2nd edition, effective 1 January 2019).

## THE CONGREGATION OF THE DAUGHTERS OF WISDOM

1. The Congregation is an International Religious Congregation founded in France in 1703. The Congregational Leadership Team is based in Paris. It is administered by a Congregational Leader and her Council, who are appointed every six years at a General Chapter of representatives of all the Entities of the Congregation worldwide. The current General Leadership Team has been in office since August 2018.

2. Situated throughout the 5 continents, the Daughters of Wisdom commit themselves radically to live Gospel values. In a rapidly changing world where the domination of the economy and the ever growing gap between the rich and poor generates injustice and violence, the Sisters endeavour to be a voice for the voiceless, participating in collective actions that oppose the causes of injustice and promote the values of justice, peace and respect for creation and the environment.

## AIM AND PURPOSE OF THE CHARITY

The principal objective of the Charity is to apply the assets of the Trust for such charitable purposes as shall advance the religious and other charitable work carried out by the Congregation of the Daughters of Wisdom. By caring for individual members of the Congregation throughout their lives, the Charity aims to enable and support the Sisters to live out their lives as fully as possible as Daughters of Wisdom through a wide variety of ministries.

When setting the objectives and planning the work of the Charity for the year, and when discerning the ministries of individual Sisters, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary guidance on the Advancement of Religion. With the reducing number of Sisters in the Delegation and their advancing years the variety of ministries in which they are actively engaged is changing but they nonetheless fulfil their mission and ministry in diverse areas to the fullest extent of their capabilities. These include:

- **Reflection and Prayer**

  During the past year the Charity's focus on reflection & prayer was emphasised by the circumstances of the global coronavirus pandemic. Much of the activity in which Sisters are involved was suspended for a significant period of time and the value of their communal prayer and intercession as an expression of their faith and mission has been increasingly valued during the year, particularly as other acts of communal worship for many believers were suspended. Many intentions and people are held in prayer by the Sisters every day.

  The charism and spirituality of the Daughters of Wisdom animates the life of all the Sisters and is especially promoted in the Wisdom Centres in Romsey and Dublin. Supported by and in collaboration with their lay staff, the Sisters offer a space of prayer, reflection and quiet in a calm setting for diverse groups and needs. The Sisters welcome to their gardens and the labyrinth in Romsey those seeking a quiet space or who simply want to appreciate the beauty of nature. They are also pleased to welcome into this space families with children, when the quiet of the space is briefly interrupted by joy, laughter and shrieks of enjoyment. Local schools visit the labyrinth as part of the religious education and history elements of the national curriculum.

  Despite the lockdown a new group of Friends of Wisdom, an international lay association of the Daughters of Wisdom began in Romsey with a monthly formation programme. The 7 lay people and 4 Daughters of Wisdom involved are participating enthusiastically and profoundly. Up to date the sessions have been by Zoom.

- **Social and pastoral ministry**

  Members of the Delegation of Great Britain /Ireland (GBI) are normally involved in diverse forms of social and pastoral ministry. The main aim of the Sisters is to help particularly the poor and marginalised in society regardless of their personal background, gender or individual circumstances. Although this work has been limited this year it is hoped that it will be possible to resume as normal in the coming year. There is no doubt that many of the needs usually addressed have come to the fore during the isolation and limitations of the pandemic.

- **Working as an international Congregation**

  Daughters of Wisdom as members of a worldwide Congregation of religious women participate in international meetings and works of the Congregation outside Great Britain and Ireland. Some have spent most of their active ministry in overseas territories while others participate in projects and initiatives in conjunction with Sisters from other entities. This collaboration supports Sisters throughout the Congregation in meeting needs of those who are marginalised, impoverished, exploited or who suffer the consequences of natural disasters. One Sister of the Delegation serves on the Congregation's International Committee for Justice, Peace and the Integrity of Creation. Another Sister from the Delegation has served throughout this period as Executive Director of UNANIMA International in New York which is affiliated to the United Nations. The ministry of another Sister from the Delegation is to serve as Assistant Director of the Congregation's Development Office which advises, coordinates and assists with funding applications to support the ministry and development work carried on by Sisters among the poorest people in developing countries of our world.

  The Delegation continues to support not only the members of the Delegation of Great Britain and Ireland, but also to remit funds to the Generalate to support the mission of the Congregation to the poorest and marginalised in under-developed and emerging communities in the various parts of the world where the Congregation is present. In 2020 requests for funding were received at lower values than in recent years, principally due to the overwhelming impact of the coronavirus epidemic limiting the projects scheduled to be undertaken. The Leadership Team chose to make donations totalling £42,150: £12,275 for the construction of a pavilion in a school in Madagascar and £29,875 for maternal and child health care facilities in the Democratic Republic of Congo.

  A donation of £8,984 (€10,000) was made to Sophia Housing Association in Ireland to support its ongoing work providing shelter, assistance and support to homeless people and for its work advocating on their behalf.

  The number of Sisters in the Delegation at 31 December 2020 was:-

| | | |
|---|---|---|
| Below UK state pension age (66yrs) | 2 | (2019: 3*) |
| Over pensionable age | 35 | (2018: 35*) |

  *In previous reports UK state pension age was considered to be 65yrs. These numbers have been updated to reflect the change to 66yrs.

  During this period none of the Sisters received salaries and only a few received a stipend, including the Sister whose ministry is based in New York. Any income received by the Sisters is covenanted to the Charity in accordance with their vow of poverty

**OBJECTIVES AND ACTIVITIES**

Throughout the Delegation the Sisters, mainly retired and on a voluntary basis, are involved in a diversity of ministries. In everything they do, the Sisters are communicating the message and voice of Wisdom. In every sphere of their activity they seek to work with people who are excluded from mainstream society, people who have been trafficked, abused, who are homeless or are drug addicts. All are invited to join Wisdom's banquet just as Jesus embodied in his very life the ultimate symbol of feeding the multitudes.

Typical examples of individual activities, which were necessarily limited last year, are:-

- Outreach to Caribbean and ethnic minority communities
- Visiting sick and housebound people in their homes
- Working with and on behalf of homeless people and refugees
- Hospital, Hospice and College Chaplaincy
- Spiritual accompaniment
- Parish visiting
- Pastoral ministry to people with intellectual disability
- Involvement in Justice and Peace Groups
- Supporting women working in prostitution
- Ecumenical and interfaith activities.

A Sister in England/Wales, a Sister in Ireland and a Sister in Scotland are appointed Safeguarding Representatives for the Delegation within their respective territories.

The Daughters of Wisdom are committed to continue enabling best practice in Safeguarding and note the findings of the Independent Inquiry into Child Sexual Abuse (IICSA) and the Elliott Review and the recommendations of Elliott. We are actively participating in discussions regarding the establishing of a new safeguarding model for Religious Congregations within the Church.

## ILLUSTRATIONS OF THE SISTERS' WORK

Set out below are some examples of the Sisters' ministries of which collaboration forms an important part. These illustrate the range of their work and the contribution which they make to society as a whole:-

- **Wisdom Centre, Romsey**

  Despite only being fully open for 11 weeks of 2020, much has been achieved. With expectations of a record financial year, the Centre began 2020 as planned with a healthy number of days in the calendar for catered Church groups, training organisations and NHS training days. Scheduled events for the first quarter took place as planned. However, as the pandemic spread it was clear that corporate groups, especially the NHS, would not be using the Centre to the extent that they had in recent years. During this year in particular the Wisdom Centre has relied on the commitment and flexibility of its staff team to continue to provide the vital and valued services that it offers. The Team are to be highly commended for all their effort in providing a Covid secure environment.

  During 2020 the Spirituality programme included "The Twelve Step Programme", "Wisdom's Tent: A Day of Wisdom Spirituality", and "St Brigid: A Day of Celtic Spirituality." Following a seven month pause the Centre was able to re-open and run days for "Encounters Along the Way", "Divine Nature in the Celtic Tradition", and an Advent day. Other spirituality groups included 'The Gift of Years', a monthly group on the spirituality of ageing. With great effort and creativity on the part of the staff, the weekly meditation group continued 'virtually' throughout the pandemic with videos and reflections, which were watched online by up to 500 people. Yoga continued but taking place in the Labyrinth during the seven months of closure; a new ministry, Chi Gung, has likewise been popular with older community members.

  The Centre has become a hub for mental health services which, regrettably, also had to pause at the end of March and sadly not all services resumed in July. However, a new ministry for the Centre is the 'Tree of Life Café', a front line NHS mental health service. It began in Autumn 2020 to support a growing need for community mental health services. As a venue for front line services, the Centre has continued and increased counselling services to six days a week, including services to abused women and children.

  At the end of the year the Wisdom Centre's 5* food hygiene rating was confirmed following an inspection by the local authority's environmental health inspectors, a significant achievement in all of the circumstances that we endured this year.

- **Marie Louise House, Romsey**

  Marie Louise House was built because the Sisters had a vision of the needs of the future and realised that there was a need to provide nursing care both for Sisters and for people in the area. Marie Louise House opened in June 2005 with accommodation for 46 residents. The initial 15-year lease to Health Care Management Trust (HMT) expired during the year but a new 10-year lease came into operation from the end of May 2020. At the end of 2020 four Sisters were resident in Marie Louise House.

  Marie Louise House is managed by the Healthcare Management Trust (HMT), a registered charity. It is open to people of all faiths and none. The Home is run on an ecumenical basis, so services are arranged with the different local church ministers and parishioners. Like so many other nursing homes the pandemic had a distressing effect on Marie Louise House. Despite the best efforts of HMT in securing supplies of Personal Protective Equipment and initiating a testing programme the home suffered a couple of COVID outbreaks during the year affecting both staff and residents. Sadly, a number of residents died after contracting the coronavirus. Visitors to Marie Louise House were severely limited during the year which was upsetting for staff and residents alike. The number of new admissions during the year was considerably lower than in previous years which together with the higher than normal number of deaths led to a drop in occupancy rates, with the knock on effect on the financial performance for the year. In 2020 Marie Louise House did not generate a surplus.

  During the year, a new Manager was appointed to succeed the previous Manager who resigned from the position in October 2019. After a short period in post the new Manager, due to personal circumstances, resigned. In November 2020, a new Manager was appointed and took up her position in January 2021. In October 2019, HMT appointed two senior members of staff, one as interim Manager and one as Clinical lead and who will remain in post till the registration of the new Manager is complete. The trustees are most grateful to them and to the senior Management of HMT for their excellent leadership and support during this most unprecedented time due to the pandemic. They are also most appreciative of the courage and dedication of all the staff.

  Long term plans for Marie Louise House

  In September 2019 an agreement was signed by the trustees committing to sell Marie Louise House to HMT subject to them securing planning permission for a 32 bed extension. The agreement included a new 10 year lease to cover any period between the expiry of the initial lease in May 2020 and the completion of the contract for sale. The planning application was submitted on 24th December 2019. As well as administrative delays caused by the disruption wrought by the pandemic the application has been delayed by an environmental issue within the Solent region that has delayed determination of a significant number of planning applications. At the balance sheet date there is as yet no clear resolution to the identified issue, though discussions among the local authorities affected are ongoing with signs that a positive outcome will be reached in the not too distant future.

- **'Amber' – ministry to vulnerable/exploited women in Southampton**

  'Amber', previously known as 'The Gate', is a Christian outreach project of the City Life Church based in Southampton. It is a chaplaincy service offered to women caught up in prostitution, offering to pray with them and for them, offering them support and empowerment to achieve their potential. One of the Sisters worked as a volunteer in the project in the early part of the year and the trustees have pledged to continue their ongoing financial support.

**SOPHIA HOUSING ASSOCIATION - Ireland**

Sophia Housing Association which is in partnership with Midlands Simon Community operates nationally in Ireland. It is a weaving of holistic support for marginalised people who are out of home which enables them to become aware of their own inner strength and potential so that they may participate fully in society. One Sister who is the founder of Sophia previously served as its Chair and continues to be a Board member; another Sister is also on the Board of Sophia. The work of Sophia is supported by numerous religious congregations in Ireland.

There is also a "Wisdom Centre" as part of the project in Cork Street, Dublin. The vision of the Wisdom Centre is to be a quiet space where people can get in touch with their own creative energy through a holistic programme which includes art, drama, music, sharing and reflection. The Wisdom Centre includes an innovative approach to the ministry of Sophia, which is about the physical, social, educational and spiritual needs of all persons. The Centre is used for those living within the project and shared within the wider community.

More recently the work of Sophia has expanded to include supporting refugees and asylum seekers in Ireland.

- **Facilities for people with intellectual disability in Ireland**

  At the start of the year one Sister provided pastoral care on a voluntary basis to the people who continue to live at and use the services for people with intellectual disability at Cregg House in Ireland. That work came to a temporary halt with the arrival of the pandemic. During the year under review, the number of residents at Cregg continued to decrease as the Health Service Executive (HSE) made limited progress in moving residents of Cregg to smaller homes in community settings. However, as the effects of the pandemic recede this work is likely to resume and by the end of 2021 there are likely to be few, if any, residents remaining at Cregg. In order to allow the process of moving residents into the community to continue smoothly the trustees agreed to extend the current HSE lease by another 12 months to expire in September 2021 and would be sympathetic to a further extension if it were to be requested.

  Alongside the residential and day services at Cregg House is St Cecilia's school for children with intellectual disability that was founded by the Sisters. The school provides education for students with moderate to severe intellectual disability and increasingly to children with severe autism whose needs cannot be met within mainstream education. The Delegation Leader continues to be Patron of St Cecilia's school and one Sister is on its Board of Management.

Disposal of land and facilities at Cregg, Ireland

Following a period of reflection and discussion about the long term plans for Cregg the trustees offered the property and land there for sale on the open market in June 2019. It had been anticipated that contracts for sale would be exchanged by the end of 2020, however delays arising from the coronavirus pandemic resulted in this being carried over into 2021. Terms have been agreed with final details very recently being clarified between the Delegation's and the purchaser's respective legal advisors. Contracts for the sale were signed by both parties in March 2021. As the contract for sale only becomes fully legally enforceable after it has been approved by the charity regulator in Ireland the trustees do not consider it appropriate to disclose its terms at this time. These will be reported in the 2021 report and accounts.

**UNANIMA**

UNANIMA is an international Non-Governmental Organisation (NGO) with United Nations status. UNANIMA International represents 21 religious Congregations and 22,000 religious worldwide and corresponds to the Daughters of Wisdom's objectives, namely to defend and empower women children, immigrants and refugees, and to live in harmony with creation and our environment. Its main function is to give voice in the corridors of power to those who are often overlooked and least well served by current programmes and policies. The Congregation Leadership Team recognised the parallels between UNANIMA's and its own ethos, vision and aspiration of spreading Wisdom values in our world. In 2016, having already served as a member of the Board of Directors of UNANIMA**,** at the request of the Congregational Leadership Team, a Sister was appointed as UNANIMA's Executive Director for 3 years from January 2017 and her mandate was extended for a further 3 years in 2020. Throughout this year she has directed the work of UNANIMA in conjunction with its Board of Directors relying on modern technology.

## GOVERNANCE, STRUCTURE AND MANAGEMENT

### Charitable Trust

In terms of Civil law, the Charity is governed by a trust deed dated 2 March 1964 and is a registered charity – Charity Registration No 234184 (England and Wales) Registration No SCO38165 (Scotland) and Registration No 20007140 (Ireland).

The accounts accompanying this report are the accounts of the Charitable Trust in which the assets of the Delegation of Great Britain and Ireland are held.

### The Delegation of Great Britain & Ireland

In June 2015 the Province of Great Britain & Ireland changed canonical status to that of a Delegation of the Congregation. This has no impact on the governance of the registered Charity, and the appointed trustees retain full control of and accountability for the Charity's assets, activities and expenditure. The day to day running of the Charity and care of the Sisters remains the responsibility of the Delegation Leader, Sr Maureen Seddon, and her Council. Sr Jean Butler has continued in her role as Delegation Treasurer.

### Trustees

The trustees of the registered Charity are appointed by the Delegation Leader of Great Britain and Ireland. The Delegation Leader is also a trustee.

The trustees are ultimately responsible for the policies, activities and assets of the Charity. They meet at least six times per year to review developments with regard to the Charity or its activities and make any important decisions, having regard to the Charity Commission's guidance on public benefit, in particular the specific guidance to charities on Advancement of Religion. When appropriate, the trustees seek advice and support from the Charity's professional advisers, property consultants, investment managers, solicitors and accountants.

Following their appointment, new trustees receive a number of training sessions from the Charity's professional advisers on aspects of the Charity's affairs and their role as trustees, including an introduction to the Charity Commission's publication "*Charity Governance Code"* and their legal and financial duties as trustees of a charity registered in England & Wales, Scotland and Ireland.

The Delegation is administered from Wisdom House in Romsey, Hampshire, where the Sisters also have a Spirituality/Conference Centre, the Wisdom Centre, which is open to people of all faiths and none.

## ENGLAND

During the year the Sisters of the Delegation lived in ten communities in the north east, north west and south of England.

Abbey House, the original foundation of the Congregation in England, is also the location of the miraculous cure of Sr. Gerard du Calvaire in 1927 and is an important part of the history of the Delegation. For the majority of the year there were 12 Sisters in the community. One full-time Care Coordinator and two part-time carers support the Sisters with their day-to-day needs and the community is assisted with cooking, cleaning and gardening services, all of whom provide a service and support to the Sisters that is highly valued by them.

Marie Louise House in Romsey is the nursing home owned by the Delegation but run as a separate entity by Healthcare Management Trust. Strong links are maintained between the community of Sisters in Marie Louise House and the other communities in Romsey. One Sister from the Delegation (living in Sophia Community in Romsey) is responsible for the pastoral care of the Sisters in Marie Louise House. Sisters from the Delegation can be accommodated in Marie Louise House should they need full time care and are also able to benefit from shorter stays there to assist with recuperation and recovery when needed. This year the opportunities for Sisters to visit Marie Louise House have been very limited but they hope to be able to resume visiting all of the residents and staff as soon as permitted by government and health authority regulations.

**GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)**

**IRELAND (North and South)**

Our Sister continues, albeit in a very limited way during the past year, to be involved in pastoral ministry to people with intellectual disability in Cregg Services, Sligo in the North West of Ireland that was previously run by the Sisters but is now being directly managed by the Health Service Executive (HSE). The presence of the Sisters provides a level of continuity and stability to the service users.

The Sisters are pleased to continue their involvement with St Cecilia's school, a specialist school for pupils with a range of intellectual disabilities for whom the school provides a stimulating, learning environment. The Principal and staff, supported by a Board of Management that includes a Daughter of Wisdom, value every pupil who attends the school and work intensely with each one to help them to achieve their full potential in an environment suited to their needs. The Delegation Leader is the Patron of St Cecilia's. During the year new trustees were appointed for the school and following discussion agreement was reached for the Bishop of Elphin Diocese to take on the patronage of St Cecilia's school when the Daughters of Wisdom cease to be the owners of the Cregg property. The Daughters of Wisdom will continue to be the freeholder of the school land which will operate under a long leasehold of the property. Should the school relocate or close in the future the leasehold interest would revert to the Daughters of Wisdom.

Sophia Housing Association Ltd., founded in Dublin in 1998 by the Daughters of Wisdom, continues to expand into other parts of Ireland. It also runs the Wisdom Centre in Dublin which hosts and facilitates workshops, retreats, and leadership courses for people from all faiths and none, who are looking for a peaceful place in which to reflect and dialogue. Two Sisters continue to serve on the Board of Sophia Housing Association.

One Sister in Northern Ireland is involved in the pastoral and social ministries of her local parish.

The Charity is registered with the Charities Regulatory Authority in Ireland, number 20007140.

**SCOTLAND**

Two Sisters in Scotland continue to be involved in a range of pastoral ministries. These include:-

- College and Hospice chaplaincy
- Visiting the sick, elderly and bereaved
- Serving on the Fairtrade Steering Group of Renfrewshire County council
- Eucharistic ministry - assisting with the services in the local parish
- Representative on the Bishops' Conference's Committee for Interreligious Dialogue

The Charity is registered with the Office of the Scottish Charities Regulator, charity number SCO39165.

The witness of the Sisters' religious life is complemented by the variety of their ministries and involvement in their local communities and parishes wherever they are present.

## EVENTS DURING 2020

### Coronavirus pandemic

In 2020 the world endured the most significant pandemic in living memory, and as with so many other people this had an impact on the life and ministry of the Daughters of Wisdom worldwide. It would be hard to overstate how much we were affected by it. In Romsey the trustees met regularly with the Management Team to ensure that all steps and precautions were being taken to protect both staff and Sisters, particularly those who were most at risk of serious complications were they to become infected.

Towards the end of March 2020 a decision was taken to suspend all activity in the Wisdom Centre and all other staff who were able to do so began to work from home. The trustees were grateful to have the support of the UK government's Coronavirus Job Retention Scheme (popularly known as the furlough scheme) to support the wages of staff who could not work remotely. The trustees decided to top up pay for staff who were on furlough to 100% of their normal salary and did so throughout 2020. In September most staff returned to the office and group activities resumed in the Wisdom Centre in a scaled down way. However this did not last as the coronavirus resurged in the autumn and by December activities had scaled down once more and staff resumed remote working. The trustees are grateful to the finance, admin and support staff for their flexibility and commitment during the upheavals of 2020 as they adapted to the changing situation whilst working to implement the changes brought about by the pandemic and keeping the essential elements of the organisation running smoothly.

The trustees are facing the next year with cautious optimism. Although the incidence of the virus was high at the end of 2020 it had receded significantly by the time of this report and vaccines were being distributed widely in the UK population. It is hoped to see a resumption of group activities and staff returning to the office by summer of 2021.

From March 2020 onwards the trustees held all their meetings online. Similarly, meetings with the General leadership team, investment managers and auditors took place online. One of the few benefits of the pandemic is that the trustees are able to meet regularly online with members of the Delegation. Formerly meetings usually took place face to face with each community but thanks to modern technology members of the Delegation can meet regularly.

### Assisted Living Communities: Abbey House (Romsey) & Montfort (Lytham St Anne's)

Throughout 2020 Sisters in Assisted Living Communities continued to be supported by the teams of carers and other staff. Thanks in no small part to the dedication and flexibility of the staff involved it was possible to maintain provisions and essential supplies for the Sisters. Movement of visitors and other people into the community was restricted and Sisters went out for essential journeys only. Although this may at times have seemed isolating for the Sisters concerned it did mean that they avoided the virus.

### Perpetual profession

During the year, a source of great joy for the Sisters in the Delegation was the perpetual profession of vows of one of the Sisters. Plans to mark the occasion with a celebration open to all members of the Delegation and members of her family had to be postponed due to coronavirus. One Sister made her perpetual profession during a mass celebrated with her community in Abbey House.

### St Joseph's Church, Romsey

During the previous year it had been agreed with the Diocese of Portsmouth to grant them a lease to continue to use St Joseph's Church for a further 10 years when the current lease expires in 2022. It had been expected that the terms of the new lease would have been finalised and agreed during 2020 but this too has been delayed by the pandemic. In the coming year we expect to finalise the lease with the Diocese and for this to be in place in advance of expiry of the current lease in February 2022.

**Jubilee Celebrations**

In 2020 four Sisters celebrated significant anniversaries of their first profession as a Daughter of Wisdom: one celebrated seventy years of Profession and three Sisters celebrated sixty years. The circumstances that prevailed during the year meant that these milestones were marked in a quieter way than normal. Each Sister celebrated with the Sisters of her community where this was possible, but all were honoured in remembrance, prayer and thanksgiving by all the Sisters of the Delegation and by the General Leadership Team.

**Pre-Novices**

During the year two young ladies from Poland came to join the Sophia community, Romsey, to further their discernment regarding a call to religious life. After a period of six weeks, they decided to return home.

**Deaths during the year**

During 2020 one Sister from the Delegation died in Southampton General Hospital. Her requiem Mass was celebrated in Abbey House followed by burial in Woodley cemetery in Romsey.

Deep appreciation and gratitude were expressed for Sister's long and fruitful life as a daughter of Wisdom.

## RISKS FACED BY THE CHARITY

### RISK REVIEW

The trustees, under the guidance of the Charity's auditors, have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced, in order that the necessary steps can be taken to lessen the risks.

During the prior year a risk register, covering all the major risks which the Charity is able to identify was updated and approved by the trustees. This will be reviewed annually.

A Health and Safety Policy, which includes a Fire Policy, has been drawn up and is implemented throughout the Delegation. Following recommendations of the Fire Officer, a maintenance programme to deal with these is now in place. Implementing these steps has ongoing financial implications.

- **Safeguarding**

In common with many religious charities who in the past have been involved in education and medical or social care the Charity is conscious that it may be susceptible to allegations of historic abuse. The Charity has in place a safeguarding policy relevant to its work in England, Scotland and Ireland. All members of the Charity are familiar with these policies and of the action required of them should any allegation of abuse be made to them. Each is aware that safeguarding is an integral part of the ministry they carry out in the name of the Congregation and the Church. The Charity has, with the assistance of its broker, maintained a level of insurance cover that provides protection against claims or actions arising from any such claims. Safeguarding is an agenda item at each Leadership Team meeting. Regular update training is undertaken by members of the Leadership Team in England or Ireland, as appropriate. Each Sister in the Delegation is regularly reminded of their responsibilities under the Delegation's and Congregation's Safeguarding Policy and is provided with an updated version of the policy following any substantive changes.

- **Investment performance**

The Charity continues to incur an operating deficit on its day-to-day operations but this is expected and the trustees are fully aware of the reasons and are satisfied that the charity has adequate reserves to meet its future financial needs. Income in recent years has been supported by the yield from the charity's investment portfolio which in 2020 amounted to £239,058 (2019: £309,711). The drop in yield from the portfolio is almost entirely explained by the cut in company dividends following the impact of the pandemic. These are not expected to return to pre-pandemic levels until the end of 2021 or perhaps 2022. In 2020 the loss of income was mitigated by the postponement of any major projects or repairs as it was not possible to carry these out during the pandemic. For future years the adjusted value of yield from the portfolio will be factored into the budget. However, it was noted that the recovery in value of the portfolio, closing above its opening value, supports the belief that the income from investments is likely to return to its previous value in around 12 months' time.

The trustees of the Charity review performance with their investment managers each quarter against their requirements for a balanced growth/income performance and industry benchmarks. They are content that for the time being at least the portfolio has an overweight in equities against its benchmark value as they are persuaded by the investment managers' view that bonds and gilts currently represent a poorer investment vehicle. The trustees are content that the investments performed well during 2020 considering all the unusual circumstances that the global economy has endured. They are relieved that the value of the portfolio recovered as well and as quickly as it did from the loss in value it suffered early in the year.

The trustees continue to have confidence in the investment managers and on the quality of information provided by them.

## FINANCIAL REVIEW

- **Results for the year**

A summary of the year's results can be found in the Statement of Financial Activities on page 18 of this report and accounts.

During the year ended 31 December 2020 total income amounted to £1,114,737 (2019: £1,424,894). Income was generally in line with expectations other than the investment portfolio income, as noted above. The Delegation continues to face a decline in recurring income as the number of Sisters reduces: only a few now receive regular stipends and none receives a salary. The value of funds on the balance sheet are also affected by the movement in the pound: euro exchange following the decision of the UK to leave the EU. Funds held in euros have been used during the year to make donations to the Congregation and other donations in non-sterling currencies, and therefore minimal gains or losses have crystallised during the year.

Expenditure of £1,666,922 (2019: £1,982,904) include a donation of £42,150 towards the Congregation's ongoing mission in emerging nations. Throughout the year, a number of Sisters were resident in Marie Louise House, for which a fee is paid to the home's managing company, Healthcare Management Trust: the average number of Sisters resident in Marie Louise House in 2020 was four.

The deficit of income for the year was, therefore, £262,624 (2019: £672,979 surplus). Investment gains this year amounted to £289,561 (2019: £1,230,989), reflecting the turmoil of global markets during the pandemic. Lower levels of income from investments was matched by a reduction in major works and repairs carried out during the year.

The Leadership Team resolved during 2016 that any communities that receive financial support from the Delegation for their ongoing living costs should no longer remit to the Delegation a portion of funds held by them at the end of the year. Communities that continue to have income greater than their needs still remit three quarters of their year-end surplus to support other communities in the Delegation.

The number of communities whose income is greater than they need has dropped dramatically in recent years, while the number of communities supported by central funds is increasing.

- **Financial position and reserves policy**

*Financial position*

At the end of the year to 31 December 2020 the total funds of the Charity were £19,223,874 (2019: £19,486,498). Of this some £8.9 million is represented by properties and other tangible fixed assets essential for the support and work of the Sisters.

£8.97 million was designated to meet the commitment to provide for the care of the older members of the Charity, which is part of the purpose of the Charity. In 2018 the trustees agreed to draw down from the fund to cover a portion of the nursing home fees for Sisters of the Delegation. Funds expended from the Designated Reserves totalled £137,335 (2019: £121,036) being 50% of the relevant fees with the balance being met from general funds. Nonetheless the trustees are resolved to restore the value of the fund to at least its previous level as and when funds become available in order that the care and health needs of the Sisters of the Delegation can be met in the future as required.

*Reserves policy*

This report demonstrates the range of activities which the Charity continues to carry out and the responsibility the Charity has for the care and support of its members.

All the Sisters have devoted the whole of their working lives to the Congregation and are dependent upon it for all their temporal material needs. Although Sisters invariably continue to perform charitable work long past normal retirement age if they are healthy enough to do so, the work is mainly non-remunerative and the Delegation must provide for their needs and in some cases nursing care.

## FINANCIAL REVIEW (continued)

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 not less than twelve months expenditure. At 31 December 2020 free reserves represented 3.5 months of expenditure, which the trustees believe is sufficient taking into account current plans and anticipated inflow of funds from disposal of properties that are likely to materialise in the next 12 to 24 months.

- **Key management personnel**

The trustees have identified the General Manager, the Finance Manager and the Wisdom Centre Manager as the key management personnel for the Charity as they directly influence day to day operation of the whole organisation and its main mission activity respectively. Total salary paid to these personnel was £132,795 in 2020 (2019: £129,975). The pay for these posts is set prior to appointment of the individuals paying particular regard to the market rate for equivalent posts in other charities and non-charitable organisations. A pay review for all members of staff, including management personnel, takes place annually during the budgeting cycle and is set principally with reference to cost of living and inflationary pressures balanced against the Charity's prudent management of its resources in the context of a deficit budget. In 2020 the salary review confirmed that there would be no increase to salaries for 2021.

## PLANS FOR FUTURE PERIODS

Within the framework of the Guidance on Public Benefit, the Charity works for the:-

- Advancement of religion
- Advancement of education
- Advancement of human rights, conflict resolution and reconciliation
- Promotion of respect for the gift of Creation

During the coming year and for the whole of the next three years the mission of the Congregation will be carried on under the banner of the theme of the General Chapter "Love without borders!". This will be the principle guiding all members of the Congregation as they strive to manifest in their lives the transforming love of God expressed through their Wisdom charism.

During 2021 the Charity will:-

- Continue the investment of further time, effort and resources into the ongoing spiritual and human development of the Sisters for mission
- Continue the development of the use of the Wisdom Centre, Romsey, alongside the use of the Labyrinth and other gardens which are open to the local community.
- Continue to further the mission of the Congregation internationally through serving as Executive Director of UNANIMA International and as Assistant Director of the Development Office.
- Jointly with other congregations and agencies develop the work of Sophia, Ireland, to promote the humanity and dignity of homeless and marginalised people
- Continue to review the Delegation property portfolio and dispose of surplus property
- Review its financial management, in particular its investment strategy and the designation of funds for care of its elderly members
- Participate in the review of safeguarding practice for religious orders within the Catholic Church to ensure that the Delegation's practice stays current, relevant and up to date
- Conclude, insofar as it is able, the disposal of Marie Louise House in Romsey to Healthcare Management Trust and Cregg House in Sligo to the prospective purchaser with whom negotiations are already proceeding.

## INVESTMENT POLICY

The Charity has a discretionary investment management agreement with Brewin Dolphin. The trustees meet with the fund managers once every three to four months and ensure that the fund is managed in accordance with their written guidelines and with the religious and ethical principles of the Charity

The investment objectives are:-

(a) to generate enough income to fund for the foreseeable future that part of the Charity's ongoing activities currently funded by investment income
(b) to maintain the real capital value of the investment fund in the long term

Asset allocation is benchmarked against the FTSE All Share Index weightings.

The optimism and market recovery of early 2020 were overturned when world stock markets were impacted by the largest pandemic in living memory. The opening value of £9,617,681 suffered a shock of a drop in value of over 20% in the first quarter of the year. Having reviewed this situation with the investment managers the trustees resolved that as there was no financial imperative to crystallise these losses they would continue to follow their investment strategy and take a longer term view of their investment performance. Additional meetings with the investment managers took place during the year to keep the trustees fully appraised of market movements and trends. Markets recovered more quickly than had been anticipated and during the remainder of the year the value of the investment portfolio recovered all of its losses and ended the year with an increase of £244,786 at £9,862,467.

The trustees continue to have every confidence in the investment managers to assist them in achieving their goal of a balanced growth and yield portfolio to support the Sisters' needs and mission in future years.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (Financial Reporting Standard 102).

Charity law 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 at the year end and of its income and expenditure during that year. In preparing the accounts, the Trustees are required to:-

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

Approved by the Trustees on 25 March 2021 and signed as authorised on their behalf by:

Sister Maureen Seddon D W.

Sister Maureen Seddon D. W.
Delegation Leader
Trustee

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CONGREGATION OF THE DAUGHTERS OF WISDOM

### Opinion

We have audited the financial statements of the Congregation of the Daughters of Wisdom for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related 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 December 2020 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) regulations.

### Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts 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' 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.

### 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 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient and proper 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 14, 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 environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to health and safety regulations, employment law, safeguarding regulations and Charity law, 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 Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to depreciation charges. Audit procedures performed by the engagement team included:
- Inspecting minutes of Trustees' meetings;
- Reviewing calculations for depreciation including reviewing estimated useful economic lives;
- 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;
- 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;
- Reviewing valuations of investments; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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
25 March 2021

10 Queen Street Place
London
EC4R 1AG

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

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**PROVINCE OF GREAT BRITAIN AND IRELAND**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

| | Notes | Unrestricted Funds General £ | Unrestricted Funds Designated £ | Total 2020 £ | Total 2019 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations, legacies and grants | 1 | 50,085 | - | 50,085 | 2,830 |
| Charitable activities | | 527,037 | - | 527,037 | 533,431 |
| Investments | 7 | 445,745 | - | 445,745 | 588,026 |
| Other | 2 | 91,870 | - | 91,870 | 300,607 |
| **Total income** | | 1,114,737 | - | 1,114,737 | 1,424,894 |
| **Expenditure on:** | | | | | |
| Raising funds | | 44,968 | - | 44,968 | 47,854 |
| Charitable activities | | | | | |
| . Communities | | 1,298,529 | 137,335 | 1,435,864 | 1,618,540 |
| . Education | | 3,463 | - | 3,463 | 2,186 |
| . Missions and grants | | 96,049 | - | 96,049 | 194,749 |
| . Development costs | | 86,578 | - | 86,578 | 119,575 |
| **Total expenditure** | 3 | 1,529,587 | 137,335 | 1,666,922 | 1,982,904 |
| **Net expenditure before net gains on investments** | | (414,850) | (137,335) | (552,185) | (558,010) |
| Net gains on investments | 7 | 289,561 | - | 289,561 | 1,230,989 |
| **Net income/(expenditure)** | | (125,289) | (137,335) | (262,624) | 672,979 |
| Transfers between funds | | - | - | - | - |
| **Net movements in funds** | | (125,289) | (137,335) | (262,624) | 672,979 |
| Total funds brought forward at 1 January 2020 | | 10,379,213 | 9,107,285 | 19,486,498 | 18,813,519 |
| **Total funds carried forward at 31 December 2020** | | 10,253,924 | 8,969,950 | 19,223,874 | 19,486,498 |

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

All income and expenditure derive from continuing activities. Details of comparative figures by fund are disclosed in note 13.

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**PROVINCE OF GREAT BRITAIN AND IRELAND**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2020**

| | Notes | 2020 £ | 2020 £ | 2019 £ | 2019 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 6 | | 8,865,968 | | 9,114,708 |
| Investments | 7 | | 9,862,467 | | 9,617,681 |
| | | | 18,728,435 | | 18,732,389 |
| **CURRENT ASSETS** | | | | | |
| Debtors | 8 | 43,549 | | 91,902 | |
| Cash at bank and in hand | | 847,109 | | 1,025,512 | |
| | | 890,658 | | 1,117,414 | |
| **CREDITORS:** amounts falling due within one year | 9 | (395,219) | | (363,305) | |
| **NET CURRENT ASSETS** | | | 495,439 | | 754,109 |
| **TOTAL NET ASSETS** | | | 19,223,874 | | 19,486,498 |
| **FUNDS** | | | | | |
| Unrestricted Funds | | | | | |
| - General Funds | | | 10,253,924 | | 10,379,213 |
| - Designated Funds | 10 | | 8,969,950 | | 9,107,285 |
| | 11 | | 19,223,874 | | 19,486,498 |

Approved by the Trustees on 25 March 2021 and signed as authorised on their behalf by:

Sister Maureen Seddon D.W.

Sister Maureen Seddon D.W
Delegation Leader
Trustee

The accompanying notes form part of these accounts.

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**PROVINCE OF GREAT BRITAIN AND IRELAND**

## STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED 31 DECEMBER 2020

| | 2020 | | 2019 | |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cash flows from operating activities:** | | | | |
| ***Net cash provided by (used in) operating activities*** | | (656,703) | | (1,034,464) |
| **Cash flows from investing activities:** | | | | |
| Dividends, interest and rents from investments | 445,745 | | 588,026 | |
| Proceeds from the sale of property, plant and equipment | 6,040 | | 210,000 | |
| Purchase of property, plant and equipment | (18,260) | | (23,269) | |
| Proceeds from sale of investments | 710,318 | | 1,366,513 | |
| Purchase of investments | (569,905) | | (1,575,507) | |
| Movement in cash held by investment managers | (95,638) | | 256,517 | |
| ***Net cash provided by (used in) investing activities*** | | 478,300 | | 822,280 |
| **Change in cash and cash equivalents in the reporting period** | | (178,403) | | (212,184) |
| **Cash and cash equivalents at the beginning of the reporting period** | | 1,025,512 | | 1,237,696 |
| **Cash and cash equivalents at the end of the reporting period** | | 847,109 | | 1,025,512 |

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| **Reconciliation of net income/(expenditure) to net cash flow from operating activities** | | |
| Net income/(expenditure) for the reporting period | (262,624) | 672,979 |
| Depreciation charge | 263,800 | 281,464 |
| Gains on sale of fixed assets | (2,840) | (210,000) |
| Gains on investments | (289,561) | (1,230,989) |
| Dividends, interest and rents from investments | (445,745) | (588,026) |
| Decrease/(increase) in debtors | 48,353 | (3,698) |
| Increase in creditors | 31,914 | 43,806 |
| **Net cash provided by/(used in) investing activities** | (656,703) | (1,034,464) |

| **Analysis of cash and cash equivalents** | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| Cash in hand | 847,109 | 1,025,512 |
| **Total cash and cash equivalents** | 847,109 | 1,025,512 |

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**PROVINCE OF GREAT BRITAIN AND IRELAND**

**ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Basis of preparation**
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**Preparation of accounts on a going concern basis**
The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The year just ended represented a significant challenge to the charity's long term financial strategy with the fall in value of its investment portfolio. However, with judicious and careful management of resources and with the assistance of government grants to assist with staff costs the charity was able to weather the storm relatively unscathed. It will continue to monitor carefully the impact on its activities of the Covid pandemic and other risks and will respond expeditiously to emerging trends in line with its risk management strategy. The trustees believe it is appropriate for the going concern basis to apply to the charity. The review of the charity's financial performance and reserves position gives the trustees every confidence that the charity remains a going concern for the foreseeable future.

**Covenanted salaries and pensions**
Members' salaries, pensions and superannuation are received under deeds of covenant and are stated inclusive of income tax but net of any deductions for Irish taxation, social security payments and contributions to occupational pension schemes.

**Donations and legacies**
Donations and legacies are recognised when receivable or when the Charity becomes legally entitled to them. Receipts of property, investments or other gifts in kind are included at market value.

**Other income**
All other income is accounted for when the charity becomes entitled to the income and the amount can be quantified with reasonable accuracy.

**Expenditure**
Expenditure on raising funds consists of investment management costs.

Charitable expenditure consists of all expenditure relating to the objects of the Charity. All costs are directly attributable to the activities under which they have been analysed.

Irrecoverable VAT is included with the category of expense to which it relates.

**Tangible fixed assets**
Land and buildings are stated at a Trustees' 1991 valuation plus subsequent additions at cost, allowance being made where buildings have been demolished. All other assets are included at cost.

Depreciation is calculated by the straight line method to write off the cost/value, less anticipated residual value, over the expected useful lives of assets as follows.

Depreciation is not provided on buildings under construction until they are completed and bought into use.

| | |
|---|---|
| Freehold and long leasehold buildings | 50 years |
| Furniture and equipment | 3 to 15 years |
| Computer equipment | 3 years |
| Motor vehicles | 4/5 years |

**Investments**
Quoted investments are valued at their closing middle market price on the balance sheet date and the gain or loss taken to 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.

All movements in value are shown in the Statement of Financial Activities.

**Designated funds**
The trustees have designated funds out of the unrestricted funds to provide for the Charity's commitment to provide for the retirement and care in old age and sickness of the Charity's members. Lump sums received from members' occupational pension schemes upon their retirement and transfers from general funds are credited to this fund together with income generated by designated investments.

**Foreign currencies**
Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Any exchange differences arising from the translation are dealt with in the Statement of Financial Activities.

**Pension scheme**
Contributions are made to a defined contribution pension scheme for staff. The contributions are charged to the Statement of Financial Activities when they become payable.

**Critical accounting judgements and key sources of estimation uncertainty**
In the application of the accounting policies, trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Judgements made by the trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and are discussed above.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

## 1. DONATIONS AND LEGACIES

| | 2020 £ | 2019 £ |
|---|---|---|
| Legacies | - | 1,717 |
| Donations | 2,565 | 1,113 |
| Furlough grants | 47,520 | - |
| | 50,085 | 2,830 |

## 2. OTHER INCOME

| | 2020 £ | 2019 £ |
|---|---|---|
| Non refundable deposit in relation to the disposal of Marie Louise House | - | 210,000 |
| Other income | 57,732 | 90,607 |
| Gains on disposal of fixed assets (see note 6) | 2,840 | - |
| Exchange rate gain | 31,298 | - |
| | 91,870 | 300,607 |

## 3. EXPENDITURE

| | Salaries £ | Depreciation £ | Other £ | 2020 £ | 2019 £ |
|---|---|---|---|---|---|
| ***Raising funds:*** | | | | | |
| Investment manager's fee | - | - | 44,968 | 44,968 | 47,854 |
| ***Charitable activities:*** | | | | | |
| . Communities | 320,211 | 263,800 | 851,853 | 1,435,864 | 1,618,540 |
| . Education | - | - | 3,463 | 3,463 | 2,186 |
| . Missions and grants | - | - | 96,049 | 96,049 | 194,749 |
| . Development costs | 46,104 | - | 40,474 | 86,578 | 119,575 |
| | 366,315 | 263,800 | 1,036,807 | 1,666,922 | 1,982,904 |

| | 2020 £ | 2019 £ |
|---|---|---|
| Missions and charitable grants comprise: | | |
| Generalate of the Congregation | 42,150 | 148,961 |
| Alms and other charitable donations | 53,899 | 45,788 |
| | 96,049 | 194,749 |
| Expenditure includes: | | |
| Auditor's remuneration - audit fee | 13,500 | 12,600 |

## 3. EXPENDITURE (continued)

**Comparative analysis 2019**

| | Salaries | Depreciation | Other | 2019 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| ***Raising funds:*** | | | | |
| Investment manager's fee | - | - | 47,854 | 47,854 |
| ***Charitable activities:*** | | | | |
| . Communities | 316,038 | 281,464 | 1,021,038 | 1,618,540 |
| . Education | - | - | 2,186 | 2,186 |
| . Missions and grants | - | - | 194,749 | 194,749 |
| . Development costs | 51,400 | - | 68,175 | 119,575 |
| | 367,438 | 281,464 | 1,334,002 | 1,982,904 |

## 4. STAFF COSTS

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| Wages and salaries | 333,342 | 323,061 |
| Social security | 20,278 | 20,397 |
| Other pension costs | 12,695 | 11,663 |
| Termination payment(s) | - | 12,317 |
| | 366,315 | 367,438 |

| | 2020 Number | 2019 Number |
|---|---|---|
| The average number of employees in the year was: | 27 | 27 |

No employee received in excess of £60,000 in either year.

Total remuneration for key management personnel for the year was £132,795 (2019: £129,975).

## 5. TRANSACTIONS WITH THE TRUSTEES

The Trustees of the Charity are all members of a Religious Order. They have taken vows of poverty under which they renounce all rights to a personal income and assets. They are therefore entirely dependent on the charity for all their living expenses. The Trustees do not receive any payments or benefits for carrying out their duties other than their living expenses which are met by the Charity, which they receive in their capacity as members of the Religious Order.

The charity owns a property which is let to the sibling of one trustee at a fair market rent. No rent was owing at the year end.

## 6. TANGIBLE FIXED ASSETS

| | Freehold Land and Buildings | | | | | |
|---|---|---|---|---|---|---|
| | General £ | Abbey House £ | Nursing Home and Wisdom House £ | Furniture and Fittings £ | Motor Vehicles £ | Total £ |
| **COST OR VALUATION** | | | | | | |
| At 1 January 2020 | 1,682,478 | 3,700,967 | 6,792,242 | 607,514 | 119,433 | 12,902,634 |
| Additions | - | - | - | 7,760 | 10,500 | 18,260 |
| Disposals | - | - | - | - | (24,455) | (24,455) |
| At 31 December 2020 | 1,682,478 | 3,700,967 | 6,792,242 | 615,274 | 105,478 | 12,896,439 |
| **DEPRECIATION** | | | | | | |
| At 1 January 2020 | 664,532 | 492,407 | 1,953,361 | 577,242 | 100,384 | 3,787,926 |
| Charge for year | 33,650 | 74,019 | 135,845 | 12,119 | 8,167 | 263,800 |
| Disposals | - | - | - | - | (21,255) | (21,255) |
| At 31 December 2020 | 698,182 | 566,426 | 2,089,206 | 589,361 | 87,296 | 4,030,471 |
| **NET BOOK VALUE** | | | | | | |
| At 31 December 2020 | 984,296 | 3,134,541 | 4,703,036 | 25,913 | 18,182 | 8,865,968 |
| At 31 December 2019 | 1,017,946 | 3,208,560 | 4,838,881 | 30,272 | 19,049 | 9,114,708 |

Included in General Freehold Land and Buildings above are leasehold buildings with a cost of £281,911 and net book value of £146,923. The depreciation charge during the year was £5,639. There were no additions or disposals during the year.

## 7. INVESTMENTS

| | 2020 £ | 2019 £ |
|---|---|---|
| Opening market value | 9,617,681 | 8,434,215 |
| Additions | 569,905 | 1,575,507 |
| Disposals (sale proceeds) | (710,318) | (1,366,513) |
| Net investment gains | 289,561 | 1,230,989 |
| Movements in cash | 95,638 | (256,517) |
| Closing market value | 9,862,467 | 9,617,681 |
| Cost of investments - At 31 December | 7,141,560 | 6,980,976 |

**Analysis of Investments Held**

| | Quoted Investments £ | Unquoted Investments £ | Total 2020 £ | Total 2019 £ |
|---|---|---|---|---|
| Quoted Investments: | | | | |
| Government Stocks | 1,088,141 | - | 1,088,141 | 1,153,154 |
| Unit Trusts and Investment Trusts | 960,882 | - | 960,882 | 837,801 |
| Ordinary Shares | 7,227,385 | - | 7,227,385 | 6,996,995 |
| Property | 381,492 | - | 381,492 | 522,079 |
| Unquoted Investments: | | | | |
| Pension Scheme Deferred Annuity Contracts | - | 21,434 | 21,434 | 20,157 |
| Portfolio Cash | - | 183,133 | 183,133 | 87,495 |
| **TOTAL INVESTMENTS** | 9,657,900 | 204,567 | 9,862,467 | 9,617,681 |

**Investment Income**

| | 2020 £ | 2019 £ |
|---|---|---|
| Listed investments | 239,058 | 309,711 |
| Portfolio and other cash and bank deposits | 1,331 | 993 |
| Share of surplus/interest | - | 82,663 |
| Rental income | 205,356 | 194,659 |
| | 445,745 | 588,026 |

## 8. DEBTORS

| | 2020 £ | 2019 £ |
|---|---|---|
| Accrued income | 14,503 | 59,183 |
| Sundry debtors and prepayment | 29,046 | 32,719 |
| | 43,549 | 91,902 |

## 9. CREDITORS: amounts falling due within one year

| | 2020 £ | 2019 £ |
|---|---|---|
| Amounts held on behalf of Sisters | 266,306 | 266,306 |
| Other creditors and accruals | 128,913 | 96,999 |
| | 395,219 | 363,305 |

## 10. DESIGNATED FUND

### Retirement Fund

This fund has been designated to provide for the Charity's commitment to provide for the retirement and care in old age and sickness of the Congregation's members. Lump sums received from members' occupational pension schemes upon their retirement and transfers from General Funds are credited to this fund. A review of the Congregation's membership has indicated that a fund of at least £9.5m would be required to finance fully the Charity's commitment to provide care for its elderly members. Towards this requirement, the Trustees, in 1999, designated to this fund the charity's investment portfolio. The level of the Charity's funds and of its commitment will be kept under review by the Trustees and further designations will be considered.

| Analysis of Movements - 2020 | At 1 January 2020 £ | Expenditure £ | At 31 December 2020 £ |
|---|---|---|---|
| Retirement Fund | 9,107,285 | (137,335) | 8,969,950 |

| Analysis of Movements - 2019 | At 1 January 2019 £ | Expenditure £ | At 31 December 2019 £ |
|---|---|---|---|
| Retirement Fund | 9,228,321 | (121,036) | 9,107,285 |

## 11. ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2020

| | Unrestricted Funds | | |
|---|---|---|---|
| | General Fund | Retirement Fund | Total |
| | £ | £ | £ |
| **Fund balances at 31 December 2020 are represented by:** | | | |
| Tangible fixed assets | 8,865,968 | - | 8,865,968 |
| Investments | 892,517 | 8,969,950 | 9,862,467 |
| Current assets | 890,658 | - | 890,658 |
| Current liabilities | (395,219) | - | (395,219) |
| **Total net assets** | 10,253,924 | 8,969,950 | 19,223,874 |
| **Unrealised gains included above** | | | |
| On listed investment assets | | | 2,720,907 |
| **Reconciliation of movements in unrealised gains on investments** | | | |
| Unrealised gain at 1 January 2020 | | | 2,636,705 |
| Add: amount in respect of disposals in year | | | (263,150) |
| | | | 2,373,555 |
| Unrealised gains on revaluations in the year | | | 347,352 |
| **Unrealised gains at 31 December 2020** | | | 2,720,907 |

## 12. ANALYSIS OF NET ASSETS BETWEEN FUNDS – 2019

| | Unrestricted Funds | | |
|---|---|---|---|
| | General Fund | Retirement Fund | Total |
| | £ | £ | £ |
| **Fund balances at 31 December 2019 are represented by:** | | | |
| Tangible fixed assets | 9,114,708 | - | 9,114,708 |
| Investments | 510,396 | 9,107,285 | 9,617,681 |
| Current assets | 1,117,414 | - | 1,117,414 |
| Current liabilities | (363,305) | - | (363,305) |
| **Total net assets** | 10,379,213 | 9,107,285 | 19,486,498 |
| **Unrealised gains included above** | | | |
| On listed investment assets | | | 2,636,705 |
| **Reconciliation of movements in unrealised gains on investments** | | | |
| Unrealised gain at 1 January 2019 | | | 1,435,447 |
| Add: amount in respect of disposals in year | | | 35,503 |
| | | | 1,470,950 |
| Unrealised gains on revaluations in the year | | | 1,165,755 |
| **Unrealised gains at 31 December 2019** | | | 2,636,705 |

## 13. ACTIVITIES BY FUND IN PREVIOUS YEAR

| | Notes | Unrestricted Funds General £ | Unrestricted Funds Designated £ | Total 2019 £ | Total 2018 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 1 | 2,830 | - | 2,830 | 581 |
| Charitable activities | | 533,431 | - | 533,431 | 571,680 |
| Investments | 7 | 588,026 | - | 588,026 | 585,850 |
| Other | 2 | 300,607 | - | 300,607 | 262,494 |
| **Total income** | | 1,424,894 | - | 1,424,894 | 1,420,605 |
| **Expenditure on:** | | | | | |
| Raising funds | | 47,854 | - | 47,854 | 48,138 |
| Charitable activities | | | | | |
| . Communities | | 1,497,504 | 121,036 | 1,618,540 | 1,604,426 |
| . Education | | 2,186 | - | 2,186 | 4,171 |
| . Missions and grants | | 194,749 | - | 194,749 | 158,886 |
| . Development costs | | 119,575 | - | 119,575 | 97,257 |
| **Total expenditure** | 3 | 1,861,868 | 121,036 | 1,982,904 | 1,912,878 |
| **Net expenditure before net gains/(losses) on investments** | | (436,974) | (121,036) | (558,010) | (492,273) |
| Net gains/(losses) on investments | 7 | 1,230,989 | - | 1,230,989 | (829,949) |
| **Net income/(expenditure)** | | 794,015 | (121,036) | 672,979 | (1,322,222) |
| Transfers between funds | | - | - | - | - |
| **Net movements in funds** | | 794,015 | (121,036) | 672,979 | (1,322,222) |
| Total funds brought forward at 1 January 2019 | | 9,585,198 | 9,228,321 | 18,813,519 | 20,135,741 |
| **Total funds carried forward at 31 December 2019** | | 10,379,213 | 9,107,285 | 19,486,498 | 18,813,519 |

## 14. RELATED PARTY TRANSACTIONS

There were no related party transactions in the current or preceding year.

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**PROVINCE OF GREAT BRITAIN AND IRELAND**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**These pages do not form part of the statutory financial statements.**

| | Province £ | Houses £ | 2020 Total £ | 2019 Total £ |
|---|---|---|---|---|
| **INCOME** | | | | |
| Salaries and stipends | - | 56,539 | 56,539 | 52,105 |
| **Pensions** | | | | |
| Superannuation | 67,039 | 88,202 | 155,241 | 156,103 |
| State pensions | 99,083 | 205,254 | 304,337 | 298,821 |
| Attendance allowance | 1,725 | 3,090 | 4,815 | 6,059 |
| Mobility allowance | - | 1,494 | 1,494 | 3,229 |
| Private Pension receipt | 4,611 | - | 4,611 | 17,114 |
| | 172,458 | 298,040 | 470,498 | 481,326 |
| **Investment income** | | | | |
| Rented properties | 205,356 | - | 205,356 | 194,659 |
| Quoted investments | 239,058 | - | 239,058 | 309,711 |
| Bank deposit interest – general | 1,318 | 13 | 1,331 | 993 |
| H.M.T. share of surplus and interest | - | - | - | 82,663 |
| | 445,732 | 13 | 445,745 | 588,026 |
| **Donations and legacies** | | | | |
| Legacies | - | - | - | 1,717 |
| Other donations | 250 | 2,315 | 2,565 | 1,113 |
| Furlough grants | 47,520 | - | 47,520 | - |
| | 47,770 | 2,315 | 50,085 | 2,830 |
| **Other income** | | | | |
| Exchange rate gains | 31,298 | - | 31,298 | - |
| Wisdom Centre income | 55,226 | - | 55,226 | 83,684 |
| Chez Nous income | 1,485 | - | 1,485 | 3,880 |
| Miscellaneous income | 1,010 | 11 | 1,021 | 3,043 |
| | 89,019 | 11 | 89,030 | 90,607 |
| **Total income (excluding surplus on disposal of fixed assets)** | 754,979 | 356,918 | 1,111,897 | 1,214,894 |
| **Total expenditure (pages 32 and 33)** | (1,260,799) | (406,123) | (1,666,922) | (1,982,904) |
| **Net expenditure before investment gains and exceptional items** | (505,920) | (49,105) | (555,025) | (768,010) |
| **Surplus on disposal of tangible fixed assets** | 2,840 | - | 2,840 | 210,000 |
| **Net expenditure before investment gains** | (503,080) | (49,105) | (552,185) | (558,010) |

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

## CHARITABLE EXPENDITURE

## FOR THE YEAR ENDED 31 DECEMBER 2020

**These pages do not form part of the statutory financial statements.**

| | Province | Houses | 2020 | 2019 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Charitable activities** | | | | |
| **OCCUPANCY** | | | | |
| Insurances | 4,316 | 7,389 | 11,705 | 9,945 |
| Rents | 35,747 | 4,523 | 40,270 | 48,903 |
| Repairs and maintenance | 30,832 | 40,973 | 71,805 | 83,476 |
| Council tax | 6,554 | 10,619 | 17,173 | 17,760 |
| Water rates | 422 | 5,168 | 5,590 | 4,223 |
| Gas and electricity | 6,841 | 39,183 | 46,024 | 50,596 |
| Other | 895 | 19,265 | 20,160 | 21,852 |
| Depreciation | 255,633 | - | 255,633 | 272,397 |
| | 341,240 | 127,120 | 468,360 | 509,152 |
| **COMMUNITY** | | | | |
| Sisters' personal allowances | 917 | 48,040 | 48,957 | 61,612 |
| Food | 768 | 68,425 | 69,193 | 80,817 |
| Household | 2,092 | 45,639 | 47,731 | 53,836 |
| Medical | 107 | 34,250 | 34,357 | 30,649 |
| Nursing home charges | 274,670 | - | 274,670 | 242,073 |
| Nursing care costs | 1,912 | 912 | 2,824 | 2,245 |
| Funeral and expenses | 6,786 | - | 6,786 | 9,822 |
| Retreat/holidays | 589 | 5,970 | 6,559 | 17,793 |
| | 287,841 | 203,236 | 491,077 | 498,847 |
| **ALMS AND DONATIONS** | | | | |
| Given to missions | 42,180 | 583 | 42,763 | 149,926 |
| Given as general donations | 22,904 | 28,142 | 51,046 | 42,568 |
| Masses stipends | 955 | 1,285 | 2,240 | 2,255 |
| | 66,039 | 30,010 | 96,049 | 194,749 |
| **TRAVEL** | | | | |
| Travel fares | 3,064 | 25,274 | 28,338 | 58,236 |
| Motor expenses – insurances | 1,016 | - | 1,016 | 1,101 |
| Depreciation | 8,167 | - | 8,167 | 9,067 |
| | 12,247 | 25,274 | 37,521 | 68,404 |
| Carried forward | 707,367 | 385,640 | 1,093,007 | 1,271,152 |

**THE CONGREGATION OF THE DAUGHTERS OF WISDOM**
**PROVINCE OF GREAT BRITAIN AND IRELAND**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)**

**CHARITABLE EXPENDITURE**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**These pages do not form part of the statutory financial statements.**

| | Province £ | Houses £ | 2020 £ | 2019 £ |
|---|---|---|---|---|
| Brought forward | 707,367 | 385,640 | 1,093,007 | 1,271,152 |
| **LEGAL AND PROFESSIONAL** | | | | |
| Professional fees | | | | |
| Less allocated to management and administration and | 113,350 | - | 113,350 | 190,195 |
| Investment managers' fees (See below) | (60,028) | - | (60,028) | (63,824) |
| | 53,322 | - | 53,322 | 126,371 |
| **OTHER** | | | | |
| Wages, salaries, tax and NI | 318,355 | 1,856 | 320,211 | 316,038 |
| To DSS sisters NI contributions and pension contributions | 318 | - | 318 | 318 |
| Bank charges/card fees | 402 | 1,529 | 1,931 | 1,925 |
| Courses, education | 3,073 | 390 | 3,463 | 2,186 |
| Conferences and retreats | 551 | (151) | 400 | 7,402 |
| Associations/subscriptions | 2,641 | 42 | 2,683 | 3,445 |
| Library | 55 | 6,355 | 6,410 | 7,748 |
| General office expenses and small repairs | 7,215 | 10,575 | 17,790 | 18,995 |
| Exchange loss | - | - | - | 34,854 |
| Safeguarding and advertising | 8,893 | (113) | 8,780 | 9,071 |
| HMT share of surplus adjustment | 12,001 | - | 12,001 | - |
| | 353,504 | 20,483 | 373,987 | 401,982 |
| **DEVELOPMENT COSTS** | | | | |
| Leadership expenses | 2,169 | - | 2,169 | 19,193 |
| Provincial House, Chez Nous & Leadership | 17,355 | - | 17,355 | 18,557 |
| The Cottage, Sligo expenses | 816 | - | 816 | 973 |
| Formation, pastoral care & pre-novincial | 850 | - | 850 | 2,272 |
| Wisdom Centre expenses | 19,284 | - | 19,284 | 27,180 |
| Wisdom Centre salaries | 46,104 | - | 46,104 | 51,400 |
| | 86,578 | - | 86,578 | 119,575 |
| Investment managers' fees | 44,968 | - | 44,968 | 47,854 |
| **Costs of raising funds** | 44,968 | - | 44,968 | 47,854 |
| **MANAGEMENT AND ADMINISTRATION** | | | | |
| Audit and accountancy: haysmacintyre | 15,060 | - | 15,060 | 15,970 |
| **TOTAL EXPENDITURE** | 1,260,799 | 406,123 | 1,666,922 | 1,982,904 |