

Charity registration number 234201

**THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD
PROVINCE)**

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Sr. M J Mikol Sr. B Wiecek Sr. M Czerniak Sr. S Tupaj Sr. R Lofek	(Appointed 27 April 2023) (Appointed 27 April 2023)
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Charity number	234201
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Independent examiner	AEL Markhams Ltd 2nd Floor 201 Haverstock Hill Belsize Park London United Kingdom NW3 4QG
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Bankers	Barclays Bank plc Enfield Branch 20 The Town Enfield Middlesex EN2 6LY Metro Bank 1 Southampton Row London WC1B 5HA
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Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE Stone King LLP 13 Queen Square Bath BA1 2HJ
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THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

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THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Trust Establishment

The Sisters of the Holy Family of Nazareth (Good Shepherd Province) is a religious trust governed by a Trust Deed dated 3rd April 1964 and is registered with the Charity Commission, Charity Registration No. 234201.

Incorporation

While the Charity is unincorporated, the Trustees are incorporated. This allows the property owned by the Charity to be legally registered in the name of the Charity rather than the individual Trustees.

Charity Contact Details

The Sisters of the Holy Family of Nazareth (Good Shepherd Province)
52 London Road
Enfield,
Middlesex
EN2 6EN
Tel: 020 8363 4483
Email: smjm@csfn.cc

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

OBJECTIVES, AIMS AND PRIORITIES

Charitable Objects

The Trust Deed of 3rd April 1964 states the objects of the Charity as:

"Such charitable purposes which advance the religious and other charitable work for the time being carried on by or under the direction of The Society". The Society refers to the women known as the Sisters of the Holy Family of Nazareth (Good Shepherd Province), a part of the international religious congregation known as the Sisters of the Holy Family of Nazareth.

Aims of the Charity

The principal aim of the Charity is the support of such charitable purposes as to advance the religious and other charitable work carried on by the congregation of The Sisters of the Holy Family of Nazareth (Good Shepherd Province) in accordance with its mission. Such purposes include the advancement of the Roman Catholic religion, the advancement of education, the witness to Christian values, caring for families, the elderly and the needy, and the promotion of justice and peace.

Priorities

In 2023 the Charity continued to focus on the following areas:

- (i) Providing care and improved housing for the elderly.
- (ii) Supplying personnel to parishes and schools to support pastoral and educational services.
- (iii) Contributing to the educational and cultural advancement of children and adults, especially migrants.
- (iv) Making space, facilities and support available to organisations whose work aligns and supports the charitable objectives of the Charity and the Charity Commission public benefit guidance.

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

ACTIVITIES

The Trustees regard the Charity as a public benefit entity and have given due regard to the guidance on public benefit issued by the Charity Commission. The activities of the Charity are carried out for the public benefit, focusing on the advancement of the religious and other charitable work carried out by the Sisters of the Holy Family of Nazareth (Good Shepherd Province), located in England. The activities are undertaken through the volunteer work and services provided by members of the congregation and others who devote time and effort to support them. A broad range of unpaid charitable activities are undertaken as outlined below:

Promotion of Religion

(i) Provision of a place of worship

The Charity provides a chapel for public worship in Enfield. The Maronite community has regular weekly Masses and the local public attend weekday services.

(ii) Raising awareness and understanding of religious beliefs and practices

The members of the Religious Order supporting the Charity are available for consultation, lead parish groups and offer support to catechetical parish programmes.

(iii) Promotion of prayer and praise and organisation of religious devotions

Morning masses are open to the public three times per week as well as adoration of the Blessed Sacrament. On special feast days additional services take place.

(iv) Maintenance of public religious burial places

The members of the Religious Order deal with the maintenance of graves owned by the Charity.

(v) Provision and maintenance of religious artefacts and items used in religious services or practices

Vessels and items required for church services are kept in usable order and prepared for use on a daily basis in the Charity chapel and the local Catholic parish.

(vi) Production, performance and promotion of religious musical narratives

The Charity provides personnel who organise and implement religious musical events working with children and adults in groups and choirs.

(vii) Organisation of cultural and community activities provide in the place of worship and in the Charity's facilities

The Charity facilitates the organisation of events and makes facilities available for migrants and other groups, to promote cultural cohesion.

Promotion of Education

The support for organisations offering education of children, youths and adults is a key aspect of the work of the Charity.

(i) Support for the work of education establishments which provide education in accordance with the principles and practices of Catholicism

The Religious Order managing the Charity appointed three of its members to three Catholic schools (St Thomas More School, St Vincent's Catholic Primary and Our Lady Catholic High School) to engage in educational activities.

(ii) Funding for education and books

Financial support was given to undertake English language programmes of study.

(iii) Organisation of playgroups

Informal educational activities are organised by the Charity in its facilities, focussing on the needs of migrant families.

(iv) Facilitation of out-of-school education and activities in music, such as choirs

Once a week the Polish Choir, comprised of youth and adults, meet to learn, practice and prepare for church and public performances. In addition, the Charity provided online and onsite music classes for migrants, including voice projection and conducting.

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Promotion of Education continued

(v) Offering support for students with disabilities

Charity personnel work on a part-time basis in St Anne's Primary School supporting the educational development of children with disabilities.

Relief of those in need

(i) Care services for the elderly

The Charity is responsible for the care, accommodation and provision of all services for the elderly members of the Enfield community. Two members of the community provide full-time care. The Sisters supporting the work of the Charity take Holy Communion to the elderly, the sick and housebound on a regular basis; several act as Extraordinary Ministers of Holy Communion at Convent parish Masses.

(ii) Visiting the sick and accompanying the homely

Sisters supporting the work of the Charity visit the sick, ex-students and parishioners in their own homes and in Nursing and Residential Homes.

(iii) Encouragement and support of pastoral work

One Sister provides ongoing outreach assistance through two groups, a Social and Bereavement Group and a Prayer Group, linked with the local parish facilities.

Relief of Poverty

(i) Re-evaluation of the use of the Charity properties to provide housing for those experiencing the consequences of poverty

Ongoing planning for the use of the property continues. The focus is on the renovation of existing buildings to ascertain how much space is required by the current resident community and how much space could be divested for future rental rooms for low wage earners.

(ii) Grants of money

Financial assistance and food was provided to individuals for basic needs.

(iii) Provision of items such as furniture, bedding, clothing, food and appliances

There was a limited distribution of goods to individuals and charity shops.

(iv) Provision of facilities, services and support

The Charity's chapel is open to the public and migrant groups for church services and prayer at specified times. Adjacent facilities and the outside garden are used for meetings, playgroups, choir rehearsals, classes and related Charity activities. The members of the Religious Order resident in the Charity facilities provide a listening ear for the lonely and confused and those struggling with life's challenges.

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

ACHIEVEMENTS AND PERFORMANCE

The Charity continues to provide a wide variety of charitable services to the local community, its institutions, groups such as migrants and individuals faced with difficult circumstances. It is not easy to assess the Charity's performance as the benefits are often intangible.

In presenting this report on achievements and performance, the following examples are provided featuring the main achievements and performance areas, which can be partially characterised by rates of participation, annual retention rates and the public demand for services. The continuing requests from individuals and organisations for the Charity's services gives witness to the recognition of the usefulness of the support provided.

Outcomes in the promotion of religion

Facilities have been provided for engagement in worship and praise services for a range of groups. Annually between 1,800-2,000 persons attend the Sunday Maronite masses; between 1,500-2,000 persons from the local community participate in the weekday masses; and approximately 750 persons attend the adoration services. The rate of participation in these devotional services increased steadily over the year.

Religious focused cultural and recreational activities have been organised on a weekly basis for children, focussing on Polish migrant groups. Building interaction among children has brought together families who have developed supportive and cultural links supportive of promoting family and community bonds. Up to 25 children meet twice a month to participate in these activities.

Up to 20 children and adults are tutored weekly by Charity personnel, professionally equipped to prepare choirs for engagement in liturgical services and other religious oriented events. This preparation not only exposes participants to engage in a variety of religious and cultural settings but improves the quality of musical input in religious services. Parish clergy are assisted by the provision of Charity personnel who maintain and set up religious items and liturgical clothing used on a daily basis in religious services.

Outcomes in the promotion of education

The Charity promotes education through the provision of funds for educational courses and books, currently for English language learning. Such assistance was provided to migrants engaged in the work of the Charity, assisting them and the Charity to provide improved work output. This assists not only the Charity but also its clientele.

The Religious Order sponsoring the work of the Charity supports its objectives through the provision of three religious Sisters who engage in teaching activities at three schools: St Thomas More School, St Vincent's Catholic Primary and Our Lady Catholic High School. Their combined enrolment totals approximately 2,300 students. These organisations benefit from the teaching expertise of the Sisters in the areas of music, education for the disadvantaged and assistance in literacy improvement. Equally important are the benefits accrued to individual pupils academically and through pastoral support.

Outcomes in the promotion of relief of those in need

The main work of the Charity related to relief of those in need embraces the provision of full-time care of elderly Sisters, and those with particular needs. The benefits of this activity is self-explanatory for the persons concerned and known as standard practice in the care sector. In addition, the Charity provides Eucharistic ministers to those living at home, in hostels, in care homes and in the local parish. This service affects over 5,000 persons a year. These provisions often provide spiritual accompaniments and consolation.

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

ACHIEVEMENTS AND PERFORMANCE continued

Outcomes in the relief of poverty

The Charity, through its provision of money, goods, facilities, services and providing a listening ear, does what it can to respond to critical incidents according to its available resources. While rarely is this form of charity adequate to respond to the level of present needs, it is a step in the chain of assistance required in many situations. Often it provides a link for those in need in identifying other options for assistance in the longer term. Helping others is a demonstration of our faith and commitment to be a supportive presence in the lives of others, spiritually, educationally, socially and financially.

FINANCIAL REVIEW

The main Charity resources in England continue to be provided by the salaries and retirement pensions of the Sisters; they are covenanted to the Charity. There have not been any new appointments to England in 2023.

The statement of financial activities shows that incoming resources in 2023 decreased by £59,250 to £222,663 from £281,913 in 2022.

The total funds for the year decreased by £99,905 to £7,398,593 from £7,498,498 in 2022.

Reserves Policy

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to a minimum of two years total expenditure. Based on an annual average of approximately £365,000 per annum over the last five years, this equates to £730,000. The Trustees consider maintaining the reserves at this level to ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year. At the end of 2023 the Charity held free reserves of £620,706 (2022 - £576,995) in equity investments and £153,547 (2022 - £301,720) in the bank and cash reserves.

The Charity did not hold any restricted funds at the year end date (2022 £nil).

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Nature of Governing Document

The Charity was established by a charitable Trust Deed on 3rd April 1964. On 24 June 2015, the governing document was amended so as to redefine 'the Society' and 'the Superior' as follows:

"1(A) "the Society" means the voluntary association of women known as the Good Shepherd Province of the Sisters of the Holy Family of Nazareth and any subsequent province formed canonically by the aggregation, merger or union of the Good Shepherd Province, or any successor province, with another province or other provinces."

"1(B) "the Superior" means the person for the time being holding the office of Provincial Superior of the Society and during any vacancy in such office or when the person holding such office is unable to carry out any of the functions thereof includes the person or persons who under the canonical constitutions of the Society is or are for the time being entitled to carry out such functions and, in default of such person, the Superior General of the Congregation of the Holy Family of Nazareth."

The Trustees applied to the Charity Commission to become a body corporate under the power given in section 251 of the Charities Act 2011. On 29 September 2015, the Charity Commission granted a certificate of incorporation of the Trustees.

Organisational structure

The Congregation of the Sisters of the Holy Family of Nazareth is an international religious order divided into a number of separate provinces and regions. Since March 2003, the Sisters in England function as part of the Good Shepherd Province. The Province is comprised of the congregation in France and Italy, as well as England, and is administered by a Provincial Superior and her council. To reflect the new international structure, in 2015 the Charity registered a name change at the Charities Commission. Since 24 June 2015, the Charity is now officially named; The Sisters of the Holy Family of Nazareth (Good Shepherd Province).

In the Congregation's organisational chart, the international governance body of the Congregation of the Sisters of the Holy Family of Nazareth is known as the General Administration whose offices are located in Rome, Italy. This administration holds office until July 2028. Under the General Administration are the Congregation's provinces, each administered by a Provincial Superior and her Council. Jesus the Good Shepherd province, which embraces England, France and Italy has its offices in Rome, Italy. The Charity is located in Enfield, Middlesex, in the United Kingdom.

Administration and Management of the Charity

The Chair of the Trustees as well as the Trustees, are appointed from members of the Sisters of the Holy Family of Nazareth (Good Shepherd Province). The administrative work of the Charity relies on the appointment of three members of the Congregation to administer the business and management of the Charity.

One Sister serves as the Chair of Trustees, a second as Coordinator of the Local Community and the third as Accounts Manager or bursar.

Sr. M J Mikol	
Sr. A Flak	(Resigned 27 April 2023)
Sr. B Wiecek	
Sr. M Stempko	(Resigned 27 April 2023)
Sr. M Czerniak	
Sr. S Tupaj	(Appointed 27 April 2023)
Sr. R Lofek	(Appointed 27 April 2023)

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Recruitment and appointment of Trustees

Trustees are appointed by the Provincial Superior of Jesus the Good Shepherd Province.

The Charity Trustees are all members of the Congregation of the Holy Family of Nazareth. As a result of amendments to the governing document enacted on 24 June 2015 which was amended so as to redefine 'the Society' and 'the Superior', the power of appointing new Trustees now rests with the Provincial Superior of the Jesus the Good Shepherd province rather than with the Superior General of the worldwide Congregation based in the Generalate House in Rome, Italy.


Since the changes enacted in 2015, the five Trustees are appointed by the Superior Provincial and her council for a term of five years. The Trustees are ultimately responsible for the achievement of the objects of the Charity, the development of policies and administration of the Charity's assets.

The Trustees' report was approved by the Board of Trustees.

Signed by:

.....F1ED8EA0x1474F9...
Sr. M J Mikol
Trustee

19 September 2024 | 4:04 PM BST
Date:

Signed by:

.....D73D834BE48D4x9...
Sr. B Wiecek
Trustee

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements 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.

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

I report to the Trustees on my examination of the financial statements of The Sisters of the Holy Family of Nazareth (Good Shepherd Province) (the Charity) for the year ended 31 December 2023.

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

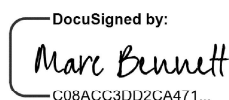
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

DocuSigned by:

C08ACC3DD2CA471...

Mr. Marc Bennett FCA - Independent Examiner

AEL Markhams Ltd

2nd Floor

201 Haverstock Hill

Belsize Park

London

NW3 4QG

United Kingdom

24 September 2024 | 10:30 PM PDT

Dated:

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:					
Donations and voluntary income	3	198,735	223,974	30,000	253,974
Investments	4	23,928	27,939	-	27,939
Total income		222,663	251,913	30,000	281,913
Expenditure on:					
Charitable activities	5	360,079	328,107	30,000	358,107
Total expenditure		360,079	328,107	30,000	358,107
Net gains/(losses) on investments	11	37,511	(65,625)	-	(65,625)
Net expenditure		(99,905)	(141,819)	-	(141,819)
Other recognised gains and losses:					
Revaluation of tangible fixed assets		-	20,000	-	20,000
Net movement in funds	8	(99,905)	(121,819)	-	(121,819)
Reconciliation of funds:					
Fund balances at 1 January 2023		7,498,498	7,620,317	-	7,620,317
Fund balances at 31 December 2023		7,398,593	7,498,498	-	7,498,498

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13	6,631,193		6,634,003	
Investments	14	100		100	
		<u>6,631,293</u>		<u>6,634,103</u>	
Current assets					
Debtors	15	13,824		13,965	
Investments	16	620,706		576,995	
Cash at bank and in hand		153,547		301,720	
		<u>788,077</u>		<u>892,680</u>	
Creditors: amounts falling due within one year	17	<u>(20,777)</u>		<u>(28,285)</u>	
Net current assets		767,300		864,395	
Total assets less current liabilities		<u>7,398,593</u>		<u>7,498,498</u>	
The funds of the Charity					
Unrestricted funds		778,593		878,498	
Revaluation reserve		6,620,000		6,620,000	
		<u>7,398,593</u>		<u>7,498,498</u>	

29 Aug 2024

The financial statements were approved by the Trustees on

Signed by:
Sister Miriam Mikol
.....F1ED8EA0A1474F9...
Sr. M J Mikol
Trustee

Signed by:
Sister Paula (Beata Wiecek)
.....D73D554BE48D4A9...
Sr. B Wiecek
Trustee

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

The Sisters of the Holy Family of Nazareth (Good Shepherd Province) is a religious trust governed by a Trust Deed dated 3rd April 1964 and is registered with the Charity Commission, Charity Registration No. 234201. It is based at 52 London Road, Enfield, Middlesex EN2 6EN.

1.1 Accounting convention

The accounts have been prepared in accordance with the Charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount.

1.5 Expenditure

Expenses are included in the financial statements as they fall due. Expenses include VAT where applicable as the Charity cannot reclaim it.

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings	Nil
Fixtures, fittings & equipment	10%- 20% Reducing balance
Motor vehicles	25% Reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Freehold land and buildings are not depreciated on materiality grounds.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Current asset investments are measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year.

1.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Income from donations and voluntary income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	7,710	-	7,710	5,937	30,000	35,937
Other	191,025	-	191,025	218,037	-	218,037
	<u>198,735</u>	<u>-</u>	<u>198,735</u>	<u>223,974</u>	<u>30,000</u>	<u>253,974</u>

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

3 Income from donations and voluntary income (Continued)

The ' Other ' donations above consists of the salaries and pensions of the Sisters which are gifted under deed of covenant. It also includes contributions from The Holy Family of Nazareth Educational Trust charity in respect of pensions and carers allowance for Sisters who had worked or supported the Pitsford School.

4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Rental income	17,291	27,231
Interest receivable	6,637	708
	<u>23,928</u>	<u>27,939</u>

5 Expenditure on charitable activities

	Charitable Expenditure 2023 £	Charitable Expenditure 2022 £
Direct costs		
Charitable expenditure	9,921	9,637
Share of support and governance costs (see note 7)		
Support	341,158	335,270
Governance	9,000	13,200
	<u>360,079</u>	<u>358,107</u>
Analysis by fund		
Unrestricted funds	360,079	328,107
Restricted funds	-	30,000
	<u>360,079</u>	<u>358,107</u>

6 Description of charitable activities

Charitable Expenditure

The charitable expenditure of £9,921 (2022 - £9,637) above consists of contributions to the Generalate in Rome of £8,000 and other small donations to local causes.

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

7 Support costs allocated to activities

	2023 £	2022 £
Staff costs	25,657	25,446
Depreciation	2,811	2,120
Support of the members of the congregation	312,690	307,704
Governance costs	9,000	13,200
	<u>350,158</u>	<u>348,470</u>
Analysed between:		
Charitable Expenditure	<u>350,158</u>	<u>348,470</u>

With the exception of the direct charitable donations and governance costs, all the costs of the Charity have been classified as support costs. These costs include the maintenance of the buildings, utilities, food, clothing, and the general health and welfare of the Sisters. The governance costs relate to professional fees for the independent examination (audit in 2022) and accountancy services.

8 Net movement in funds

	2023 £	2022 £
The net movement in funds is stated after charging/(crediting):		
Fees payable to the charity's independent examiner:		
- for the independent examination of the charity's financial statements	3,000	-
- audit fees	-	6,000
- accountancy fees	6,000	7,200
Depreciation of owned tangible fixed assets	<u>2,811</u>	<u>2,120</u>

9 Trustees

The Trustees living and personal expenses are borne by the Charity as they are members of the congregation. None of the Trustees (or any persons connected with them) received any remuneration or reimbursement of expenses during the year in connection with their duties.

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Kitchen staff	<u>2</u>	<u>2</u>

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

10	Employees	(Continued)	
	Employment costs	2023 £	2022 £
	Wages and salaries	25,273	25,068
	Other pension costs	384	378
		<u>25,657</u>	<u>25,446</u>

There were no employees whose annual remuneration was more than £60,000.

11	Gains and losses on investments	Unrestricted funds 2023 £	Unrestricted funds 2022 £
	Gains/(losses) arising on:		
	Revaluation of investments	<u>37,511</u>	<u>(65,625)</u>

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13	Tangible fixed assets	Land and buildings £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
	Cost or valuation				
	At 1 January 2023	<u>6,620,000</u>	<u>87,442</u>	<u>23,900</u>	<u>6,731,342</u>
	At 31 December 2023	<u>6,620,000</u>	<u>87,442</u>	<u>23,900</u>	<u>6,731,342</u>
	Depreciation and impairment				
	At 1 January 2023	-	73,638	23,700	97,338
	Depreciation charged in the year	-	2,761	50	2,811
	At 31 December 2023	-	<u>76,399</u>	<u>23,750</u>	<u>100,149</u>
	Carrying amount				
	At 31 December 2023	<u>6,620,000</u>	<u>11,043</u>	<u>150</u>	<u>6,631,193</u>
	At 31 December 2022	<u>6,620,000</u>	<u>13,804</u>	<u>199</u>	<u>6,634,003</u>

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

13 Tangible fixed assets (Continued)

The carrying value of land included in land and buildings comprises:

	2023 £	2022 £
Freehold	6,620,000	6,620,000

The land and buildings were acquired many years ago and as such the historical cost is immaterial. The Trustees estimated the value of the land and buildings at 31 December 2023 to be £6,620,000.

At 31 December 2023, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £- (2022 - £-).

As there is no historical cost the revaluation surplus is effectively the value of the land and buildings of £6,620,000 (2022 - £6,620,000)

14 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 January 2023 & 31 December 2023	100
Carrying amount	
At 31 December 2023	100
At 31 December 2022	100

On 30 October 2015 a subsidiary company called House of Joseph Ltd (company registration number 9849262) was formed. The Charity owns 100% of the issued share capital. The company continues to remain dormant. The net asset value of the company is £100.

15 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	-	2,127
Prepayments and accrued income	13,824	11,838
	13,824	13,965

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

16 Current asset investments

	2023 £	2022 £
Unlisted investments	620,706	576,995

In 2013 the Trustees invested £430,000 with Epworth Investment Management in a combination of equity funds, corporate bonds and deposit funds. During the 2021 year the remaining funds held in income unit funds were switched to accumulation unit funds. All the income generated is now accumulated in the value of the fund so there is no longer a separately identifiable income return. At the year end date the market value of the fund was £620,706 (2022 - £576,995). Included in the fund is £161,298 of cash deposits (2022 - £52,896).

The investment portfolio is treated as a current asset as the funds are readily convertible into liquid funds and may need to be utilised at short notice if required.

17 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	(180)	179
Other creditors	3,640	9,740
Accruals and deferred income	17,317	18,366
	20,777	28,285

18 Retirement benefit schemes

Defined contribution schemes	2023 £	2022 £
Charge to profit or loss in respect of defined contribution schemes	384	378

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 December 2023 £
Revaluation reserve	6,620,000	-	-	-	6,620,000
General funds	878,498	222,663	(360,079)	37,511	778,593
	7,498,498	222,663	(360,079)	37,511	7,398,593

THE SISTERS OF THE HOLY FAMILY OF NAZARETH (GOOD SHEPHERD PROVINCE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

19	Unrestricted funds					(Continued)
	Previous year:	At 1 January 2022	Incoming resources	Resources expended	Gains and losses	At 31 December 2022
		£	£	£	£	£
	General funds	7,620,317	251,913	(328,107)	(45,625)	7,498,498
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

20 Related party transactions

Transactions with related parties

During the year the Charity contributed £8,000 to the Provincial Generalate in Rome.