

SISTERS OF THE HOLY TRINITY
(Registered Charity Number: 234767)
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

SISTERS OF THE HOLY TRINITY

LEGAL AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their report along with the financial statements of the charity for the year ended 31 December 2022.

TRUSTEES

Religious Trustees

J A M Baudras-Chardigny
A M L H Jeanneteau
B Lecaillon
N M S Razafindrasoa
C F Sullivan
A M Timmins

Lay Trustees

J A Denby
C J Forster
M L Poupard
C A A Zammit

LOCAL SUPERIOR

A M Timmins

SUPERIOR GENERAL

N M S Razafindrasoa

PRINCIPAL OFFICE

Holy Trinity House
15, Marian Gardens
Bromley
Kent, BR1 3FH

CHARITY REGISTRATION NUMBER

234767

GOVERNING INSTRUMENT

Trust Deed dated 28 April 1964

INDEPENDENT EXAMINER

Olayinka Tomori ACA DChA
Longmeade Consult Ltd
Regus House
Victoria Way, Admirals Park
Dartford DA2 6QD

SOLICITORS

Lee Bolton Monier-Williams
1 The Sanctuary
Westminster
London, SW1P 3JT

PRINCIPAL BANKERS

National Westminster Bank
143 High Street
Bromley
Kent, BR1 1JH

INVESTMENT POWERS

The provisions of the Trustee Act 2000 apply.

SISTERS OF THE HOLY TRINITY

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The financial statements have been prepared in accordance with the Charities Act 2011 and the 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) (Second Edition effective 1 January 2019) and comply with the charity's trust deed.

OBJECTIVES, ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The Charity's Trust Deed states the objectives to be the advancement of religious and other charitable work carried out by or under the direction of the Congregation of the Sisters of the Holy Spirit (the Congregation). The Congregation has withdrawn from England and the last active members left the Convent in Bromley, Kent at the end of January 2021 and are now residing in convents overseas.

Although the Congregation has withdrawn from England the Charity of the Sisters of the Holy Trinity has continued to care for two retired members of the Congregation who are in residential nursing care, in accordance with the objectives of the Trust.

The Congregation in England

Since the end of January 2021, the Congregation has not had any active members in England. However, two retired elderly members who have given their working lives to its charitable activities are being cared for in residential nursing homes. The Trustees are in the process of winding down the activities of the charity.

FINANCIAL REVIEW

The year to 31 December 2022 saw a deficit before revaluation gains of £78,054 (2021: £513,924). Income rose from £19,908 in 2021 to £28,711 in 2022 with higher government funding for one of the sisters residing in nursing care and the rise in bank interest earnings following global increases in interest rates. There was a reduction in expenditure from £533,832 in 2021 to £106,765 in 2022. Expenditure in 2021 included the loss of £381,065 on disposal of the convent property.

£460,000 of the £700,000 deferral of the proceeds from the sale of the Convent to the Parish of Saints Joseph and Swithun, Bromley (part of the Roman Catholic Archdiocese of Southwark) was redeemed during the year. The main effect of this was a reduction in deferred consideration to £240,000 and bank balances rising to £2.77m (2021: £2.39m).

Reserves Policy

The balance of unrestricted funds at the year-end was £3.47m (2021: £3.54m). Of this, £0.46m is tied up in fixed asset investments – which includes the revaluation reserve of £81,513, leaving £3.0m as free reserves. This exceeds the targeted minimum level of free reserves (unrestricted reserves not tied in fixed assets) of approximately £200k, equivalent to one year's recurring expenditure. Since the charity is responsible for the care of two sisters who are in residential nursing care in England and for the care of sisters who gave significant parts of their working lives to charitable activities maintained by the Congregation in England but are now overseas, the Trustees estimate that the liabilities exceed the reserves held. This is on the basis that a fund of at least £350,000 will be required for the care of each sister for which the charity has a commitment.

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

FUTURE PLANS

The trustees are actively pursuing the sale of the last investment property the charity holds and are considering how the charity can be wound up in accordance with statutory requirements and objectives of the Trust, whilst ensuring commitments are met by the Congregation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Congregation of the Sisters of the Holy Trinity is an international religious congregation with headquarters in France. It has one investment property and other liquid assets which are administered by the local Superior who is a trustee and is supported by a Council drawn from the religious trustees. The local Superior and her Council are appointed for a term of three years by the Congregation's Superior General and her Council. Since February 2020, the local Superior and her Council of religious trustees have been assisted by four lay trustees. The Charity is governed by a Trust Deed dated 28 April 1964 and is registered with the Charity Commission, Charity Registration No 234767.

The trustees are kept informed on charity sector issues by professional advisors and through the resources provided by the Charity's legal advisors and accountant.

The accounts accompanying this report are the accounts of the charitable trust. They record all the assets that it holds in England.

Organisation

The Charity has ten Trustees; the Superior General, five other members of the religious order and four lay members. The lay members were appointed to provide the expertise required for the next phase of the charity's operation. The power of appointing new Trustees rests with the religious Trustees. Given the size and nature of the activities of the charity, the religious Trustees also manage the day-to-day activities of the charity.

Risk Review

The Trustees have undertaken a risk review to identify major risks to which the charity is exposed, in particular, those related to the operations and finances of the Charity and the Trustees are satisfied that systems are in place to mitigate our exposure to the major risks. The Trustees will continue to review major risks on an annual basis.

Public Benefit

In setting the charity's objectives, the Trustees have given due consideration to the Charity Commission's guidance on Public Benefit. The Objectives, Activities, Achievements and Performance section above reflect how the charity fulfils this obligation.

SISTERS OF THE HOLY TRINITY

TRUSTEES' ANNUAL REPORT (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF TRUSTEE'S 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 (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees of the charity 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 period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then 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 have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that this basis applies.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and with the Trust Deed dated 28 April 1964. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 18th August 2023 and signed on their behalf by:

.....
Sr A M Timmins
Local Superior and Trustee

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF SISTERS OF THE HOLY TRINITY

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

.....
Olayinka Tomori ACA DChA

**Longmeade Consult Ltd
Regus House
Victoria Way
Admirals Park
Dartford DA2 6QD**

21st August 2023

SISTERS OF THE HOLY TRINITY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted	
	Notes	Total 2022 £	Total 2021 £
Income and Endowments:			
Covenanted stipends and pensions		11,167	5,787
Investments:			
Bank deposit interest		5,208	133
Rental income from investment properties		12,336	13,988
Total Income and Endowments		<u>28,711</u>	<u>19,908</u>
Expenditure on:	2		
Raising funds		6,289	10,218
Charitable Activities		100,476	523,614
Total Expenditure		<u>106,765</u>	<u>533,832</u>
Net (expenditure) before transfers and other gains/(losses)		(78,054)	(513,924)
Loss on disposal of investment properties	4	-	(16,324)
Net movement in funds		<u>(78,054)</u>	<u>(530,248)</u>
Reconciliation of funds:			
Total fund brought forward		3,544,377	4,074,625
Total funds carried forward		<u><u>£3,466,323</u></u>	<u><u>£3,544,377</u></u>

All amounts arise from continuing activities and there are no recognised gains or losses other than those shown above in the Statement of Financial Activities.

All the funds in the prior year were unrestricted and therefore the information above suffices for the purposes of disclosure of a comparative Statement of Financial Activities.

The accompanying notes form part of these financial statements.

SISTERS OF THE HOLY TRINITY**BALANCE SHEET****AS AT 31 DECEMBER 2022**

	Notes	2022 £	2021 £
TANGIBLE ASSETS			
Fixed assets investments	4	460,000	460,000
TOTAL ASSETS		<u>460,000</u>	<u>460,000</u>
CURRENT ASSETS			
Debtors	5	240,000	700,000
Cash at bank and in hand		2,768,423	2,386,477
		<u>3,008,423</u>	<u>3,086,477</u>
CURRENT LIABILITIES			
CREDITORS: Amounts falling due within one year	6	(2,100)	(2,100)
NET CURRENT ASSETS		<u>3,006,323</u>	<u>3,084,377</u>
TOTAL NET ASSETS		<u>£3,466,323</u>	<u>£3,544,377</u>
FUNDS	7		
Unrestricted Funds:			
General Unrestricted Funds		3,384,810	3,462,864
Revaluation Reserve		81,513	81,513
TOTAL FUNDS		<u>£3,466,323</u>	<u>£3,544,377</u>

Approved by the Board of Trustees and authorised for issue on 18th August 2023 and signed on their behalf:

.....
Sr A M Timmins
Local Superior and Trustee

The accompanying notes form part of these financial statements.

SISTERS OF THE HOLY TRINITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition effective 1 January 2019) - (Charities SORP (FRS 102) and the Charities Act 2011.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going Concern

Although plans for the dissolution of the charity are ongoing, the trustees believe there are no material uncertainties about the Charity's ability to continue to meet its liabilities until it is dissolved. Consequently, all assets are held at estimated recoverable amount. Trustees are actively considering, in consultation with their advisors how liabilities and assets will be transferred, in compliance with the Trust Deed dated 28 April 1964, to the Congregation's headquarters in France.

Covenanted Stipends and Pensions

Covenanted stipends and pensions are received under deeds of covenant from Sisters of Holy Trinity and are stated inclusive of income tax but net of any deductions for social security payments and contributions to occupational pension schemes.

These are recognised in the financial statements when they become receivable.

Donations and Legacies

Donations and legacies are recognised when receivable or when the charity becomes legally entitled to them and the value can be estimated with reasonable certainty. Receipts of property, investments or other gifts in kind are included at market value.

Expenditure

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.

Governance costs which form part of Support costs, include expenditure on the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

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

Fixed Assets Investments - Investment Properties

Investment properties are included in the financial statements at their current market valuation as obtained by the trustees.

Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

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

SISTERS OF THE HOLY TRINITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Designated funds are unrestricted funds earmarked by the trustees for application to a specific purpose.

Statement of cash flows

As a small charity, Sisters of the Holy Trinity is exempt from the requirement to produce a Statement of Cash Flows.

2. EXPENDITURE

	Staff Costs £	Other £	Total 2022 £	Total 2021 £
Raising funds (rental costs of investment properties)	-	6,289	6,289	10,218
<i>Charitable Activities</i>				
Support of Sisters and their ministry	-	96,816	96,816	511,405
Missions and charitable grants	-	-	-	55
Governance costs	-	3,660	3,660	12,154
	<u>-</u>	<u>106,765</u>	<u>106,765</u>	<u>533,832</u>

Expenditure on raising funds includes costs incurred for the maintenance of the charity's investment properties.

	£	£
Net expenditure is stated after charging:		
Loss on disposal of fixed assets	-	381,065
Independent examination fees (excl VAT) – in Governance costs	<u>1,750</u>	<u>1,750</u>

2021 Comparative

	Staff Costs £	Other £	Loss on disposal of fixed asset £	Total 2021 £
Raising funds (rental costs of investment properties)	-	10,218	-	10,218
<i>Charitable Activities</i>				
Support of Sisters and their ministry	-	130,340	381,065	511,405
Missions and charitable grants	-	55	-	55
Governance costs	-	12,154	-	12,154
	<u>-</u>	<u>152,767</u>	<u>381,065</u>	<u>533,832</u>

3. STAFF COSTS

The charity had no staff in the year under review (2021: nil).

SISTERS OF THE HOLY TRINITY

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

4. FIXED ASSETS INVESTMENTS

	2022 £	2021 £
Opening balance	460,000	920,000
Disposal proceeds	-	(443,676)
Loss on disposal	-	(16,324)
	<u>460,000</u>	<u>460,000</u>

The fixed asset investments at the beginning of the 2021 were two identical investment properties purchased in 2015 for £756,974. An independent market valuation of the two properties was obtained from a qualified chartered surveyor as at 28th February 2020 of £920,000. One of the properties was sold in 2021 for net proceeds of £443,676.

The one remaining investment property is valued in the charity's financial records at £460,000, being half of the combined market valuation dated 28 February 2020. Trustees believe the recoverable value of the property as at 31 December 2022 is not materially different from this valuation.

5. DEBTORS

	2022 £	2021 £
Other debtors –Deferred consideration (see below)	<u>240,000</u>	<u>700,000</u>
Deferred consideration		
Receivable within one year	60,000	460,000
Receivable in two to five years	180,000	180,000
Receivable after five years	-	60,000
	<u>240,000</u>	<u>700,000</u>

The deferred consideration represents the difference between the sale price of £1,500,000 for the charity's freehold Convent and the cash sum of £800,000 paid by the Parish of Saints Joseph and Swithun on completion of the sale on 9 November 2021. A further payment of £400,000 and the first of five instalment payments of £60,000 were received during 2022, in accordance with the sale contract. The balance of £240,000 is due in four annual instalments of £60,000 on subsequent anniversaries of the completion of the sale. The second instalment is due on the 9 November 2023 and the final instalment on the 9 November 2026.

6. CREDITORS: Amounts falling due within one year

	2022 £	2021 £
Accruals	<u>2,100</u>	<u>2,100</u>

8. ANALYSIS OF NET ASSETS BETWEEN FUNDS

All funds held the year end are unrestricted. Included in Unrestricted Funds are revaluation reserve balances of £81,513 arising from the revaluation of the charity's investment properties in 2020 – see Note 4.

8. TRANSACTIONS WITH TRUSTEES

The religious trustees are members of the Congregation of the Sisters of the Holy Trinity and have renounced any rights to personal income or capital. Consequently, as members of the Congregation, the Sisters living expenses during the year were borne by the Charity but neither they nor the lay trustees received remuneration or other benefits in connection with their duties as Trustees during the year.