

THE DAUGHTERS OF CHARITY OF ST VINCENT DE PAUL

England & Wales · Charity number 236803

Details

Other names	CHARITY FOR ROMAN CATHOLIC PURPOSES ADMINISTERED IN CONNECTION WITH THE SISTERS OF CHARITY OF ST VINCENT DE PAUL, SISTERS OF CHARITY OF ST VINCENT DE PAUL
Status	Registered
Legal form	Trust
Registered	1964-09-09
Register	View on the Charity Commission register

Contact

Address	Provincial House The Ridgeway London NW7 1RE
Phone	02089063777
Email	secretariat@dcmillhill.org
Website	www.daughtersofcharity.net

Activities

Objects: THE PRESENT TRUSTEES DO AND THE TRUSTEES SHALL STAND POSSESSED OF THE TRUST PROPERTY AND OF THE INCOME OF THE TRUST PROPERTY UPON TRUST TO APPLY THE SAME EITHER AS CAPITAL OR INCOME FOR SUCH CHARITABLE PURPOSES AS SHALL ADVANCE THE RELIGIOUS AND OTHER CHARITABLE WORK OF THE PROVINCE ANYWHERE IN THE WORLD AS THE TRUSTEES WITH THE APPROVAL OF THE PROVINCIAL SHALL FROM TIME TO TIME THINK FIT PROVIDED THAT:(1) THE TRUST PROPERTY AND THE INCOME THEREOF SHALL NOT BE APPLICABLE TO ADVANCE RELIGIOUS OR OTHER CHARITABLE WORK OF THE PROVINCE WHICH THE TRUSTEES WITH THE APPROVAL OF THE PROVINCIAL CONSIDER SHOULD BE ADVANCED BY THE USE OF OTHER ASSETS (2) IF AT ANY TIME THE COMMUNITY SHALL CEASE TO EXIST OR SHALL CEASE TO CARRY ON RELIGIOUS OR OTHER CHARITABLE WORK IN THE PROVINCE THEN FOR SUCH OTHER LAWFUL CHARITABLE PURPOSES CONNECTED WITH THE ROMAN CATHOLIC RELIGION AS THE TRUSTEES SHALL FROM TIME TO TIME DETERMINE”.

Activities: Social and pastoral workOperation of residential and care establishmentsCaring for members of the CongregationOverseas Missionary Work

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£93,702	£340,184	-	-
2023-12-31	£3,939,627	£38,894,776	£3,725,000	103
2022-12-31	£2,779,520	£7,904,193	£37,290,868	99
2021-12-31	£4,680,703	£17,321,951	£46,037,216	148
2020-12-31	£8,818,322	£10,900,533	£56,036,442	284

Trustees

Name	Role	Appointed
Sister Theresa Tighe	Chair	2024-10-18
Sister Anne Teresa Redmond		2023-10-04
Sister Kathleen Kennedy		2025-01-20
Sister Mary Teresa O'Neill		2022-01-24
Sister Maureen Ann Tinkler		2021-02-17
Sister Sarah Margaret King-Turner		2021-03-05

THE DAUGHTERS OF CHARITY OF ST VINCENT DE PAUL

England & Wales - Charity number 236803

Accounts

**Daughters of
Charity of St
Vincent de Paul
Charitable
Trust**

Annual Report and Accounts

31 December 2024

Charity Registration Numbers
236803 (England and Wales)
SC039155 (Scotland)

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Reference and administrative details of the Charity, its Trustees and Advisers

Trustees	Sister Theresa Tighe – Appointed Oct 2024 Sister Ellen T Flynn – Retired Oct 2024 Sister Kay Harte Sister Sarah King-Turner Sister Mary T O'Neill Sister Kathleen M Page – Retired Jan 2025 Sister Kathleen Kennedy – Appointed Jan 2025 Sister Anne Redmond Sister Maureen Tinkler
Sister Provincial	Sister Theresa Tighe
Provincial Treasurer	Sister Sarah King-Turner
Principal office	Provincial House The Ridgeway Mill Hill London NW7 1RE
Telephone	020 8959 2257
Facsimile	020 8959 7155
Charity Registration Numbers	236803 (England and Wales) SC039155 (Scotland)
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC Bank plc Fenton House 85-89 New London Rd Chelmsford Essex CM2 0PP
Investment Managers	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU

Reference and administrative details of the Charity, its Trustees and Advisers

Solicitors

Womble Bond Dickinson LLP
4 More London Riverside
London
SE1 2AU

Holmes Mckillop
109 Douglas Street
Blythswood Square
Glasgow
G2 4HB

The Trustees present their statutory report together with the accounts of the Daughters of Charity of St Vincent de Paul Charitable Trust (the Charity) for the year ended 31 December 2024.

The accounts have been prepared in accordance with the accounting policies set out on pages 19 to 22 of the attached accounts and comply with the Charity's Trust Deed, applicable laws, applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

INTRODUCTION

The Daughters of Charity of St Vincent de Paul (the Congregation) is an international Roman Catholic Religious Community of Women who have dedicated their lives to the service of poor, vulnerable and marginalised people. It was founded in France where its Generalate has its headquarters and is divided into a number of distinct Provinces in 91 countries, one being the British Province.

The Charity is a Charitable Trust on which certain assets of the Congregation in England, Wales and Scotland are held. The Charity is governed by a Trust Deed dated 5 June 1964 and is registered under the Charities Act 2011 – Charity Registration No. 236803 (England and Wales). The Charity is also a registered charity in Scotland, Charity Registration No. SC039155 (Scotland).

With effect from Midnight on 31 December 2023, in accordance with a legal transfer of undertaking dated 20 December 2023 and a resolution of the trustees, all activities, certain assets and certain liabilities of the Charity relating to the Province were transferred as a going concern into a newly formed Charitable Incorporated Organisation (CIO): The Daughters of Charity of St Vincent de Paul CIO, Charity Registration Number 1204513 (England and Wales) SC052894 (Scotland) (the "successor Charity"). Certain assets and liabilities remain in the Charity for the time being to deal with the commitments of the Scottish Redress Scheme, which the trustees have been advised to leave in the Charity. The Daughters of Charity of St Vincent de Paul CIO will be the main vehicle for delivering the Provinces activities going forward.

We are in the process of registering the CIO with the CQC, but due to delays in getting this registration a management agreement is in place between the CIO and the Charitable Trust to enable the CIO to operate the activities going forward until such times as the registration come through.

MISSION

The object of the Daughters of Charity of St Vincent de Paul Charitable Trust, as set out in its governing document, is for *'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.'* Thus, it supports the charitable and religious works carried out by the members of the British Province of the Congregation.

By caring for the members of the Congregation throughout their lives, the Charity aims to enable and support the Sisters to live out their faith in the spirit of their founders, St Vincent de Paul and St Louise de Marillac, through the service of those most in need in society today.

The service or works of the Sisters of the Congregation are undertaken in the spirit of their founders, St Vincent de Paul and St Louise de Marillac who, in seventeenth century France, instilled into the first members of the Congregation the values of compassion, respect, love, forgiveness, justice and dignity.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The activities of the Charity were transferred to the CIO on 31ST December 2023. The remaining assets and liabilities will remain in the Charitable Trust until all commitments and obligations have been achieved. The Charitable Trust does not undertake fundraising.

Payments to the Scottish Redress Scheme fall into the category of public benefit, as they go, some way, to financially compensate for any physical and/or mental abuse suffered by people who were in residential establishments run by the congregation.

During the year the Charity continued to review its investments to ensure their value did not fall below what is required by the Charity to meet its obligations to the Scottish Redress Scheme.

The Trustees have also been in constant contact with their advisors in Scotland, with regard to a piece of land which they had hoped to sell in the year. Unfortunately, this sale was not completed, but it is hoped that it will be in 2025 at a reduced price. This land has therefore been discounted to reflect the current price which has been offered.

SAFEGUARDING

The Trustees recognise the absolute necessity of ensuring the protection and safeguarding of all those whom the Charity serves, especially children and adults at risk. All the sisters of the Province and all employees and volunteers who are in contact with people through their ministry, have an advanced disclosure from the Disclosure and Barring Service (DBS – England and PVG – Scotland) and participate in annual safeguarding training sessions.

The Trustees are committed to implementing all the policies and procedures of the Religious Life Safeguarding Service (RLSS), the Catholic Safeguarding Standards Agency (CSSA) and the Scottish Safeguarding Standards Agency (SCCSA).

As reported in earlier Trustee Reports, the Charity is actively engaged with the Scottish Government's Redress Scheme to facilitate the processing of payments to those entitled to them.

Police Scotland brought charges of historic physical abuse in Smyllum Children's Home, Lanark, against three members of staff, including one Daughter of Charity, resulting in a criminal trial in November/December 2023.

In January 2024, all three were found guilty and each given a custodial sentence of three years. In May, appeals against the sentence were heard and all had their sentence reduced to seven months. As they had already served half of this time, they were immediately released.

In June, with the expertise of the Daughters of Charity legal team, two of the outstanding civil cases in Scotland reached a settlement.

Conscious that financial compensation alone does not bring about healing from abuse, members of the Charity continue to be engaged with survivors' groups as well as individual survivors to effect healing in whatever ways possible.

INVESTMENTS

Policy – listed investments

The Charitable Trust has a portfolio of £6.2 million. At 1 January 2024 this portfolio was made up of cash which has now been fully invested in UK Government gilts.

In March 2019, the Trustees appointed Sarasin & Partners LLP as the Charity's sole Investment Managers. This decision was taken following a detailed review, assisted by professional investment advisers.

There are no restrictions on the Charity's power to invest.

Investment Objectives

The Charity seeks to obtain the best financial return within an acceptable level of risk.

The investment objective is to ensure the capital value does not fall below the commitment made to the Scottish Government of £6 million. Over the next 5 year £1 million will be donated each year to the Scottish Government. Therefore the portfolio has been structured to release these fund from Gifts to allow for this drawdown to happen and to protect the real value of the portfolio.

Ethical Policy

The policy is required to reflect the following concerns and to exclude direct, and where possible indirect, exposure to:

- Any company earning more than 10% of their turnover from sale or production of alcohol, armaments, gambling, tobacco or pornography;
- Any company involved in the production of single-purpose abortifacients, contraceptives, or engaged with scientific research on human foetuses.

The Trustees also wish the investment manager to be sensitive to the ethics and religious principles of the Trustees and to try to avoid any investments in contravention of these and to highlight areas of potential sensitivity.

Particular concern is attached to issues related to the protection of human life and human rights, as well as discrimination against any sectors of society and the company's overall

environmental impact. The Trustees expect the managers to apply Environmental, Social and Governance (ESG) criteria when selecting investments.

Management, Reporting and Monitoring

The Trustees have appointed Sarasin & Partners LLP to manage the investments on a fully discretionary management agreement in line with this investment policy.

The investment manager will provide the following information on a quarterly basis: valuation of the investments, transaction report, cash reconciliation, performance analysis and commentary. Once a year (at a minimum) the investment manager will be required to present in person to the Trustees.

Policy – investment land

The Charity has owned and occupied land at Lanark, Scotland, since 1949 and for many years the Sisters operated a hospital on the site. Since the closure of the hospital, the Charity has been exploring how best to utilise the land for the benefit of its charitable objects. Initially, this involved discussions with a property developer about a disposal of the land for residential property development. Unfortunately, the collapse of the housing market and the severe financing restrictions since 2008 have prevented a disposal for this purpose.

The land continues to be owned with a view to disposal. As a consequence, in the accounts, the land is classified as investment land. It is the intention of the Trustees of the Charity to continue to seek buyers for this land and hence to maximise its value to the Charity.

FINANCIAL REPORT FOR THE YEAR

A summary of the results for the year can be found on page 16 of the attached accounts.

Income for the year to 31 December 2024 totalled £93,702 compared to £3.99 million in 2023. All operation activities of the Charity were transferred to the CIO in 2023 and hence the fall in income in 2024. Income in 2024 is made up of investments income and interest.

Total expenditure includes the transfer of certain assets and liabilities to the new CIO amounting to £32.6 million. Expenditure in 2024 comprised of investment managers fees, professional fees in relation to the planned disposal of land. Donations to the CIO amounted to £80,000 and the unwinding of the discount applied to the Redress Scotland amounted to £239,000 (2023 - £288,000).

Reserves policy

As stated above, with effect from midnight on 31 December 2023, in accordance with a legal transfer of undertaking dated 20 December 2023 and a resolution of the trustees, all activities, certain assets and certain liabilities of the Charity relating to the Province were transferred as a going concern into a newly formed Charitable Incorporated Organisation (CIO).

The Trustees have examined the requirement for free reserves and given the nature of the Charity's work, as long as there are sufficient assets to meet the obligations of the Charitable Trust the Trustees feel the reserves are adequate and meet the reserves policy.

Financial position

The balance sheet shows total reserves of £3.4 million (2023 – £3.7 million). Given the nature of the continuing operation of the Charity, the Trustees consider the reserves retained to be satisfactory to meet its ongoing needs and that the Charity's remaining assets are sufficient to meet its remaining liabilities as they fall due.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

The British Province is governed by the Sister Provincial and four Sisters who form the Provincial Council. All are appointed by the Superioress General and General Council in Paris and are accountable to them. The Provincial and Council members are appointed for a period of six years, renewable for a further three-year period if required.

The Trustees are members of the Community and are chosen for their personal qualities, their understanding and experience of the works and ministries of the Province and to ensure a varied skills mix. At present, the Provincial Secretary, the Provincial Treasurer, together with the Provincial and Provincial Council members, form the Board of Trustees. The Sister Provincial is always the Chair of Trustees by virtue of her office and she in turn appoints the other Trustees, of which there can be up to seven.

The Trustees are responsible for the policies, activities and assets of the Charity and for compliance with regulations and legislation including the Charities Act. The Trustees meet quarterly to review developments with regard to the Charity, its activities and assets, and to make important decisions. Training continues to be provided for the Trustees in order that they are fully updated with current legislation. The Trustees are incorporated under the provisions of Section 251 of the Charities Act 2011 as "The Incorporated Trustees of the Daughters of Charity of St Vincent de Paul". The names of the Trustees at the date on which this report was approved are set out as part of the reference and administrative details on page 1 of this Annual Report and Accounts and brief biographical details on each of the Trustees are given below:

Sister Theresa Tighe

Sister Theresa Tighe has been a member of the Daughters of Charity of St Vincent de Paul for many years. She previously served on the leadership team for nine years. Sister Theresa was Head of Care in a residential school for Children with hearing impairment and another School for Children who had impaired sight. Most of her experience has involved working with young people with disabilities and their families. She has also engaged with children and families through parish ministry. Her training is in youth and community work and in pursuing that she provides a short counselling course as a way of supporting young people. Sister Theresa was the Director for the Vincentian Volunteers which is Gap year for young people. Enabling young people to reach their full potential has always been a priority in working with them. Local community Leader has also shaped her life and working in formation with those people searching for meaning in life.

Sister Kay Harte

Sister Kay Harte entered the Daughters of Charity of St Vincent de Paul in 1967 and is currently working in the offices as Secretary to the Provincial. After training as a rehabilitation worker for the visually impaired and interpreter for deaf/blind people, she worked in managerial positions in Glasgow and Liverpool. Prior to moving to Provincial House, she was manager of a community care home for elderly Sisters.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

Sister Sarah King-Turner

Sister Sarah King-Turner entered the Daughters of Charity of St Vincent de Paul in 1980. Her early ministry was in running a day centre for the elderly and then a hostel for students. After training as a Social Worker she had experience working with families and children. Sister went on to set up a new project for homeless young people, the Depaul Trust, followed by several years in Community administration both in London and later in the Community's Mother House in Paris. She was Provincial from 2002-2008.

Sister Mary O'Neill

Sister Mary joined the Daughters of Charity in 1977. Her early ministries were with children with disabilities and with young families. After gaining an MSc. in Management of Care, she lead the development of a Family Project in Central London. She has been working in Wales for 16 years until December 2021, with asylum seekers who were destitute. She founded a Drop-in Centre and an Accommodation Project, both of which are Registered Charities. She enjoys walking, drawing and writing and loves the countryside and the sea.

Sister Kathleen Kennedy

Sister Kathleen Kennedy entered the Daughters of Charity of St Vincent de Paul in 1966. She worked in residential child care for fourteen years after which she ran a pre-school group in a primary school setting. She qualified as a teacher with Bachelor of Arts with Qualified Teacher Status (BAQTS) and taught in an inner city primary school for sixteen years. She worked as part of a city wide Evangelisation team in Hull before being appointed to the Provincial Council.

Sister Maureen Tinkler

Sister Maureen Tinkler has been a member of the Daughters of Charity of St Vincent de Paul since 1971 and has lived and worked in numerous social priority areas in Great Britain. She trained as a secondary school teacher in Liverpool and also as a teacher of Hearing Impaired Children. She has been involved in the formation of novices and young Sisters. In the 1990's she served on the Province Leadership Team for nine years and during that time served in hospital chaplaincy. She began the Vincentian Volunteers Gap Year and worked in Youth Ministry in Langbank, Scotland. For 12 years she was the Director of Vincentians in Partnership, an umbrella body for the Vincentian organisations in Great Britain. She is currently the VIVAT Co-ordinator for the Daughter of Charity Services and is a member of the Province Leadership Team.

Sister Anne Redmond

Sister Anne Redmond has been a member of the community of the Sisters of Charity of St Vincent de Paul since 1983. Before joining the community she worked in administration for the Halifax Building Society. Having qualified as a first level nurse at St Bartholomew's Hospital, Sister Anne has worked in a number of nursing and health care settings for the elderly, for people with neurological and physical disabilities, domiciliary care and overseas in short term crisis intervention. She has also held managerial positions in social hostel settings.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

She is currently working as a member of the leadership team with specific responsibility for the coordination of care for the older Sisters as the Care and Support Coordinator for the charity.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales and in Scotland requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the charity for that period.

In preparing these accounts, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

Structure and management reporting

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the Accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the Charity's Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Five professional advisers ably support the Trustees, meeting together twice a year. The solicitors, accountant and surveyors, who comprise the Advisory Board, are always available for advice and guidance and especially prior to the making of any major decision.

Key management

The Trustees consider that they comprise the key management of the Charity in charge of directing and controlling, running and operating the Charity on a day to day.

In previous years the operational management of the Trust were the Trustees together with the Business Executive Officer and the Care Home Managers comprising the key management of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis.

All Trustees are members of the Congregation and, whilst their living and personal expenses are borne by the CIO, they receive no remuneration or reimbursement of expenses in connection with their duties as trustees.

Risk management

The Trustees undertake an annual review of the principal risks and uncertainties that the charity faces categorising the risks between:

- ◆ Governance and management.
- ◆ Operational.
- ◆ Financial.
- ◆ Reputation.
- ◆ Laws, regulations, external and environment.

Governance and management looks at the skills and training of its members and the good use of its resources.

Operational looks at the risks inherent in the Charity's activities.

Financial risks include those arising as a result of inappropriate investment policies, global downturn in markets. Inability to meet the commitment to the Scottish Redress scheme due to fall in investment values.

Reputation looks at possible damage to the Congregation and/or the charity's reputation.

Laws, regulations, external and environment look at the effect of government policies, the consequences of non-compliance with laws and regulations and poor risk assessment in the charity's care establishments.

The Trustees regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures.

Trustees' Report 31 December 2024

Public benefit

The Trustees confirm that they have complied with their duty under section 17 of the Charities Act 2011 to have regard to the Charity Commission's guidance on public benefit. The Trustees believe they have demonstrated in detail throughout this report the ways in which the Charity has been faithful to this.

Signed on behalf of the Trustees:

Theresa Tighe
Trustee

Approved by the Trustees on: 17 July 2025

Independent auditor's report to the Trustees of Daughters of Charity of St Vincent de Paul Charitable Trust

Opinion

We have audited the accounts of Daughters of Charity of St Vincent de Paul Charitable Trust (the 'Charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the comparative statement of financial activities, the balance sheet, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the Charity's affairs as at 31 December 2024 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts themselves. 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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the accounts

We have been appointed as auditor under section 145 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with those Acts and relevant regulations made or having effect thereunder.

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

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

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

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant frameworks which are directly relevant to specific assertions in the accounts are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and safeguarding regulations.
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- ◆ identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

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

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;

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

- ◆ assessed whether judgements and assumptions made in determining the accounting estimate for the provisions for bad debts and the Redress Scheme were indicative of potential bias; and
- ◆ used data analytics to investigate the rationale behind any significant or unusual transactions.

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

- ◆ agreeing accounts disclosures to underlying supporting documentation;
- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

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

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott Audit LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

17 July 2025

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

Statement of financial activities Year to 31 December 2024

	Notes	Total Unrestricted funds 2024 £
Income:		
Grants, donations and legacies		—
Investment income and interest receivable	1	93,702
Other income		
. Surplus on disposal of tangible fixed assets		—
. Rent receivable		—
. Miscellaneous income		—
Total income		93,702
Expenditure:		
Cost of raising funds		
. Investment managers' fees		12,484
Expenditure on charitable activities		
. Support of members of the Congregation and their ministry	2	8,700
. Charitable grants, donations payable and similar	3	80,000
. Contributions to Redress Scotland	4	239,000
		340,184
Transfer of net assets to The Daughters of Charity of St Vincent de Paul, CIO (Charity Registration Number 1204513 (England and Wales) SC052894 (Scotland))	18	—
Total expenditure		340,184
Net (expenditure) for the year before investment gains (losses)	6	(246,482)
Net investment gains (losses)		
. Investment land	11	(250,000)
. Listed investments	11	158,372
. Foreign exchange		—
. Foreign exchange contracts		—
Net movement in funds for the year		(338,110)
Reconciliation of funds:		
Balances brought forward at 1 January 2024		3,725,000
Balances carried forward at 31 December 2024		3,386,890

With effect from midnight on 31 December 2023, the activities, transactions, assets and liabilities, excluding those relating to the Scottish redress scheme, were transferred to The Daughters of Charity of St Vincent de Paul CIO, Charity Registration Number 1204513 (England and Wales), SC02894 (Scotland) (see note 18).

All recognised gains and losses are included in the above statement of financial activities.

Comparative statement of financial activities Year to 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2023 £
<i>Income:</i>					
Grants, donations and legacies		2,246,050	253,953	—	2,500,003
Investment income and interest receivable	1	669,449	58,782	—	728,231
Other income					
. Surplus on disposal of tangible fixed assets		670,247	—	—	670,247
. Rent receivable		71,737	—	—	71,737
. Miscellaneous income		19,409	—	—	19,409
Total income		3,676,892	312,735	—	3,989,627
<i>Expenditure:</i>					
Cost of raising funds					
. Investment managers' fees		112,561	11,167	—	123,728
Expenditure on charitable activities					
. Support of members of the Congregation and their ministry	2	5,226,025	9,084	—	5,235,109
. Charitable grants, donations payable and similar	3	519,768	113,306	—	633,074
. Contributions to Redress Scotland	4	288,000	—	—	288,000
		6,146,354	133,557	—	6,279,911
Transfer of net assets to The Daughters of Charity of St Vincent de Paul, CIO (Charity Registration Number 1204513 (England and Wales) SC052894 (Scotland))	18	31,816,013	544,677	254,175	32,614,865
Total expenditure		37,962,367	678,234	254,175	38,894,776
Net (expenditure) income for the year before investment gains (losses)	6	(34,285,475)	(365,499)	(254,175)	(34,905,149)
Net investment gains (losses)					
. Listed investments	11	1,250,346	—	—	1,250,346
. Foreign exchange		(27,349)	—	—	(27,349)
. Foreign exchange contracts	11	116,284	—	—	116,284
		1,339,281	—	—	1,339,281
Net movement in funds for the year		(32,946,194)	(365,499)	(254,175)	(33,565,868)
<i>Reconciliation of funds:</i>					
Balances brought forward at 1 January 2023		36,671,194	365,499	254,175	37,290,868
Balances carried forward at 31 December 2023		3,725,000	—	—	3,725,000

Balance sheet 31 December 2024

	Notes	2024 £	2023 £
Fixed assets:			
Investments	11	<u>8,098,675</u>	<u>9,200,000</u>
Current assets:			
Cash at bank and in hand		54,915	50,000
Liabilities:			
Creditors: amounts falling due within one year	13	<u>(1,002,700)</u>	<u>(1,000,000)</u>
Net current liabilities		<u>(947,785)</u>	<u>(950,000)</u>
Total assets less current liabilities		7,150,890	8,250,000
Provision for liabilities	13	<u>(3,764,000)</u>	<u>(4,525,000)</u>
Total net assets		<u>3,386,890</u>	<u>3,725,000</u>
The funds of the charity:			
. General fund		<u>3,386,890</u>	<u>3,725,000</u>
		<u>3,386,890</u>	<u>3,725,000</u>

Approved by the Trustees and signed on their behalf by:

Theresa Tighe

Trustee

Approved by the Trustees on: 17 July 2025

Basis of accounting

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

Basis of preparation

These accounts have been prepared for the year to 31 December 2024 with comparative information given in respect to the year to 31 December 2023.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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

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

Critical accounting estimates and areas of judgement

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

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

- ◆ estimating the market value of investment land;
- ◆ estimating the value of any provision in respect to Scottish Redress;
- ◆ estimating future income and expenditure flows for the purpose of assessing going concern

Assessment of going concern

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

The Trustees have assessed the assets of the Charity are sufficient to meet the liabilities of the charity as they fall due, and concluded that it is appropriate for the accounts to be prepared on a going concern basis.

The Trustees continue to communicate with their investment managers and, whilst there are concerns over the volatility in world stock markets, the policy is to ensure the capital value of the portfolio retained within this entity is maintained to meet the Scottish Redress liability.

The Trustees do not expect material concerns to arise over the Charity's financial position or going concern and have not identified any material uncertainties in this regard. The Trustees have concluded that the Charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

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

Income comprises investment income and interest receivable.

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

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

Expenditure recognition

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This relates to investment management fees only.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Charity through the provision of its charitable activities. Such costs include the provision of charitable grants and donations.

Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of the CIO. No other grants or donations are given.

- ◆ Contributions to Scottish Redress represent estimate of amounts that will be payable to the Scheme over the period to 2026 (see note 7). The amounts payable in future periods have been discounted to their present value using a discount rate of 5% per annum, being the expected average yield from investments earned by the Charity. These costs include the notional interest charged as a result of unwinding this discounting over time.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

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

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Governance costs are included as a specific category within support costs.

Cash flow statement

The accounts do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Charities SORP (FRS 102).

Tangible fixed assets

All tangible fixed assets were transferred to the Daughters of Charity of St Vincent de Paul CIO on 31 December 2023.

Fixed asset investments

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

All investments are held in Government Gilts to keep the risk of market fluctuation to a minimum.

Land held for investment is included in the accounts at the estimated current market value of the land based on disposal for development and the likelihood of residential planning consent being granted. The valuation has been determined by the Trustees after consultation with their professional property advisers.

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

Programme related investments

All programme related investments were transferred to the Daughters of Charity of St Vincent de Paul CIO on 31 December 2023.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Fund structure

The general fund comprises those monies which may be used towards meeting the charitable objectives of the Charity and which may be applied at the discretion of the Trustees.

Services provided by members of the Congregation

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

1 Investment income and interest receivable

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2024 £
Income from listed investments				
. Government Bonds	26,374	—	—	26,374
Interest receivable				
. Monies held by investment managers	67,328	—	—	67,328
2024 Total funds	93,702	—	—	93,702

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2023 £
Income from listed investments				
. Government Bonds	63,897	4,071	—	67,968
. Non-Government Bonds	59,375	7,062	—	66,437
. UK Equities and Equity Trusts	66,336	7,214	—	73,550
. Global Equities	184,840	24,260	—	209,100
. UK property and Unit Trusts	36,776	4,388	—	41,164
. Alternative Investments	101,192	6,413	—	107,605
	512,416	53,408	—	565,824
Income from programme related investments	104,000	—	—	104,000
Interest receivable				
. Interest on loans	7,537	—	—	7,537
. Monies held by investment managers	36,252	3,086	—	39,338
. Bank interest	9,244	2,288	—	11,532
	53,033	5,374	—	58,407
2023 Total funds	669,449	58,782	—	728,231

2 Support of members of the Congregation and their ministry

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2024 £
Support costs	8,700	—	—	8,700
2024 Total funds	8,700	—	—	8,700
	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2023 £
<i>Sisters' living and personal expenses</i>	1,018,670	—	—	1,018,670
<i>Premises</i>	1,107,132	9,084	—	1,116,216
<i>Staff costs</i>	2,149,889	—	—	2,149,889
<i>Spiritual renewal</i>	124,520	—	—	124,520
<i>Other costs</i>	104,648	—	—	104,648
<i>Support costs (note 6)</i>	721,166	—	—	721,166
2023 Total funds	5,226,025	9,084	—	5,235,109

3 Charitable grants and donations payable

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2024 £
Donation to The Daughters of Charity of St Vincent de Paul CIO	80,000	—	—	80,000
2024 Total funds	80,000	—	—	80,000

3 Charitable grants and donations payable

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2023 £
<i>Donations to the Congregation's overseas missions:</i>				
. Ethiopia	—	79,010	—	79,010
. Kenya	—	1,092	—	1,092
. Morocco	—	5,000	—	5,000
. Vietnam	—	14,487	—	14,487
. Syria	—	13,642	—	13,642
. Lebanon	—	75	—	75
The Vincentian Volunteers	5,000	—	—	5,000
Marillac Neurological Care Centre	500,000	—	—	500,000
Safe Space England and Wales (SSEW)	5,000	—	—	5,000
World Youth Day	2,590	—	—	2,590
Asylum Justice	2,558	—	—	2,558
Holy Cross Abbey	5,000	—	—	5,000
Vincentian Care Plus	(20,000)	—	—	(20,000)
Mission Heart Scotland	6,630	—	—	6,630
Cost of living Vouchers	9,848	—	—	9,848
Other donations	3,142	—	—	3,142
2023 Total funds	519,768	113,306	—	633,074

4 Contribution to Redress Scotland

The National Inquiry into Historical Abuse commissioned by Scottish Ministers under the Inquiries Act 2005 in Scotland has held hearings in relation to two of the Congregation's former homes in Scotland. The Scottish Government has passed legislation to establish a Redress Scheme (Redress Scotland). Alongside other providers of care in Scotland (both past and present), the Daughters of Charity of St Vincent de Paul Charitable Trust has contributed towards the funding of the payments to be met by the Scheme. Under the Financial Contribution Agreement with the Scottish Ministers, the Charity will contribute a maximum of £10 million to Redress Scotland. £5 million has been paid to date and a further £1 million is payable in 2025 (note 13). A further £4 million (discounted to £3,764,000) has been provided for, being the maximum amount that will be payable between 2025 and 2027. Each year, the annual contribution amount is subject to review to assess the amount payable.

5 Support costs

	Total funds 2024 £	Total funds 2023 £
Legal and professional fees	—	535,281
Central administration	—	49,541
Bank charges	—	5,202
Governance (see below)	8,700	131,142
Total funds	8,700	721,166

Governance costs included above comprised:

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2024 £
Auditor's remuneration	2,700	—	—	2,700
Legal and professional	6,000	—	—	6,000
2024 Total funds	8,700	—	—	8,700

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2023 £
Auditor's remuneration	24,960	—	—	24,960
Legal and professional	103,574	—	—	103,574
Central administration	2,608	—	—	2,608
2023 Total funds	131,142	—	—	131,142

6 Net (expenditure) income for the year before investment (losses) gains

This is stated after charging (crediting):

	Total 2024 £	Total 2023 £
Staff costs (note 8)	—	2,149,889
Auditor's remuneration	—	—
. Statutory audit services	2,700	24,960
Depreciation (note 11)	—	251,320
Surplus on disposal of tangible fixed assets	—	(670,247)

7 Staff costs and remuneration of key management personnel

	2024 £	2023 £
Staff costs during the year were as follows:		
Wages and salaries	—	1,905,517
Social security costs	—	142,374
Other pension costs	—	47,986
	—	2,095,877
Agency staff	—	54,012
	—	2,149,889

Staff costs per function were as follows:

	2024 £	2023 £
Support of members of the Congregation and their ministry	—	2,149,889

The following number of employees earned £60,000 per annum or more (including taxable benefits but excluding employer's pension contributions):

	2024	2023
£80,000 - £90,000	—	1

The average number of employees during the year, analysed by function, was:

	2024	2023
Support of members of the Congregation and their ministry	—	103

The number of employees based on full time equivalents, analysed by function, was:

	2024	2023
Support of members of the Congregation and their ministry	—	80

Last year the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis comprised the Trustees, the Business Executive Officer and the Care Home Managers. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for 2023 was £227,780. No such costs were incurred in the current year.

8 Trustees' expenses and remuneration and transactions with Trustees

The Charity's Trustees are all members of the Congregation and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Congregation, are borne by the CIO. No Trustee received any remuneration or reimbursement of expenses in connection with their duties as Trustees.

9 Taxation

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

10 Tangible fixed assets

All tangible fixed assets were transferred to The Daughters of Charity of St Vincent de Paul CIO on 31 December 2023.

11 Investments

	2024 £	2023 £
Investment land	2,750,000	3,000,000
Listed investments	5,348,675	6,200,000
	8,098,675	9,200,000

Investment land

The Charity has owned and occupied land at Lanark, Scotland since 1949 and for many years the Sisters operated a hospital on the site. Since the closure of the hospital, the Charity has been exploring how best to utilise the land for the benefit of its charitable objects. Initially, this involved discussions with a property developer about a disposal of the land for residential property development. Unfortunately, the collapse of the housing market and the severe financing restrictions since 2008 have led to interest by developers being

extremely limited.

The value of the land has been written down in these accounts to reflect its value on the open market as estimated by an independent valuer. An unrealised loss of £250,000 is shown in the statement of financial activities to reflect its value on the open market as evidenced by an offer for the land from a potential developer.

Listed investments

	2024 £	2023 £
Listed investments		
Market value at 1 January 2024	—	22,534,530
Additions	11,192,006	11,773,195
Disposals at opening book value (proceeds £6,235,481, gains £35,957)	(6,199,524)	(19,404,215)
Net gains on revaluation	122,415	782,461
Market value at 31 December 2024	5,114,897	15,685,971
Cash held by investment managers	233,778	6,575,510
	5,348,675	22,261,481
Transfers to The Daughters of Charity of St Vincent de Paul CIO	—	(16,061,481)
	5,348,675	6,200,000
Cost of listed investments at 31 December 2024	4,992,482	—

With effect from midnight on 31 December 2023, all listed investments were transferred to the new CIO. The listed investments comprised the following:

	2024 £	2023 £
. Government Bonds	5,114,897	1,567,505
. Non-Government Bonds	—	1,247,416
. Global Equities	—	10,425,718
. UK Property and Unit Trusts	—	754,335
. Alternative Investments	—	1,690,997
. Liquid Assets	—	—
	5,114,897	15,685,971

All listed investments were dealt in directly on a recognised stock exchange or comprised units the underlying investments of which were dealt in on a recognised stock exchange.

Nature and extent of risks arising from financial instruments

The aim of investment risk management is to minimise the risk of an overall reduction in the value of the portfolio and to maximise the opportunity for gains.

The Trustees monitor the underlying risks to which the investments are exposed through reviews with the investment managers. The risks to which the investments are exposed include market and credit risk. Bonds and bond-like instruments are exposed to credit risk but exposure to credit risk is minimised by only investing in bonds that are subject to a minimum credit rating.

Notes to the accounts 31 December 2024

Liquidity risk represents the risk that the Charity will not be able to meet its financial obligations as they fall due. The Trustees monitor cash flows and take steps to ensure that there are adequate cash resources to meet the Charity's commitments.

Programme related investments

	2023 £	2022 £
Carrying value at 1 January 2024	—	4,298,510
Transfer to The Daughters of Charity of St Vincent de Paul CIO	—	(4,298,510)
At 31 December 2024	—	—

All tangible fixed assets were transferred to The Daughters of Charity of St Vincent de Paul CIO on 31 December 2023.

12 Debtors

	2024 £	2023 £
Residential and care home fees	—	8,182
Prepayments and accrued income	—	108,955
Loan to St Joseph's Services: due in less than one year (note 21)	—	50,000
Loan to St Joseph's Services: due in more than one year (note 21)	—	312,500
Cash flow loan to St Vincent's Family Project (note 21)	—	54,500
Other debtors	—	18,152
	—	552,289
Transfer to The Daughters of Charity of St Vincent de Paul CIO	—	(552,289)
	—	—

13 Creditors: amounts falling due within one year

	2024 £	2023 £
Redress Scotland	1,000,000	1,000,000
Expense creditors	—	53,169
Social security and other taxes	—	33,601
Other creditors	—	28,249
Monies administered by the Charity on behalf of individual members of the Daughters of Charity of St Vincent de Paul	—	55,585
Money held on behalf of the Ethiopian Province of the Daughters of Charity of St Vincent de Paul	—	87,879
Accruals	2,700	24,000
	1,002,700	1,282,483
Transfer to the Daughters of Charity of St Vincent de Paul CIO	—	(282,483)
	1,002,700	1,000,000

13 Creditors: amounts falling due within one year

In 2021 the trustees committed to contribute £10,000,000 to Redress Scotland from 2021 to 2026 inclusive. A liability has been recognised, within creditors falling due within one year and provision for liabilities (note 7) discounted to present value using a discount rate of 5% per annum, the expected long-term average yield from investments earned by the Charity. The liability at 31 December 2024 represents contributions which the trustees have committed to paying in the years 2024 to 2026. The notional interest is debited to the statement of financial activities as the discount is “unwound”.

The contributions payable are as follows:

	Discounted amounts		Gross amounts	
	2024 £	2023 £	2024 £	2023 £
Creditor due within one year	1,000,000	1,000,000	1,000,000	1,000,000
Provision for liabilities	3,764,000	4,525,000	4,000,000	5,000,000
	4,764,000	5,525,000	5,000,000	6,000,000

The movement in liability for the contributions is as follows:

	2024 £	2023 £
Total contributions payable at 1 January 2024	5,525,000	6,237,000
Notional interest in respect to discounted future cash flows	239,000	288,000
Contributions paid during the year	(1,000,000)	(1,000,000)
Total contributions payable at 31 December 2024	4,764,000	5,525,000

14 Related party transactions

A summary of Charity Related party transactions are given below:

The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to the Daughters of Charity of St Vincent de Paul CIO (Charity Registration No 1204513 (England and Wales) SC052894 (Scotland) (the successor Charity) by virtue of the fact that the two Charities hold the same Trustees. At 31 December 2023 the operational and the majority of the assets and liabilities were transferred to the CIO.

In 2024, a donation of £80,000 was given to the CIO to help towards operational costs.

15 Ultimate control

The Charity, which is constituted as a Trust, was controlled throughout the period by the Daughters of Charity of St Vincent de Paul, British Province by virtue of the fact that the Sister Provincial of the Province appoints the Trustees. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the British Province are vested in the Trustees of the CIO, who undertake all transactions in the course of the Province’s charitable activities.

16 Leasing commitments

Operating leases

At 31 December 2024, the Charity had the following future minimum commitments under non-cancellable operating leases in respect to equipment and motor vehicles:

Amounts falling due:	2024 £	2023 £
. Within one year	—	73,112
. After one but within five years	—	240,686
Total	—	313,798

17 Contingent liability in respect to alleged historic abuse

As detailed in note 7, the Daughters of Charity of St Vincent de Paul has contributed towards the funding of Redress Scotland, which has been established by Scottish Ministers to fund compensation payments to those who suffered historic abuse.

In addition to the contributions to Redress Scotland, at the date of signing this report, the Charity has received a number of specific claims in respect to alleged historic abuse. The Congregation continues to receive correspondence from new individuals and continues to address each claim or subject access request proactively from receipt. In a limited number of the claims received to date, it has been possible to retrieve records and progress investigations as far as possible given the limitations on available evidence. During the year to 31 December 2024, no (2023 – nil) claims were settled without litigation, with the express approval in advance of the Trustees and after close consideration of legal advice, on the basis of an economic analysis, without admission of liability. No provision has been made in these accounts for the future settlement or cost relating to other intimated claims given the inevitable uncertainties that exist whilst investigations are progressed.

18 Transfer of activities, assets and liabilities

The Trustees of the Charity are also the trustees of the Daughters of Charity of St Vincent de Paul CIO, Charity Registration Number 1204513 (England and Wales) SC052894 (Scotland). The Daughters of Charity of St Vincent de Paul CIO was registered as a charity on 29 August 2023.

The activities, certain assets and certain liabilities of the Charitable Trust, principally excluding those relating to the Scottish Redress Scheme liabilities and sufficient corresponding assets to meet such costs, were transferred to the CIO by deed of transfer with effect from midnight on 31 December 2023.

The net assets transferred at midnight on 31 December 2023 comprised:

	2023 £
Tangible fixed assets	
. Cost	13,437,622
. Accumulated depreciation	(3,606,882)
	<u>9,830,740</u>
Listed investments	15,685,971
Programme related investments	4,298,510
Cash held by investment managers	375,510
	<u>20,359,991</u>
Cash at bank and in hand and short term deposits	2,154,328
Debtors	552,289
Creditors: amounts falling due within one year	(282,483)
	<u>32,614,865</u>

The net assets transferred at midnight on 31 December 2023 were represented by the following funds and reserves

	2023 £
Capital funds	
Permanent endowment funds	254,175
Income funds	
Restricted funds	544,677
Unrestricted fund	
. Tangible fixed assets fund	9,830,740
. Programme related investment fund	4,298,510
. Designated funds	14,780,209
. General fund	2,906,554
	<u>32,614,865</u>

THE DAUGHTERS OF CHARITY OF ST VINCENT DE PAUL

England & Wales - Charity number 236803

Accounts

**Daughters of
Charity of St
Vincent de Paul
Charitable
Trust**

Annual Report and Accounts

31 December 2023

Charity Registration Numbers
236803 (England and Wales)
SC039155 (Scotland)

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Reference and administrative details of the Charity, its Trustees and Advisers

Trustees	Sister Ellen T Flynn Sister Kay Harte Sister Sarah King-Turner Sister Mary T O'Neill Sister Kathleen M Page Sister Anne Redmond – Appointed 04/10/23 Sister Theresa Tighe – Resigned 04/10/23 Sister Maureen Tinkler
Sister Provincial	Sister Ellen Flynn
Provincial Treasurer	Sister Sarah King-Turner
Principal office	Provincial House The Ridgeway Mill Hill London NW7 1RE
Telephone	020 8959 2257
Facsimile	020 8959 7155
Charity Registration Numbers	236803 (England and Wales) SC039155 (Scotland)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC Bank plc Fenton House 85-89 New London Rd Chelmsford Essex CM2 0PP
Investment Managers	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU

Reference and administrative details of the Charity, its Trustees and Advisers

Solicitors

Womble Bond Dickinson LLP
4 More London Riverside
London
SE1 2AU

Holmes Mckillop
109 Douglas Street
Blythswood Square
Glasgow
G2 4HB

The Trustees present their statutory report together with the accounts of the Daughters of Charity of St Vincent de Paul Charitable Trust (the Charity) for the year ended 31 December 2023.

The accounts have been prepared in accordance with the accounting policies set out on pages 42 to 50 of the attached accounts and comply with the Charity's Trust Deed, applicable laws, applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

INTRODUCTION

The Daughters of Charity of St Vincent de Paul (the Congregation) is an international Roman Catholic Religious Community of Women who have dedicated their lives to the service of poor, vulnerable and marginalised people. It was founded in France where its Generalate has its headquarters and is divided into a number of distinct Provinces in 91 countries, one being the British Province.

The Charity is a Charitable Trust on which the assets of the Congregation in England, Wales and Scotland are held. The Charity is governed by a Trust Deed dated 5 June 1964 and is registered under the Charities Act 2011 – Charity Registration No. 236803 (England and Wales). The Charity is also a registered charity in Scotland, Charity Registration No. SC039155 (Scotland).

With effect from Midnight on 31 December 2023, in accordance with a legal transfer of undertaking dated 20 December 2023 and a resolution of the trustees, all activities, certain assets and certain liabilities of the Charity relating to the Province were transferred as a going concern into a newly formed Charitable Incorporated Organisation (CIO): The Daughters of Charity of St Vincent de Paul CIO, Charity Registration Number 1204513 (England and Wales) SC052894 (Scotland) (the "successor Charity"). Certain assets and liabilities remain in the Charity for the time being to deal with the commitments of the Scottish Redress Scheme, which the trustees have been advised to leave in the Charity. The Daughters of Charity of St Vincent de Paul CIO will be the main vehicle for delivering the Provinces activities going forward.

We are in the process of registering the CIO with the CQC, but due to delays in getting this registration a management agreement is in place between the CIO and the Charitable Trust to enable the CIO to operate the activities going forward until such times as the registration come through.

As the activities of the charity shall be continued by the CIO, certain elements of this trustees report detail the risks, future plans and considerations for the successor charity.

MISSION

The object of the Daughters of Charity of St Vincent de Paul Charitable Trust, as set out in its governing document, is for '*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.*' Thus, it supports the charitable and religious works carried out by the members of the British Province of the Congregation.

By caring for the members of the Congregation throughout their lives, the Charity aims to enable and support the Sisters to live out their faith in the spirit of their founders, St Vincent de Paul and St Louise de Marillac, through the service of those most in need in society today.

The service or works of the Sisters of the Congregation are undertaken in the spirit of their founders, St Vincent de Paul and St Louise de Marillac who, in seventeenth century France, instilled into the first members of the Congregation the values of compassion, respect, love, forgiveness, justice and dignity.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The Sisters serve people of all cultures, religions and creeds with particular emphasis on those who are vulnerable in any way or suffering from poverty and injustice. Their 'work' falls into the following four areas:

1. Worship and Prayer
2. Social and Pastoral Work
3. Caring for Members of the Congregation
4. Overseas Missionary Work

Each of the above areas is considered in turn over the next few pages.

1. WORSHIP AND PRAYER

Activities and specific objectives

"The apostolic action of the Daughters of Charity draws its strength from contemplation following the example of the Son of God who, intimately united with His Father, often went aside to pray." (Constitution C21a)

Each member of the Congregation is given every opportunity for daily private and communal prayer, times of worship and an annual eight-day retreat for the development of her own personal understanding of and relationship with Jesus Christ.

Many opportunities are given to the wider community to join the Sisters during their times of prayer, as well as offering facilities for quiet times of reflection and/or study to people of all faiths and none. Throughout the Province, Sisters lead prayer services and offer spiritual guidance to people in their own homes, in hospitals, as well as in local parish churches. Opportunities to study and reflect on the life and spirit of the founders of the Congregation – St Vincent de Paul and St Louise de Marillac – as well as the Constitutions of the Congregation, are organised each year. Workshops on the Vincentian spirit and values are also offered to all the various organisations (religious and lay) throughout Britain who share this spirit.

1. WORSHIP AND PRAYER (continued)

Activities and specific objectives (continued)

The spiritual development and on-going formation of the Sisters is thus given utmost importance, as this is the foundation of all their charitable works and every service they give to people, especially those who are poor.

The Charity is committed to helping as many people as possible to join with the Sisters in living out the call of the Gospel to love God and your neighbour.

Specific examples of this are as follows:

- Promoting the vision and values set out in the Gospel, including the promotion of human dignity and respect for all peoples and cultures, with special emphasis on those who are poor and vulnerable in our society.
- Having an open-door policy in many of our establishments, enabling people to come in and spend some quiet time in prayer and reflection.
- Leading short prayer services in the homes of those who are housebound and in residential care.
- Having a recognised office from where medals associated with Mary, the Mother of Jesus, are distributed to individuals and groups. This medal is known throughout the world as the 'Miraculous Medal'.
- Involvement in parish liturgies and celebration of the Sacraments especially with children and those wishing to become members of the Catholic Church.
- Providing opportunities for prayer and reflection for those who have been bereaved.
- Providing a daily structure of times for prayer and reflection as well as annual retreats for the members of the Congregation.
- Organising workshops and meetings on the spirit of the founders and the Constitutions of the Congregation.

The Sisters' personal and common life of prayer and their ever-deepening understanding of the spirituality of St Vincent de Paul and St Louise de Marillac, forms the bedrock from which stems all aspects of their service to people who are vulnerable.

2. SOCIAL AND PASTORAL WORK

Activities and specific objectives

Many members of the Congregation are involved in various forms of social or pastoral work throughout England, Wales and Scotland. This includes chaplaincy in hospitals, support of families and vulnerable children, especially those who are living in poverty, the befriending of elderly people, especially those living alone and in isolation, advocacy and practical help to asylum seekers, refugees and homeless people.

2. SOCIAL AND PASTORAL WORK (continued)

Activities and specific objectives (continued)

As the members of the Congregation devote their lives to serving people who are in need, many members are involved in various forms of social or pastoral work throughout England, Wales and Scotland in a voluntary capacity. The Mission Statement states:

'We choose to stand at "the cutting edge" with vulnerable and marginalised people and to open our eyes to the global issues of our world today.'

The following are examples of the activities undertaken by individual Sisters:

- **Hospital / hospice chaplaincy work** where Sisters aim to provide comfort and a listening ear to those who are ill and support to their families and hospital staff. They pray with and on behalf of those who are ill, as well as giving Holy Communion to those who wish to receive it.
- **Visiting of vulnerable elderly people**, the object of which is to befriend, support and care practically for elderly people, especially those living alone and isolated in inner city areas.
- **Advocacy and assistance to asylum seekers and refugees**, the object of which is to support and to give a voice to those trying to survive in an alien culture, far from their homeland and family.
- **Working with people who are homeless**, the aim of which is to uphold their dignity and offer practical help, advice and rehabilitation.
- **Caring for people with disability**. Sisters provide pastoral care for people with a) visual impairment and b) learning disability. This care extends to the families and staff.
- **Parish work**, in which Sisters support local people, both young and elderly in a variety of ways, for example: spending time with those who are frail and lonely, bringing them Holy Communion and helping them to attend church services, and arranging social and catechetical activities for children.
- **Human trafficking awareness raising**, a new initiative in which four Sisters representing different geographical areas in the UK have become involved in small ways with local agencies working for the relief of victims of human trafficking. The Sisters also aim to heighten the awareness of the Province of the tragedy of this poverty which is sadly growing at an alarming rate in every town and city in the UK.

The objectives of the Trustees in this area include:

- To be faithful to the charism of the Congregation by offering service to those most in need in our society.
- To ensure that members of the Congregation receive appropriate training for the ministries in which they are involved.
- To be alert to needs as they appear and to respond when possible.

SOCIAL AND PASTORAL WORK (continued)

Activities and specific objectives (continued)

- To ensure, whenever possible, that Sisters are remunerated for their work by way of salary or stipend. Such income is given directly to the Charity, ensuring that the work of the Charity may continue into the future and develop.

As the Daughters of Charity begin to age, a new concept of mission has been crafted which enables all the Sisters to participate in mission. Outreach to those living in various forms of poverty has always been the heart of what the Sisters do and is the reason for the existence of the Congregation. Thus, it is important to the Sisters to be as actively engaged as possible. Consequently, the Province has been divided into areas called Mission Hearts. The Sisters gather, often by zoom, to share all their activities with each other thereby creating a platform for engagement for every Sister to share in the ministry of every other.

This is known as 'common mission'. This initiative has successfully led to participation of different types and innovative ways of working from home. The following describes some of those activities.

Mission Heart: North West of England

There are 5 local communities in the North West of England, one is a registered care home.

Sisters are engaged in Pastoral care within parishes and social care settings; Community work addressing issues of inner city poverty; and work with refugees and asylum seekers.

A ministry of Prayer supports the direct work of those who are able. Sisters who are themselves *in care* at St. Vincent's Care Home are actively involved in this and some, as well as other Sisters in the North, also enhance the care provided at St Vincent's by gestures of help and kindness. A small number of sisters bring the Eucharist and offer a pastoral service to Catholic persons who are housebound or in care. Pastoral care delivered through chaplaincy work in Manchester Royal Infirmary and Trafford General Hospital has ended this year although a replacement has been strongly requested. Pastoral support at a school for children with disabilities also ended during the year. At Salford Cathedral a Sister provides much of the organisation and facilitation of Catechetical programmes to the mixed ethnic population which is growing there. Christopher Grange in Liverpool provides residential care for elderly people with a visual impairment, and a hospice wing for end-of-life care. Here a small team of Sisters provide pastoral care to both residents and staff.

Two sisters support the provision and development of services to Refugees and persons seeking asylum, contributing to the running of drop-in facilities and providing some admin and managerial support. This averages between 3 & 5 days a week. In another area, similar services are supported by another Sister. Contribution to the Trusteeship continues for Projects originally initiated by the Sisters, which are ongoing in Cardiff, Wales. All such works are particularly in line with the Province commitment to *Welcoming the Stranger*. Overlapping with this is a commitment to NJPN the National Justice and Peace Network and the Advocacy work developing in DCS [Daughters of Charity Services].

Collaboration with other agencies and schools forms a significant part of the Sisters' work, enabling them to assist in areas of food poverty, child poverty and related cost of living difficulties. One Sister is particularly involved, helping provide regular weekly services.

SOCIAL AND PASTORAL WORK (continued)

Activities and specific objectives (continued)

Mission Heart: Scotland

There are 3 local communities in Scotland, two of which are in Glasgow and one a care home is based in Lanark. Each local community is actively engaged in mission and ministry to those experiencing poverty today. The main focus of this work is;

- Pastoral care within parish, social care settings and chaplaincy for the deaf.
- Work responding to Post Covid-19 poverty in the area of isolation, loneliness and cost of living crisis.
- Work with the homeless, refugees and asylum seekers, people from Ukraine living with host families.
- Adult literacy and conversation groups for people for whom English is not their first language.
- Prison visiting.
- Collaborative work with other organisations (e.g. SVP at local and national level, the Simon community, citizen's advice) sharing similar values and working in the field of poverty and social justice.
- Governance support at Trustee level for 4 charitable projects working with people experiencing poverty today.

There are three projects in Scotland originally established by the Daughters of Charity, St Joseph's Services, The Louise Project, The Listening Heart, these support people with a learning disability, Roma people, and people experiencing the effects of poverty in one of the poorest areas of Glasgow. Sisters work directly in these projects and others support this work at a trustee, fundraising and advisory level. Sisters also engage in Diocesan forums.

The Sisters in Scotland actively support one another in their ministries, meeting regularly to share information, resources and prayer requests. Together they discern emerging needs. In 2023 their discernment led to the development of the listening heart a drop-in in the Tollcross area of Glasgow, providing support, companionship and signposting people to local services. In its first year of operation, 600 visits were made to the Listening Heart.

10 Sisters are engaged in pastoral care which encompasses visiting the housebound, offering a Eucharistic ministry to over 40 people in their own home or care home setting and working in a pastoral role in three charitable organisations. Parish work extends to leadership training, organising catechetical programmes, activities with children and young people and support for parents. Excluding those Sisters receiving care, all Sisters engage actively in their parishes and participate in initiatives which outreach to the local community (e.g. support for Ukraine families) and strengthen connections between people.

Collaboration with other agencies forms a significant part of the sisters' work, enabling them to assist on a daily/weekly basis in areas of homelessness, drug and alcohol rehabilitation, work with refugees and asylum seekers, intergenerational poverty, and food poverty.

SOCIAL AND PASTORAL WORK (continued)

Activities and specific objectives (continued)

Mission Heart: Scotland (continued)

Stop and Blether...@ The Listening Heart

The Listening Heart continues flourish. Having opened our doors on February 22nd 2023, we have had over 600 visits to the project. Some who come are regulars who will pop in at least once a week. These are mainly lonely people who just come to chat and share their worries.

Jimmie is one of these guests. He was in a bad way mentally when he first arrived. He wasn't really caring for himself or his wellbeing. He has spent time in the hospital getting help with his mental wellbeing. Now, Jimmie is like a new man. He cares for himself and has been working hard to get his little flat looking spruce! Jimmie said one day, 'My psychiatrist thinks you ladies are wonderful, because you've helped me get back on my feet.' Over the months we've encouraged Jimmie to join some of the other groups in the East End of Glasgow. Through 'Menself', Jimmie has started a project, researching his local area, Carmyle. He often pops in for a chat on his way into the library to do some research.

Young Jamie is one who pops in as he needs support. Jamie initially came for support with food, and support in finding ways to fill in his time. He had been employed in the hospitality trade but the pressure of long, erratic hours left him quite unwell. More recently he finds himself a victim of the private landlord system and is waiting to be evicted. We've journeyed with Jamie and hopefully he'll get some accommodation through Parkhead Housing Association in the not too distant future.

We have guests who are asylum seekers, guests struggling with bereavement issues, addiction issues and many who just have no-one else to chat to. One man who comes in fairly regularly comes to us for a chat and respite from his wife who is chronically ill.

We like to celebrate along the way. On the Feast of St Vincent we had a special cake bought, and had cake and juice all day. Christmas was a wonderful celebration. We had a service and Carol singing followed by food and a visit from Santa who had gifts for everyone.



The Listening Heart wouldn't function without the generosity and commitment of the volunteers. They offer their time and commitment, covering any need that pops up. We are also blessed with lots of local support, especially from our neighbours, Citizen's Advice, St Michael's Church and Chris, who manages the shop next door. He regularly supplies us with tea, coffee and sugar.

SOCIAL AND PASTORAL WORK (continued)

Activities and specific objectives (continued)

Mission Heart: Scotland (continued)

Stop and Blether...@ The Listening Heart (continued)



We celebrated our 1st birthday on Feb 2nd this year and already new things are happening around the Listening Heart. We also hope to be able to cover ourselves financially this year through various funding streams we are pursuing.

Mission Heart: South of England

In the South of England, Sisters live in the following six locations: Mill Hill; Erith; Victoria and Westminster in Central London; and Brentwood. Seton, in Brentwood, is a care facility situated close to Donworth House. Sisters at Donworth are involved in pastoral ministry and nursing at Marillac Neurological Care Centre and in collaborative ministry with the St Vincent de Paul Society. The Sisters

are also involved in ministry with our older Sisters in Seton, which is a registered care home on this site.

Provincial House is the Administrative Centre of the Province and operates as a welcome centre particularly for Daughters of Charity from overseas. It houses the Archives and Safeguarding Office and is a venue for various Formation activities for the sisters, including retreats. It also offers hospitality and an occasional meeting space for parishioners from the local Vincentian Parish of the Sacred Heart; members of the AIC (International Association of Charities) and the trustees of NOAH Centre for Homeless People in Luton. Seminarians on placement from the Royal English College, Valladolid Spain, have also received accommodation and hospitality whilst on apostolic placement with various local Vincentian Services. Provincial House also has a good relationship with St Vincent's Primary School, situated next-door, with a Sister serving on its Board of Governors.

Abbey Wood Community in Erith is involved in pastoral ministry in local schools and parishes within a mostly Nigerian community. The Sisters are also involved in the local food bank.

Two central London houses are involved in services with people who are homeless; in prison; women who were trafficked; people learning English as a second language; and support to people who are refugees. They have a good relationship with the staff and children of the nearby St Vincent's Primary School. They are also involved in parish ministry and provide major support to Daughter of Charity Services, especially providing values training.

SOCIAL AND PASTORAL WORK (continued)

Activities and specific objectives (continued)

Mission Heart: South of England (continued)

A close relationship of support, governance and training is held with St Vincent's' Family Project, working with families experiencing poverty in Westminster and Vincentian Care Plus, a Domiciliary Care Agency in Victoria. These two projects are part of Daughters of Charity Services which is a separate charity owned by the Daughters of Charity. www.dcsvpservices.org

Throughout the Province nineteen Sisters support fifteen Charities as trustees and board members. All of these Charities are involved in direct service with people who are marginalised and vulnerable and span England Scotland and Wales.

3. CARING FOR MEMBERS OF THE CONGREGATION

St Vincent's, Southport

Life after Covid

It has been a challenge to both resident Sisters and staff to return to normal post covid. there are times throughout the year that Sisters have need to be isolated and staff have needed to remain off work because of covid infections. However, life at St Vincent's is returning to its new normal.

Residents

St Vincent's has the capacity for eleven resident Sisters and are supported in their community living by one sister and by the two local communities close by.

At St Vincent's the Sisters have a community routine of activities including Mass, both on line and in person as they are supported by the local parish priests. Thanks to Sister Mai O Connor other community activities are facilitated at the home including retreat days, community meetings, Mission Heart gatherings and other community gatherings.

The Sisters enjoy throughout the year activities organised for them by the staff team including the 'Great Bake Off' different musical events, themed celebrations, fireworks, craft events, computer lessons and keep fit activities. They have enjoyed a number of shopping trips and the one to one outings arranged by staff.

The Sisters undertook with the staff a Summer fair to raise funds for a project for families of Prisoners in memory of one former resident who had worked supporting prisoners. There are meetings with the manager of the home to gather ideas and share information

The Sisters continue to be supported following all agreed areas in their health and support care plan and staff link closely with the local GP and pharmacy service, with clinics, district nursing services and other Hospital services. They receive regular chiropody visits to the home and have regular review meetings with the seniors at the home and are supported to attend all healthcare appointments. Dental care access has proved to be a challenge to the home.

3. CARING FOR MEMBERS OF THE CONGREGATION (continued)

St Vincent's, Southport (continued)

Residents (continued)

St Vincent's have introduced the new PCS Digital care system and are in the process of upskilling staff throughout 2024.

Staff

A new manager, Mrs Amanda O Connor, was appointed to St Vincent's in January and has been getting to know the service, the staff and residents. Recruitment of staff to St Vincent's has proved to be a challenge to the home during this year due to the current staff shortages so St Vincent's has needed to rely on more agency staff throughout the home. A number of care staff and housekeeping staff have been appointed to the service.

Staff continue to undertake training for their roles and the deputy manager has undertaken coordination for this part of the service.

Environment

Following a review of office space, offices have been reconfigured to offer additional room for the care staff, with the introduction of more computers for the digital care plan system. Small areas of the home have been redecorated and flooring replaced as needed.

The Laundry at St Vincent's has been refurbished with a grant from Sefton Council, matched by the Daughters of Charity: this brings St Vincent's in line with the required infection control guidelines.

A number of windows have required to be replaced and additional locks have been replaced on windows as needed.

Health and Safety

Following the Fire Risk Assessment undertaken by PIB a further Compartmentation Survey was advised and this was undertaken in November. Substantial action will need to be undertaken to upgrade the fire safety in the home and this is to be planned to be taken forward in 2024.

All health and safety checks are now carried out, including daily checks around the home, fire test weekly, legionella checks, moving and handling equipment, lift maintenance and electrical testing.

Care Quality Commission CQC

CQC interview with Amanda for registered manager was successful

CQC have been in contact with St Vincent's in relation to the upcoming changes to Inspection and reporting with the introduction of the new Single Assessment in 2024.

Safeguarding

St Vincent's continues to monitor safeguarding throughout the home in line with national and local guidelines and are supported from the safeguarding office at Mill Hill. There have been no safeguarding issues to report.

3. CARING FOR MEMBERS OF THE CONGREGATION (continued)

St Vincent's, Southport (continued)

Governance

The trustees visit the home and Sister Anne Redmond continues to visit to monitor the service and to carry out quality assurance audit.

Seton Care, Essex

Life after Covid

The resident sisters said through Covid they found it sometimes hard having to be isolated from each other, feeling very low, being restricted to their rooms and following procedures. Gradually coming out of Covid throughout 2023 they have been allowed to continue the activities that they enjoy. There have been a number of new initiatives at Seton including setting up a pilot scheme to introduce an activity coordinator for the residents which has supported the engagement and stimulation of the sisters and an increase level of activities and interests.

Residents

Seton has capacity for ten resident Sisters and are supported in their community living by one Sister and by the local community at Donworth House in the grounds of the Marillac Neurological Care Centre.

The Sisters enjoy their day to day community activities which are now complimented with a program of social activities from which to choose. The Sisters particularly enjoy their daily nature walks and have undertaken together two virtual pilgrimage walks, one to Compostela in Spain and the second virtual pilgrimage is in progress around the counties of Ireland with the goal to reach Knock early in 2024; they track their daily steps, which are totalled for them and receive postcards along the way. Other healthcare activities include daily chair yoga and platies and the weekly group physiotherapy class at the Marillac Neurological Care Centre. The introduction of craft activities has proved very popular, particularly the knitting and nattering.

They have engaged with the local community by providing groceries for a local foodbank and have worked on their ecological initiatives improving their roof garden and incubating chickens and fish.

There have been opportunities for outings for dining out, for shopping, to the garden centre and theatres.

There are regular meetings with the manager of the home to gather ideas and share information.

The sisters continue to be supported following all agreed areas in their health and support care plan and staff link closely with the local GP and pharmacy service, with clinics, district nursing services and other Hospital services. The Sisters have regular review meetings with the seniors at the home and are supported to attend all healthcare appointments.

Seton is in the process of moving to digital care planning, which will be implemented throughout 2024.

3. CARING FOR MEMBERS OF THE CONGREGATION (continued)

Seton Care, Essex (continued)

Residents (continued)

Community living continues to be central to the Sisters lives and thanks to Sister Zoe O'Neill our residents have been able to enjoy their daily prayer gatherings, community online Masses, community zooms with the Province, their annual five-day retreat and other faith and spiritual exercises.

Seton has introduced a Newsletter for the home 'Seton Shenanigans' detailing activities and celebrating achievements of both staff and residents

Staff

Recruitment of staff to Seton has proved more successful this year. A new manager Mrs Kim Currie was appointed to Seton in January, closely followed by an administrator and a part time maintenance person. These appointments have proved very beneficial to the service. A number of care staff and housekeeping staff have been appointed to the service, which has resulted in the reduction and reliance of agency staff.

A new staff training platform has been introduced and staff are undertaking refresher training.

To support staff development a dedicated office for the Care staff team has been set up as well as the office for the manager and administrator. Our new maintenance man also has an office, which has proved necessary, following the separation of services from the Marillac Neurological Care Centre.

Environment

Following the new managers review of the service at Seton, Kim set up an Improvement plan for the home which was agreed by the trustees. The environment at Seton has undergone a transformation including a redecoration of one residents' lounge, a new staff room set up, a redecoration of the laundry and redecoration of a number of residents' bedrooms. New beds and new chairs have been purchased for the home and some new appliances throughout the home and new flooring where needed. The IT and WiFi system has been reviewed and a number of computers purchased for staff. The roof garden has been refreshed to support residents undertaking some gardening projects.

Health and Safety

New systems for health and Safety have been reintroduced throughout the home following the separation for Seton from the Marillac Neurological Care Centre.

An Essex fire officer carried out review for Seton in October highlighting a number of areas to be addressed, which have been actioned. A further Fire Risk Assessment and General Risk Assessment from PIB was undertaken in October. Outstanding action requirements have been addressed.

A door and lock system has been replaced at the entrance to Seton.

All health and safety checks are now carried out, including daily checks around the home, fire test weekly, legionella checks, moving and handling equipment, lift maintenance and electrical testing.

3. CARING FOR MEMBERS OF THE CONGREGATION (continued)

Seton Care, Essex (continued)

Care Quality Commission CQC (continued)

CQC have been in contact with Seton in relation to the upcoming changes to Inspection and reporting with the introduction of the new Single Assessment in 2024.

Safeguarding

Seton continues to monitor safeguarding throughout the home in line with national and local guidelines and are supported from the safeguarding office at Mill Hill. There have been no safeguarding issues to report.

Governance

The trustees visit the home and Sister Anne Redmond continues to visit to monitor the service and to carry out quality assurance audit.

St Catherine's, Lanark

Life after Covid

Throughout 2023 we have been adjusting back to life after Covid. This has brought enthusiasm and apprehension at the same time. Everyone has been eager to get back to carrying on with the life we knew before Covid, yet still being very wary and ensuring we continue to follow good infection control measures.

We have welcomed family, friends and parishioners this year and have had many special celebrations together including a highlight for us which was the jubilee celebrations for three Sisters. It was a delight to welcome family members and sisters from the wider community to a Mass then a lovely lunch together, sharing stories and gifts. Sister Ellen Flynn gave very special heartfelt speeches for all Sisters.



Sister Francois Petit the Superior General for the Daughters of Charity and Sister Julie Kubasak visited us from Paris on the 8th September. We gave them a very warm Scottish welcome, with the piper playing as they arrived and departed. Sister Julie Marie our eldest Sister read a lovely speech to Sister Francois, then everyone enjoyed lunch together. This was a very special occasion for the sisters.

Our third happy and memorable occasion was the 100th Birthday celebration for Sister Julie Marie.

3. CARING FOR MEMBERS OF THE CONGREGATION (continued)

St Catherine's, Lanark (continued)

Residents (continued)

There is capacity for nine resident sisters at St Catherine's and they are supported in their community living and local parish community by two additional Sisters.



Sisters continue to enjoy day to day activities and enjoy reading, crosswords, jigsaws, walking and getting out and about within the community. Our Sisters also maintain contact with the wider community, with friends and family through the use of the internet, iPad as well as their own personal computers and have had the opportunity to visit family and attend

retreats.

We have had various other activities this year including entertainment from the Tartan Tenor, a talented Scottish singer who has made regular visits to St Catherine's and put on a show for Sisters, and parishioners have also been invited along.

Sisters continue to be supported following all agreed areas in their care plan. They have regular meetings with their key workers and are supported to attend all relevant healthcare appointments. The service is currently in the process of moving to digital care planning and aim to have this implemented by the end of 2024.

Community living continues to be central to the Sisters lives and thanks to Sister Margaret Hastings and Sister Margaret Brady, the other Sisters, our residents have been able to enjoy their community online Masses, Mission Heart gatherings, their annual retreat as well as daily gatherings in community lounge. The local priest visits for Mass weekly, which is most appreciated. Sisters have also enjoyed holidays with their families.

Sisters continue to participate in physical exercise with physiotherapist every two weeks.

We continue to work closely with the NHS Care Home Liaison Team who visit every month to offer support and advice. And we keep up to date with all latest guidance on infection control measures.

Staff

Our staff continue to be our greatest asset in supporting the residents' wellbeing. We have seen some staff changes this year. Our Manager Evelyn left our employment and a new manager, Mrs June Froom, was appointed in June. A new initiative to introduce a deputy manager/senior team leader for the home was adopted, and Audrey Rodgers joined the team in November. Both are settling in well to St Catherine's; they bring a wealth of experience with them and are moving forward with some new ideas.

3. CARING FOR MEMBERS OF THE CONGREGATION (continued)

St Catherine's, Lanark (continued)

Staff (continued)

We have also had some developments, with our catering team, as our kitchen assistant has been promoted to working as cook and our cook is now our head cook. Also one of our care assistants has been promoted to a senior care role. We have also appointed two new kitchen assistants this year.

Given the various changes with staff the high standards of care have continued with no negative impact on residents. The staff team continue their commitment and dedication and we require use of agency staff only occasionally with the existing staff team working extra and swapping shifts to meet the needs of the service.

Two members of staff retired this year, a senior care assistant and head cook after working in the service for 14 years, and they were thanked for their work and dedication to the service.

Staff have continued with their in-house training on the e learning platform and with support from our admin staff, there is 90% plus on the courses undertaken. We continued with our staff supervision and staff meetings throughout the year, and all staff have attended VIVAT Vincentian values training this year.

Environment

There have been small changes to the home this year, as we continue to ensure that the cleanliness and maintenance of our home is of a high standard. Any repairs or replacement equipment is actioned without delay.

All maintenance checks, inspections and audits continue to be carried out internally and externally.

Two new hot water cylinders were installed in August.

We purchased a new washing machine for our laundry room and additional stainless-steel table for the main kitchen.

We continue to monitor our overall energy cost and continuously seek to make savings in all our purchases.

The Nurse call system service plan has been renewed and was serviced on 22nd August.

Sisters enjoy local walks and amenities within the area and are very keen to be involved with our garden project, which is being led by Sister Margaret Brady.

We continue to grow our own vegetables and looking at different areas around the home for more planting. Sister Margaret Brady is also very passionate about helping the environment and actively promotes all recycling.

3. CARING FOR MEMBERS OF THE CONGREGATION (continued)

St Catherine's, Lanark (continued)

Health and Safety

The fire officer carried out an annual risk assessment for St Catherine's in November; there have been no changes required to the system.

For additional security we have installed door alarms to external doors in the dining area and community lounge for safety of residents.

All health and safety checks continue to be carried out, including daily checks around the home; fire test weekly, legionella checks, moving and handling equipment, lift maintenance and electrical testing.

St Catherine's passed its kitchen inspection from Environmental Health in November.

Care Inspectorate (CI)

We have not had inspection since April 2022 and St Catherine's achieved a very good report then. At our last inspection we received the following ratings:

1.3 Peoples health and wellbeing benefits from their care and support. 6 Excellent

1.4 Peoples experience meaningful contact that meets their outcomes, needs, and wishes. Excellent 6

1.5 Peoples health and wellbeing benefits from safe infection prevention and control practice and procedures. 6 Excellent.

2.2 Quality Assurance and improvement is well led. 5 Very Good.

Safeguarding

St Catherine's continues to monitor safeguarding throughout the home in line with national and local guidelines and are supported from the safeguarding office at Mill Hill. There have been no safeguarding issues to report.

Governance

With effect from Midnight on 31 December 2023, in accordance with a legal transfer of undertaking dates 20 December 2023 and a resolution of the trustees, all activities, certain assets and liabilities of the Charity relating to the Province were transferred as a going concern into a newly formed Charitable Incorporated Organisation (CIO): The Daughters of Charity of St Vincent de Paul CIO, Charity Registration Number 1204513 (England and Wales) SC052894 (Scotland).

St Catherine's has successfully re-registered with the Care Inspectorate; all staff have been notified of the changes and all relevant information shared timeously. Staff have been given all relevant information regarding the TUPE process.

The trustees visit the home and Sister Anne Redmond continues to visit to monitor the service to carry out quality assurance audit.

4. OVERSEAS MISSIONARY WORK

Ethiopia

The following are news, achievements and updates of our Community in Ethiopia:

Education as a tool to eradicate poverty: KOFI ANNAN, the seventh Secretary –

general of United Nation once said:

“Education is a human right with immense power to transform. On its foundation rests the cornerstones of freedom, democracy and sustainable human development.” Like him, we

believe that education of good quality is the best tool to liberate people from the yoke of poverty and modern slavery. It helps them to have vision for a better future and empowers them to make that vision a reality one day. Therefore, the Daughters of Charity continue to create opportunities and access for a good quality education at all levels.

Furthermore, we strive to communicate through education the importance of having respect for life and for the dignity of every human being. Besides, Education in Ethiopia has to include commitment to teach the children about humanity, tolerance, integrity, respect for diversity and that peace is priceless.

We have realized that all institutions for



education run by the Daughters of Charity need to make this issue part and parcel of the teaching-learning programme. In the academic year 2022/23, about 11,995 pupils and / or trainees were served in our schools and training centers. In addition to providing free education, some of our schools serve simple meals as this may be the only meal, that a particular child may have for the day.

Health Care: the five health care institutions that the Community of the Daughters of Charity continue to run, have served directly about 148,639 people in 2023. These institutions provide both preventive and curative health care services. As always, activities in these institutions include medical treatment, health education, personal and environmental hygiene, laboratory services, counselling, nutrition, care for the environment and prevention of communicable diseases.

Over 65,949 people have directly benefited from various community developments and social support services during the year 2023. In line with the strategic move of our Company towards helping migrants, the Province has been working on prevention of illegal migration and rehabilitation of returnees. This includes reaching out to refugees where 197 households were assisted for most of them on regular basis.

4. OVERSEAS MISSIONARY WORK (continued)

Ethiopia (continued)

Besides, internally displaced communities and survivors of human trafficking have been supported through our existing works and in collaboration with like-minded organizations.

Responding to Emergency calls: As Daughters of Charity, we have a vocation to be attentive to new calls and to respond with humanitarian assistance during natural and / or human inflicted calamities. Devastating war in Tigray, Amhara and some other regions, has damaged indiscriminately the society in the region in multifaceted ways. Our society continues to suffer various devastating impacts of postwar syndrome, such as trauma, displacement, hunger, destitution and destruction of social systems throughout the country. Consequently, the Community has taken fast and effective emergency and recovery measures to save lives and to help people recover and restart life with hope for a better tomorrow, where and when the situation of day to day reality allows for this to take place. Thanks to the generosity and commitment of our benefactors and our Company, over **230,000** people have been supported in the current year and over three hundred two million Birr which is equivalent to 4,981,246 Euros, has been utilized for this intervention.

Success Story – About the young Muse

The boy named Muse is living in Jimma town, Oromiya Regional State of Ethiopia. He is living with his old grandmother and siblings with huge challenges. They are living without the basic necessities. The family has no income except his grand mam earns only 45 USD pension per month. It is really very little in Ethiopia for survival at this time. To inform you, the young Muse has no parents; his father and mother died while he was 4 years. He also completed grade 12, but didn't scored sufficient results to join further education for college. Then he became idle and stressed without having job. In the meantime, thanks to Daughters of Charity Sisters, the young Muse has been selected and included in MillHill project and started working selling video cassette. Currently, he has become successful in his work and started supporting his families and himself.

Direct message from Muse

My name is Muse, I was living with problems and challenges since my childhood. I went through so many ups and downs for survival. Really, due to lack of support, I didn't attend my education regularly, as a result I did not became successful in my education. As a result, I became unemployed for almost a year. Then after, I asked the Daughters of Charity sisters to support me through IGA, without hesitation the good hearted sisters permitted me to start selling video cassettes after giving me advice and awareness education.

Now I have a good status and getting good income and started supporting my families and myself too. In the coming years, I want to upgrade my work more than this and planned to start my education in the evening program.

In his last speech, he thanked and blessed all who had supported him in all aspects of his success. Furthermore, his grandmother passed her special gratitude and thanks for the financial support for Muse and informed that their life has been changed.

Thank you, thank you so much.

4. OVERSEAS MISSIONARY WORK (continued)

Turkey/Syria Earthquake appeal



A terrible earthquake that hit parts of Syria and Turkey on the 6th February 2023 added more sufferings to the people of Syria, who are already dealing with the on going effects of the war. Once again, our donors stepped up and we were able to send nearly £15,000 to help. The Daughters from Damascus sent the Sisters, in collaboration with other religious orders, to Aleppo and Latakia. They visited several centers and homes to comfort and support the victims at this terrible time. Working with other

volunteers, the Sisters have been helping with distribution of food, clothes, food for children, nappies and also toys. They met victims to give them moral and spiritual support as they speak of their fear, their pain and also dealing with the loss of their loved ones. The Sisters, with the help of the volunteers, continue to support the victims to rebuild their lives. They send their appreciation and gratitude for all the generous donations they have received.



SAFEGUARDING

The Trustees recognise the absolute necessity of ensuring the protection and safeguarding of all those whom the Charity serves, especially children and adults at risk. All the sisters of the Province and all employees and volunteers who are in contact with people through their ministry, have an advanced disclosure from the Disclosure and Barring Service (DBS – England and PVG – Scotland) and participate in annual safeguarding training sessions.

The Trustees are committed to implementing all the policies and procedures of the Religious Life Safeguarding Service (RLSS), the Catholic Safeguarding Standards Agency (CSSA) and the Scottish Safeguarding Standards Agency (SCCSA)

As reported in earlier Trustee Reports, the Charity is actively engaged with the Scottish Government's Redress Scheme to facilitate the processing of payments to those entitled to them.

Police Scotland brought charges of historic physical abuse in Smyllum Children's Home, Lanark, against three members of staff, including one Daughter of Charity, resulting in a criminal trial in November/December this year.

SAFEGUARDING (continued)

In January 2024, all three were found guilty and each given a custodial sentence of three years. Appeals against the sentence were heard – two in May and one in July and all three had their sentence reduced to seven months. As they had already served half of this sentence, they were released immediately.

In June 2024, with the expertise of the Daughters of Charity legal team, two of the outstanding civil cases in Scotland reached a settlement.

Members of the Charity continue to be engaged with Survivor Groups and individual survivors, to effect healing in whatever ways possible.

GRANTS AND DONATIONS

Grants, donations and other payments in support of missionary work and ministry are decided by the Trustees, in consultation with other members of the Congregation, as appropriate. In the main, the Charity supports the work of the Congregation in overseas countries where there is the most need. Whilst the Trustees give occasional support to English, Scottish and Welsh organisations, whose work is within the objects of the Charity, the Charity does not regard itself as a grant-making entity and applications for grants and donations are not invited.

ENVIRONMENTAL ISSUES – ECOLOGY TEAM ANNUAL REPORT

The Ecology Team was set up in response to a recognition by the Sisters of the Province of Rosalie Rendu, that the cry of the poor and the cry of the earth are intimately connected and thus our service of those in need calls us to take seriously our responsibility to care for the earth, our common home. To this end the team has been working on and has recently completed a draft policy called 'Care of our Common Home; Responding to the Cry of the Earth – the Cry of the Poor'.

The team comprises 7 members who meet regularly on zoom and four prayer partners. The aim of this group is to raise awareness of, and strengthen the Province's practical commitment to the care of our common home and, secondly, to assist in the development of this priority in areas where we have projects serving those in need.

Team members strive to keep informed of current issues, to develop their own practices and to deepen their commitment. They seek to work in a way that engages, encourages and supports participation of the whole Province.

Since its inception the Ecology Team has: -

- Visited each local community in GB and Australia to encourage a greater commitment at local level to the care of our common home.
- Carried out an ecological audit of all the houses of the Province, providing a formal feedback of its findings and sharing/encouraging the good practices highlighted.
- Created a zoom presentation to raise awareness of the ecological and bio-diversity challenges facing our world and small steps we can take in response.
- Supported and encouraged parish and school initiatives with reference to Laudate Si.
- Participated in online advocacy initiatives and established a catalogue of online resources.

ENVIRONMENTAL ISSUES – ECOLOGY TEAM ANNUAL REPORT (continued)

Investment in Fossil Fuels

As mentioned in last year's Trustees' Report concerning our response to the COP26 World Climate Change Meeting, the Daughters of Charity signed up to the global divestment announcement for faith organisations. The statement reads: "The Province does not hold any fossil fuel investments and will not invest in fossil fuels in the future."

Energy Consumption

The Daughters of Charity have put in place measures to reduce our energy consumption in our use of gas and electricity in our community houses and properties.

Carbon Emissions

The Daughters of Charity have a policy in place that whenever a car needs to be replaced, a second-hand hybrid car will be purchased, which will enable us to eliminate our carbon emissions in towns and cities where most of our driving takes place. A number of such cars have already been purchased.

Concern for the environment

Conscious of the need for a sustainable environment and the responsibility each person and organisation has to care for the environment, the Trustees actively encourage the recycling of waste and reduction in energy consumption throughout the Charity's services and locations.

INVESTMENTS

Policy – listed investments

Immediately prior to the transfer to the CIO, the Charity had a portfolio of listed investments with a market value of approximately £22.3 million. Following the transfer of undertaking to the CIO the portfolio was split between the two charities. The Charitable Trust retained a portfolio of £6.2 million in cash. The remainder of the portfolio (£16.1 million) was transferred to the CIO.

In March 2019, the Trustees appointed Sarasin & Partners LLP as the Charity's sole Investment Managers. This decision was taken following a detailed review, assisted by professional investment advisers.

There are no restrictions on the Charity's power to invest.

Investment Objectives

The Charity seeks to obtain the best financial return within an acceptable level of risk.

The investment objective for the long-term portfolios of the General and Ethiopian Funds is to generate a return of 3.5% in excess of inflation, as measured by the UK Consumer Price Index (CPI), over rolling 5 year periods, in order to protect the real value of the investment portfolio, so that it can fund the future activities of the Charity. In this context, long-term is taken to be five years plus. This level of growth ought to allow for income to be withdrawn, whilst allowing for the capital value to keep pace with inflation, after deduction of the investment manager's fees.

INVESTMENTS (continued)

Policy – listed investments (continued)

Investment Objectives (continued)

The establishment of a General Fund medium term portfolio is under consideration and would be a separate 'pot' of money which might be expected to be withdrawn over the next 5-10 years, in order to meet the current operational deficit requirement of c.£2 million or 7.1% per annum.

Ethical Policy

The policy is required to reflect the following concerns and to exclude direct, and where possible indirect, exposure to:

- Any company earning more than 10% of their turnover from sale or production of alcohol, armaments, gambling, tobacco or pornography;
- Any company involved in the production of single-purpose abortifacients, contraceptives, or engaged with scientific research on human fetuses.

The Trustees also wish the investment manager to be sensitive to the ethics and religious principles of the Trustees and to try to avoid any investments in contravention of these and to highlight areas of potential sensitivity.

Particular concern is attached to issues related to the protection of human life and human rights, as well as discrimination against any sectors of society and the company's overall environmental impact. The Trustees expect the managers to apply Environmental, Social and Governance (ESG) criteria when selecting investments.

Management, Reporting and Monitoring

The Trustees have appointed Sarasin & Partners LLP to manage the investments on a fully discretionary management agreement in line with this investment policy.

The Trustees have appointed an Investment Committee, which includes both Trustees and the Director of Finance, which has responsibility for agreeing strategy and monitoring the investment assets. The investment manager will provide the following information on a quarterly basis: valuation of the investments, transaction report, cash reconciliation, performance analysis and commentary for this Committee to review. Once a year (at a minimum) the investment manager will be required to present in person to the Investment Committee. The Committee will review the information provided by the manager. Their recommendations are required to be ratified by the Trustees.

Policy – investment land

The Charity has owned and occupied land at Lanark, Scotland, since 1949 and for many years the Sisters operated a hospital on the site. Since the closure of the hospital, the Charity has been exploring how best to utilise the land for the benefit of its charitable objects. Initially, this involved discussions with a property developer about a disposal of the land for residential property development. Unfortunately, the collapse of the housing market and the severe financing restrictions since 2008 have prevented a disposal for this purpose.

INVESTMENTS (continued)

Policy – investment land (continued)

The land continues to be owned with a view to disposal. As a consequence, in the accounts, the land is classified as investment land. It is the intention of the Trustees of the Charity to continue to seek buyers for this land and hence to maximise its value to the Charity.

Investment performance

During the year the Charity's listed investments achieved an income yield of 3.8% (2022 – 2.11%). The investments decreased in value due to the drawdown of capital to meet the charity's needs. The capital increase for the year was 5.25% (2022 – decrease of 9.73%). Throughout the year the Trustees have continued to liaise closely with the Charity's investment advisers and seek their advice.

FINANCIAL REPORT FOR THE YEAR

A summary of the results for the year can be found on page 37 of the attached accounts.

Income for the year to 31 December 2023 totalled £3.99 million compared to £2.78 million in 2022. This increase has resulted from the increase in income from Legacies which amounted to £730,704 (2022- £57,790) and the surplus from the sale of assets of £670,247.

Total expenditure includes the transfer of certain assets and liabilities to the new CIO amounting to £32.6 million. If this is taken away from expenditure, then operating expenditure has decreased compared with 2022 by £1.9 million, from £7.9 million to £5.99 million. This decrease has arisen mainly due to a donation from investments made to DCVSP Services in 2022 of £2.6 million, to ensure its longer term future.

The Charity is committed to its workforce and increases to care staff wages have increased in line with the commitments of both the UK and Scottish Governments. The Charity has now made a commitment to paying the Real Living Wage as identified by the Living wage Foundation.

All other expenditure is in line with previous years.

Reserves policy

As stated above, with effect from midnight on 31 December 2023, in accordance with a legal transfer of undertaking dated 20 December 2023 and a resolution of the trustees, all activities, certain assets and certain liabilities of the Charity relating to the Province were transferred as a going concern into a newly formed Charitable Incorporated Organisation (CIO). The reserves policy as stated in previous years now applies to the new CIO.

The Trustees have examined the requirement for free reserves, i.e. those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed. The Trustees consider that, given the nature of the Charity's work, the level of free reserves for the CIO should at least be equivalent three months expenditure.

FINANCIAL REPORT FOR THE YEAR (continued)

Financial position

The balance sheet shows total reserves of £3.7 million (2022 – £37.3 million). At 31 December 2023 all other reserves were transferred to the new CIO. Given the nature of the continuing operation of the Charity, the Trustees consider the reserves retained to be satisfactory to meet its ongoing needs and that the Charity's remaining assets are sufficient to meet its remaining liabilities as they fall due.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

The British Province is governed by the Sister Provincial and four Sisters who form the Provincial Council. All are appointed by the Superioress General and General Council in Paris and are accountable to them. The Provincial and Council members are appointed for a period of six years, renewable for a further three-year period if required.

The Trustees are members of the Community and are chosen for their personal qualities, their understanding and experience of the works and ministries of the Province and to ensure a varied skills mix.

At present, the Provincial Secretary, the Provincial Treasurer, together with the Provincial and Provincial Council members, form the Board of Trustees. The Sister Provincial is always the Chair of Trustees by virtue of her office and she in turn appoints the other Trustees, of which there can be up to seven.

The Trustees are responsible for the policies, activities and assets of the Charity and for compliance with regulations and legislation including the Charities Act. The Trustees meet monthly to review developments with regard to the Charity, its activities and assets, and to make important decisions. Training continues to be provided for the Trustees in order that they are fully updated with current legislation.

The Trustees are incorporated under the provisions of Section 251 of the Charities Act 2011 as "The Incorporated Trustees of the Daughters of Charity of St Vincent de Paul".

The names of the Trustees at the date on which this report was approved are set out as part of the reference and administrative details on page 1 of this Annual Report and Accounts and brief biographical details on each of the Trustees are given below:

Sister Ellen Flynn

Sister Ellen Flynn has been a member of the Daughters of Charity of St Vincent de Paul since 1972, and formerly worked as the CEO of The Passage for nine years, helping homeless people in Central London. During that time, she developed skills in charity management, governance, fundraising and project development as well as networking across London in all sectors of business and society. Prior to this, Sister Ellen has a background in education, initially working with disadvantaged young people in inner city schools, and later in adult formation including group facilitation, liturgy, music and management with the Christian Church. Sister Ellen was named Provincial of the Province of Great Britain in September 2015.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

Sister Kay Harte

Sister Kay Harte entered the Daughters of Charity of St Vincent de Paul in 1967 and is currently working in the offices as Secretary to the Provincial. After training as a rehabilitation worker for the visually impaired and interpreter for deaf/blind people, she worked in managerial positions in Glasgow and Liverpool. Prior to moving to Provincial House, she was manager of a community care home for elderly Sisters.

Sister Sarah King-Turner

Sister Sarah King-Turner entered the Daughters of Charity of St Vincent de Paul in 1980. Her early ministry was in running a day centre for the elderly and then a hostel for students. After training as a Social Worker she had experience working with families and children. Sister went on to set up a new project for homeless young people, the Depaul Trust, followed by several years in Community administration both in London and later in the Community's Mother House in Paris. She was Provincial from 2002-2008.

Sister Mary O'Neill

Sister Mary joined the Daughters of Charity in 1977. Her early ministries were with children with disabilities and with young families. After gaining an MSc. in Management of Care, she led the development of a Family Project in Central London. She has been working in Wales for 16 years until December 2021, with asylum seekers who were destitute. She founded a Drop-in Centre and an Accommodation Project, both of which are Registered Charities. She enjoys walking, drawing and writing and loves the countryside and the sea.

Sister Kathleen Page

Sister Kathleen Page joined the Daughters of Charity in 1986. Her ministry has engaged her in a variety of work with families, homeless people and people with disabilities within the contexts of residential care, community organising and project management. She is trained in community and youth work, social care and pastoral care. Since 2005 she has undertaken pastoral care within a social care setting, most recently within one of the DC Services projects.

Sister Maureen Tinkler

Sister Maureen Tinkler has been a member of the Daughters of Charity of St Vincent de Paul since 1971 and has lived and worked in numerous social priority areas in Great Britain. She trained as a secondary school teacher in Liverpool and also as a teacher of Hearing Impaired Children. She has been involved in the formation of novices and young Sisters. In the 1990's she served on the Province Leadership Team for nine years and during that time served in hospital chaplaincy. She began the Vincentian Volunteers Gap Year and worked in Youth Ministry in Langbank, Scotland. For 12 years she was the Director of Vincentians in Partnership, an umbrella body for the Vincentian organisations in Great Britain. She is currently the VIVAT Co-ordinator for the Daughter of Charity Services and is a member of the Province Leadership Team.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

Sister Anne Redmond

Sister Anne Redmond has been a member of the community of the Sisters of Charity of St Vincent de Paul since 1983. Before joining the community she worked in administration for the Halifax Building Society. Having qualified as a first level nurse at St Bartholomew's Hospital, Sister Anne has worked in a number of nursing and health care settings for the elderly, for people with neurological and physical disabilities, domiciliary care and overseas in short term crisis intervention. She has also held managerial positions in social hostel settings.

She is currently working as a member of the leadership team with specific responsibility for the coordination of care for the older Sisters as the Care and Support Coordinator for the charity.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales and in Scotland requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the group for that period.

In preparing these accounts, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the Accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the Charity's Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Structure and management reporting

Five professional advisers ably support the Trustees, meeting together twice a year. The solicitors, accountant and surveyors, who comprise the Advisory Board, are always available for advice and guidance and especially prior to the making of any major decision.

The British Province comprises 91 Sisters, in 14 houses, of which 11 are situated in England and three in Scotland. These local communities are mostly situated in areas of towns and cities where it is believed that the Sisters can provide the greatest help to deprived and marginalised people. The Mission Statement states:

'We choose to stand at "the cutting edge" with vulnerable and marginalised people and to open our eyes to the global issues of our world today.'

Each of the local communities has a local Superior, appointed by the Provincial. She is responsible, with her Sisters in the community, for the services offered in the local area, for the financial management of the house, the upkeep of the property and the wellbeing of the Sisters. She is accountable to, and supported by, the Provincial and her Council, with whom there is regular communication and meetings. She submits her accounts monthly and budgets annually to the Provincial Treasurer who in turn draws up a three-year financial forecast for the Province, thus establishing a sound base for current and future planning.

Key management

The Trustees consider that they, together with the Business Executive Officer and the Care Home Managers comprise the key management of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis.

All Trustees are members of the Congregation and, whilst their living and personal expenses are borne by the Charity, they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or key management.

The pay of the Business Executive Officer, and the three Registered Care Home Managers, are reviewed annually by the Trustees. The remuneration benchmarks used for all key management are based on published pay grades for care and administrative staff but take into account additional responsibilities to ensure that the remuneration paid is fair and not out of line with that paid for similar roles.

Risk management

The Trustees undertake an annual review of the principal risks and uncertainties that the charity faces categorising the risks between:

- ◆ Governance and management.
- ◆ Operational.
- ◆ Financial.
- ◆ Reputation.
- ◆ Laws, regulations, external and environment.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

Governance and management looks at the skills and training of its members and staff and the good use of its resources.

Operational looks at the risks inherent in the Charity's activities including the operation of its four care establishments – the members engaging in inappropriate activities, the unsuitability of buildings, poor maintenance, shortcomings in the service provided, difficulties with staff, poor health and safety, lack of a disaster recovery policy, etc.

Financial risks include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies, global downturn in markets, and so on.

Reputation looks at possible damage to the Congregation and/or the charity's reputation.

Laws, regulations, external and environment look at the effect of government policies, the consequences of non-compliance with laws and regulations and poor risk assessment in the charity's care establishments.

The Trustees regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures.

This work and the impact of Covid-19 and its aftermath have led to a number of key risks being identified for the Charity which are described below, together with the principal ways in which they are mitigated:

Risk 1: The increasing age profile of the Province

The average age of the Sisters in the Province at the end of 2023 was 81 years. The stark reality is that there are now more Sisters in residential care than there are under the age of 70 years. The risks entailed in this fact are multiple, as not only will the activities and ministries of the Sisters decrease, but the need for financial resources to pay for residential and nursing care costs will inevitably increase.

To mitigate the dilution of services for vulnerable people due to this increase in age and few, if any, younger women entering the Congregation, the Trustees created 'The Daughters of Charity of St Vincent de Paul Services', an "umbrella" charitable organisation formed to ensure the sustainability of projects and services started by the Congregation and that the values and ethos on which these services were built, remain strong and true. The Trustees are made up of both lay people and Daughters and have developed a training programme called VIVAT, where Vincentian values are shared with all staff, who in turn are asked to experience these values in the services they offer to others.

Regarding the ongoing care of the elderly members of the Congregation, the Trustees, as companions and friends for many years of all the elderly Sisters, desire to provide excellent care for them.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

Risk 1: The increasing age profile of the Province (continued)

The Trustees also know that there is both a moral and legal obligation to do so, as the Sisters do not have resources of their own, as all earnings, pensions and other income have been donated to the Charity under a Deed of Covenant.

Thus, there is now a dedicated fund for this need, the value of which has been based on actuarial principles. Also, as previously stated in the caring for members of the Community section of this report, the Trustees ensure that residential care of a high standard is delivered to those Sisters most in need of it, as well as ensuring that at least another three houses are fully equipped with all necessary aids and facilities to give elderly Sisters not in need of care, but unable to fulfil active ministries, as much independence as possible.

Risk 2: Demand on the Charity's finances

The Trustees are very aware of the continuing demand on its finances, with increases in salaries staff and the cost of living, gas and oil prices increasing by the day. This, together with the reduction in the income now being received from the investments and the reduction in income from donations, partly due to the shortage of disposable income of many people and the age profile of the Sisters, mean fewer Sisters now receive salaries for their work and thus donations of such income to the Charity by deed of covenant are lower.

The Charity's main assets are in its investments. The value of listed investment is dependent on the movement in UK and world stock markets. During the year a decision was made by the Trustees with their investment managers to move out of UK equities into a much broader category of equities and so the equity part of the portfolio is now invested in global equities. This decision has paid off with investment values increasing by £1.33 million for the year ended 31 December 2023.

This demands on the finances will continue into 2024 and beyond. Therefore, the Trustees have requested and now review budgets covering a three year period. They also look to the next ten years to ensure all assets are being optimised to ensure that any and all deficits can be met. Expenditure is continually reviewed to ensure the Charity has sufficient funds going forward.

Risk 3: Recruitment of Care staff

The Trustees are very aware of the national shortage of adult Social Care workers. The recruitment and retention of carers is also a concern with a number of carers deciding to leave our home for better pay and less demanding work, which they can now get in local supermarkets and other places of employment.

The need to provide all staff with a decent wage has always been the priority of the Trustees and a lot of work is done every year in benchmarking the salaries of all staff to ensure the wages do not fall short of industry standards. The Trustees are also looking at the support which is available to staff to ensure the workplace is a supportive environment and all staff are happy in their roles.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

Risk 4: Reputational Risk

The Trustees are very aware that adverse publicity surrounding the criminal convictions for historic physical abuse in one of its Children's Care Homes, is a reputational risk.

The Charity provides safeguarding training for all its members actively involved with children and adults at risk as well as all trustees, employees and volunteers. It has membership of the Catholic Safeguarding Standards Service in England and Scotland (CSSA and SCCSA) and the Religious Life Safeguarding Service and everyone engaged in ministry has an advanced disclosure from the Disclosure and Barring Service.

Fundraising policy

The Charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data. It never swaps data and ensures that communication preferences can be changed at any time. The Charity manages its own fundraising activities and does not employ the services of Professional Fundraisers. The Charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2023, the Charity received no complaints about its fundraising activities (2022 – none).

Public benefit

The Trustees confirm that they have complied with their duty under section 17 of the Charities Act 2011 to have regard to the Charity Commission's guidance on public benefit. The Trustees believe they have demonstrated in detail throughout this report the ways in which the Charity has been faithful to this.

Employees, volunteers and members of the Congregation

The Trustees wish to record their recognition of the professionalism and commitment of all their staff and volunteers as well as the individual members of the Congregation. Their loyalty, dedication and positive approach to the service they give is crucial to the services provided to people in need throughout the Province and beyond. This is very much appreciated and never taken for granted.

Signed on behalf of the Trustees:

Trustee: Ellen T Flynn

Approved by the Trustees on: 15 July 2024

Independent auditor's report to the Trustees of Daughters of Charity of St Vincent de Paul Charitable Trust

Opinion

We have audited the accounts of Daughters of Charity of St Vincent de Paul Charitable Trust (the 'Charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the comparative statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the Charity's affairs as at 31 December 2023 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

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

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

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant frameworks which are directly relevant to specific assertions in the accounts are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and safeguarding regulations.
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- ◆ identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

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

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ carried out substantive testing of expenditure;

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

- ◆ assessed whether judgements and assumptions made in determining the accounting estimate for the provisions for bad debts and the Redress Scheme were indicative of potential bias; and
- ◆ used data analytics to investigate the rationale behind any significant or unusual transactions.

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

- ◆ agreeing accounts disclosures to underlying supporting documentation;
- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

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

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

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

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act, and in accordance with 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 and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

9 August 2024

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

Statement of financial activities Year to 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2023 £	Total funds 2022 £
Income:						
Grants, donations and legacies	1	2,246,050	253,953	—	2,500,003	1,939,972
Investment income and interest receivable	2	669,449	58,782	—	728,231	699,171
Other income						
. Surplus on disposal of tangible fixed assets		670,247	—	—	670,247	19,744
. Rent receivable		71,737	—	—	71,737	62,213
. Miscellaneous income		19,409	—	—	19,409	58,420
Total income		3,676,892	312,735	—	3,989,627	2,779,520
Expenditure:						
Cost of raising funds						
. Investment managers' fees		112,561	11,167	—	123,728	148,746
Expenditure on charitable activities						
. Support of members of the Congregation and their ministry	3	5,226,025	9,084	—	5,235,109	4,660,988
. Charitable grants, donations payable and similar	4	519,768	113,306	—	633,074	2,775,459
. Contributions to Redress Scotland	5	288,000	—	—	288,000	319,000
		6,146,354	133,557	—	6,279,911	7,904,193
Transfer of net assets to The Daughters of Charity of St Vincent de Paul, CIO (Charity Registration Number 1204513 (England and Wales) SC052894 (Scotland))	25	31,816,013	544,677	254,175	32,614,865	—
Total expenditure		37,962,367	678,234	254,175	38,894,776	7,904,193
Net (expenditure) income for the year before investment gains (losses)	7	(34,285,475)	(365,499)	(254,175)	(34,905,149)	(5,124,673)
Net investment gains (losses)						
. Listed investments	12	1,250,346	—	—	1,250,346	(3,166,760)
. Foreign exchange		(27,349)	—	—	(27,349)	69,288
. Foreign exchange contracts	12	116,284	—	—	116,284	(524,203)
		1,339,281	—	—	1,339,281	(3,621,675)
Net movement in funds for the year		(32,946,194)	(365,499)	(254,175)	(33,565,868)	(8,746,348)
Reconciliation of funds:						
Balances brought forward at 1 January 2023		36,671,194	365,499	254,175	37,290,868	46,037,216
Balances carried forward at 31 December 2023		3,725,000	—	—	3,725,000	37,290,868

With effect from midnight on 31 December 2023, the activities, transactions, assets and liabilities, excluding those relating to the Scottish redress scheme, were transferred to The Daughters of Charity of St Vincent de Paul CIO, Charity Registration Number 1204513 (England and Wales), SC02894 (Scotland) (see note 25).

All recognised gains and losses are included in the above statement of financial activities.

Comparative statement of financial activities Year to 31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2022 £
<i>Income:</i>					
Grants, donations and legacies	1	1,758,475	181,497	—	1,939,972
Investment income and interest receivable	2	646,704	52,467	—	699,171
Other income					
. Surplus on disposal of tangible fixed assets		19,744	—	—	19,744
. Rent receivable		62,213	—	—	62,213
. Miscellaneous income		58,420	—	—	58,420
Total income		2,545,556	233,964	—	2,779,520
<i>Expenditure:</i>					
Cost of raising funds					
. Investment managers' fees		137,003	11,743	—	148,746
Expenditure on charitable activities					
. Support of members of the Congregation and their ministry	3	4,624,538	36,450	—	4,660,988
. Charitable grants, donations payable and similar	4	2,635,590	139,869	—	2,775,459
. Contributions to Redress Scotland	5	319,000	—	—	319,000
Total expenditure		7,716,131	188,062	—	7,904,193
Net (expenditure) income for the year before investment (losses) gains	7	(5,170,575)	45,902	—	(5,124,673)
Net investment (losses) gains					
. Listed investments		(3,166,760)	—	—	(3,166,760)
. Derivatives		69,288	—	—	69,288
. Foreign exchange		(524,203)	—	—	(524,203)
		(3,621,675)	—	—	(3,621,675)
Net movement in funds for the year		(8,792,250)	45,902	—	(8,746,348)
<i>Reconciliation of funds:</i>					
Balances brought forward at 1 January 2022		45,463,444	319,597	254,175	46,037,216
Balances carried forward at 31 December 2022		36,671,194	365,499	254,175	37,290,868

Balance sheet 31 December 2023

	Notes	2023 £	2022 £
Fixed assets:			
Tangible assets	11	—	10,358,197
Investments	12	9,200,000	31,373,427
		9,200,000	41,731,624
Current assets:			
Debtors	13	—	632,635
Short term deposits		—	800,119
Cash at bank and in hand		50,000	754,341
		50,000	2,187,095
Liabilities:			
Creditors: amounts falling due within one year	14	(1,000,000)	(1,378,851)
Net current (liabilities) assets		(950,000)	808,244
Total assets less current liabilities		8,250,000	42,539,868
Provision for liabilities	5	(4,525,000)	(5,249,000)
Total net assets		3,725,000	37,290,868
The funds of the charity:			
Capital funds			
Permanent endowment funds	15	—	254,175
Income funds			
Restricted funds	16	—	365,499
Unrestricted funds			
. Tangible fixed assets fund	17	—	10,358,197
. Programme related investments fund	18	—	4,298,510
. Designated funds	19	—	21,246,546
. General fund		3,725,000	767,941
		3,725,000	37,290,868

Approved by the Trustees and signed on their behalf by:

Trustee: Ellen T Flynn

Approved by the Trustees on: 15 July 2024

Statement of cash flows Year to 31 December 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(4,185,464)	(7,332,316)
Cash flows from investing activities:			
Investment income received		669,824	676,539
Interest received		58,407	22,632
Proceeds from the disposal of tangible fixed assets		2,349,775	21,119
Purchase of tangible fixed assets		(1,403,391)	(64,103)
Proceeds from the disposal of investments		19,869,049	18,672,528
Net proceeds (cost) from settlement of foreign exchange contracts		18,168	(341,971)
Purchase of investments		(11,773,195)	(12,096,390)
Net cash provided by investing activities		9,788,637	6,890,354
Cash flows from financing activities:			
Loan repayments received		50,000	50,000
New loans issued		(42,000)	—
Net cash provided by financing activities		8,000	50,000
Change in cash and cash equivalents in the year		5,611,173	(391,962)
Cash and cash equivalents transferred to The Daughters of Charity of St Vincent de Paul CIO		(2,529,839)	—
Cash and cash equivalents at 1 January 2023	B	3,168,666	3,560,628
Cash and cash equivalents at 31 December 2023	B	6,250,000	3,168,666

Notes to the statement of cash flows for the year to 31 December 2023.

A Reconciliation of net movement in funds to net cash used in operating activities

	2023 £	2022 £
Net movement in funds (as per the statement of financial activities)	(33,565,868)	(8,746,348)
Adjustments for:		
Depreciation charge	251,320	231,813
Net (gains) losses on investments	(1,339,281)	3,621,675
Investment income receivable	(669,824)	(676,539)
Interest receivable	(58,407)	(22,632)
Surplus on disposal of tangible fixed assets	(670,247)	(19,744)
Decrease (Increase) in debtors	72,346	(77,483)
Decrease in creditors	(96,368)	(950,058)
Decrease in provisions	(724,000)	(693,000)
Transfer to Daughters of Charity of St Vincent de Paul CIO	32,614,865	—
Net cash used in operating activities	(4,185,464)	(7,332,316)

Statement of cash flows Year to 31 December 2023

B Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	50,000	754,341
Term deposits (less than three months)	—	800,119
Cash held by investment managers	6,200,000	1,614,206
Total cash and cash equivalents	6,250,000	3,168,666

C Analysis of changes in net debt

	2022 £	Cash flows £	2023 £
Cash at bank and in hand	754,341	(704,341)	50,000
Term deposits	800,119	(800,119)	—
Cash held by investment managers	1,614,206	4,585,794	6,200,000
Balance at 31 December 2023	3,168,666	3,081,334	6,250,000

Basis of accounting

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

Basis of preparation

These accounts have been prepared for the year to 31 December 2023 with comparative information given in respect to the year to 31 December 2022.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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

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

Critical accounting estimates and areas of judgement

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

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

- ◆ assessing the probability of the receipt of legacy income;
- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining a depreciation charge;
- ◆ estimating the market value of investment land;
- ◆ estimating the value of any provision in respect to Scottish Redress;
- ◆ determining the value of designated funds needed at the year end, in particular in respect to the assumptions made in determining the value of the Sisters' care and retirement fund; and
- ◆ estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts and have included in their assessment the fact that, with effect from midnight on 31 December 2023, the activities, certain assets and certain liabilities were transferred on a going concern basis to The Daughters of Charity of St Vincent de Paul CIO, Charity Registration Number 1204513 (England and Wales), SC02894 (Scotland). The transfer was in accordance with a legal transfer of undertakings dated 20 December 2023.

On the basis that the activities of the charity will continue within The Daughters of Charity of St Vincent de Paul CIO, that those assets and liabilities transferred were transferred on a going concern basis and that the assets retained within this charity are sufficient to meet the liabilities of the charity as they fall due, the trustees of the charity have concluded that it is appropriate for the accounts to be prepared on a going concern basis.

The Trustees continue to communicate with their investment managers and, whilst there are concerns over the volatility in world stock markets, they acknowledge also that the Charity is a medium term investor. As such, the policy is to ensure the capital value of the portfolio retained within this entity is maintained to meet the Scottish Redress liability.

The Trustees do not expect material concerns to arise over the Charity's financial position or going concern. The Trustees have concluded that the Charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

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

Income comprises donations and legacies, investment income and interest receivable, charges for residential, care and support services and other income including the surplus on the disposal of tangible fixed assets and programme related investments.

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

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Income recognition (continued)

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

Entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the Charity.

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

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

Income derived from the levying of charges for residential, care and support services is measured at the fair value of the consideration received or receivable, excluding discounts and rebates.

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

Other income, including rental income, is measured at fair value and accounted for on an accruals basis.

Expenditure recognition

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

Expenditure recognition (continued)

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This relates to investment management fees only.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Charity through the provision of its charitable activities. Such costs include direct and indirect expenditure on the provision of residential, care and support services, direct and indirect costs in respect to the support of members of the Congregation and enabling their ministry, and the provision of charitable grants and donations.

Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

- ◆ Contributions to Scottish Redress represent estimate of amounts that will be payable to the Scheme over the period to 2026 (see note 7). The amounts payable in future periods have been discounted to their present value using a discount rate of 5% per annum, being the expected average yield from investments earned by the Charity. These costs include the notional interest charged as a result of unwinding this discounting over time.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

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

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Governance costs are included as a specific category within support costs.

Support costs are allocated to expenditure on charitable activities on the basis described in note 8 to these accounts.

Tangible fixed assets

All assets costing more than £2,500 and with an expected useful life exceeding one year are capitalised.

♦ ***Voluntary-aided schools***

The freehold of the land and buildings legally owned by the Charity and occupied rent free on behalf of the Trustees of the governing bodies of Catholic voluntary-aided schools, which are separate charities and publicly funded, are valued at £nil. The Trustees consider that no meaningful value can be attributed to these assets, since they are not used directly by the Charity, do not generate income and cannot be disposed of in the open market or put to alternative use while such occupation, which may be indefinite, continues.

♦ ***Other freehold land and buildings***

With the exception of one property, all land and buildings located in England and Wales that were purchased prior to 1 January 1993 are included in the accounts at a valuation determined as at that date (the date on which the land and buildings were first incorporated into a set of statutory accounts). The valuations, which were determined by the Trustees with professional assistance and based on market values as at 1 January 1993, were used in the absence of reliable cost figures being available due (in part) to the fact that many of the properties had been purchased many years earlier and cost figures could not be determined without considerable research - the cost of which, in the opinion of the Trustees, would not be an appropriate or effective use of the Charity's resources. As permitted by FRS 102, with effect from 1 January 2014 the values assigned to these properties are now deemed their cost.

One property situated in England was not incorporated into the statutory accounts until 1 January 1997 and, for similar reasons as set out above, it is included in the accounts at a valuation determined by the Trustees with professional assistance as at 1 January 1997 based on market value as at that date. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to this property is now deemed its cost.

All other freehold land and buildings situated in England and Wales have been purchased subsequent to 1 January 1993 and are included in the accounts at cost.

All land and buildings located in Scotland and purchased prior to 1 January 1996 are included in the accounts at a valuation determined as at that date (the date on which the land and buildings were first incorporated into a set of statutory accounts). The valuations, which were determined by the Trustees with professional assistance and based on market values as at 1 January 1996, were used in the absence of reliable cost figures being available due (in part) to the fact that many of the properties had been purchased many years earlier and cost figures could not be determined without considerable research - the cost of which, in the opinion of the Trustees, would not be an appropriate or effective use of the Charity's resources. As permitted by FRS 102, with effect from 1 January 2014, the value assigned to these properties is now deemed their cost. All freehold land and buildings situated in Scotland and purchased subsequent to 1 January 1996 are included in the accounts at cost.

Tangible fixed assets (continued)

◆ ***Other freehold land and buildings*** (continued)

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

Specialised buildings are defined as those comprising the Charity's care homes, health care establishments and large residential convents. Depreciation is provided at between 2% to 4% per annum on a straight-line basis to write the buildings off over their estimated useful economic life to the Charity.

◆ ***Long leasehold property***

Long leasehold property comprising of non-specialised buildings is shown on the balance sheet at cost.

Long leasehold property is not depreciated until the period of the lease remaining is 50 years or less at which point it is depreciated on a straight line basis over the remaining period of the lease. All leasehold property is maintained to standards which ensure that its residual value is not less than its book value. Therefore, depreciation on such property with more than 50 years of the lease remaining is deemed immaterial.

◆ ***Furniture, plant and computer equipment***

Expenditure on the purchase and replacement of furniture, plant and computer equipment is capitalised and depreciated on a straight line basis over the estimated life of each asset, as follows:

Plant	- 10 years
Furniture and plant	- 5 years
Computer equipment	- 4 years

◆ ***Motor vehicles***

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

Fixed asset investments

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

Management of the Charity's investment portfolio includes the use of foreign exchange contracts including forward contracts. These are a form of complex financial instrument. They are recognised initially at their transaction value and subsequently measured at their fair value as at the balance sheet date, using the prevailing exchange rate at that date. Changes in fair value are credited (or debited) to the statement of financial activities in the year in which they arise.

Fixed asset investments (continued)

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

Land held for investment is included in the accounts at the estimated current market value of the land based on disposal for development and the likelihood of residential planning consent being granted. The valuation has been determined by the Trustees after consultation with their professional property advisers.

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

Programme related investments

Programme related investments comprise properties owned by the Charity but occupied by, The Louise Project Limited or Marillac Neurological Care Centre.

The Louise Project Limited occupies the property at a reduced market value rent. The Louise Project Limited (the Project) is a charitable company registered with the Office of the Scottish Charity Regulator. The work carried out by the Project is consistent with the charitable objects of the Charity and as such the property is classified as a programme related investment. It is stated at book value as at 1 April 2017, the date on which the activities of the Project were transferred from the Charity and the date, therefore, on which the properties were reclassified by the Charity from tangible fixed assets (i.e. functional properties) to programme related investments.

Marillac Neurological Care Centre (MNCC) occupies the property at a reduced market value rent. MNCC is a charitable company registered with the Charity Commission. The work carried out by MNCC is consistent with the charitable objects of the Charity and as such the property is classified as a programme related investment. It is stated at book value as at 31 March 2021, the date on which the activities of MNCC were transferred from the Charity and the date, therefore, on which the properties were reclassified by the Charity from tangible fixed assets (i.e. functional properties) to programme related investments.

No depreciation is charged on programme related investments. Impairment provisions, if any, are charged to the statement of financial activities when and if they arise and are classified as charitable expenditure.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Fund structure

The endowment funds comprise monies which must be held indefinitely as capital. The income therefrom is credited directly to unrestricted or restricted funds in accordance with the terms of the relevant endowment.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

The tangible fixed assets fund represents the net book value of the tangible fixed assets, after deducting the finance lease obligations in respect to furniture and equipment, used for the support of the Sisters and their ministry.

The programme related investments fund represents the book value of those properties classified as programme related investments i.e. those properties occupied by other organisations at a peppercorn rent or reduced market value rent but used for purposes consistent with the charitable objectives of the Charity.

The general fund comprises those monies which may be used towards meeting the charitable objectives of the Charity and which may be applied at the discretion of the Trustees.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Trustees.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

Lease arrangements that transfer substantially all the risks and rewards of ownership to the lessee are treated as finance leases. Assets held under finance leases are capitalised within tangible fixed assets and depreciated over the shorter of the lease term and useful life of the asset. A liability is recognised for the present value of the minimum lease payments within current and long term liabilities as appropriate. Rental payments are apportioned between capital and interest expense.

Foreign currencies

Income received, and costs incurred overseas, are translated into sterling at the rate of exchange in force at the year end. This policy does not comply with FRS 102, Section 30 which requires income and expenditure to be translated using the rate of exchange on the transaction date and amounts payable or receivable to be retranslated at the reporting date but has been adopted to avoid over-complexity. The amounts involved are not material, and the Trustees have therefore concluded that this departure does not prevent the accounts from presenting a true and fair view of the Charity's financial position, financial performance and cash flows in the year ended 31 December 2023.

Pension costs

Employer's contributions in respect of the Charity's Group Pension Plan, a defined contribution scheme, are charged to unrestricted funds in the statement of financial activities in the year in which they are payable to the scheme.

All eligible members of staff (not already contributing to an eligible scheme) continue to be auto-enrolled in a workplace pension scheme. Employer contributions to the scheme are charged to the statement of financial activities in the year in which they are payable to the scheme.

Services provided by members of the Congregation

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

1 Grants, donations and legacies

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2023 £
Salaries and pensions of individual religious	1,638,484	—	—	1,638,484
Legacies	580,704	150,000	—	730,704
Donations for the Congregation's overseas missions	—	94,870	—	94,870
Other donations	26,862	—	—	26,862
Other local authority grants	—	9,083	—	9,083
2023 Total funds	2,246,050	253,953	—	2,500,003

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2022 £
<i>Salaries and pensions of individual religious</i>	1,674,417	—	—	1,674,417
<i>Legacies</i>	57,790	—	—	57,790
<i>Donations for the Congregation's overseas missions</i>	—	145,047	—	145,047
<i>Other donations</i>	26,268	—	—	26,268
<i>Other Covid-19 Government and local authority grants</i>	—	36,450	—	36,450
2022 Total funds	1,758,475	181,497	—	1,939,972

2 Investment income and interest receivable

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2023 £
Income from listed investments				
. Government Bonds	63,897	4,071	—	67,968
. Non-Government Bonds	59,375	7,062	—	66,437
. UK Equities and Equity Trusts	66,336	7,214	—	73,550
. Global Equities	184,840	24,260	—	209,100
. UK property and Unit Trusts	36,776	4,388	—	41,164
. Alternative Investments	101,192	6,413	—	107,605
	512,416	53,408	—	565,824
Income from programme related investments	104,000	—	—	104,000
Interest receivable				
. Interest on loans	7,537	—	—	7,537
. Monies held by investment managers	36,252	3,086	—	39,338
. Bank interest	9,244	2,288	—	11,532
	53,033	5,374	—	58,407
2023 Total funds	669,449	58,782	—	728,231

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2022 £
Income from listed investments				
. Government Bonds	30,383	1,181	—	31,564
. Non-Government Bonds	37,876	4,214	—	42,090
. UK Equities and Equity Trusts	146,298	15,256	—	161,554
. Global Equities	185,539	19,245	—	204,784
. UK property and Unit Trusts	40,281	4,331	—	44,612
. Alternative Investments	86,291	6,894	—	93,185
	526,668	51,121	—	577,789
Income from programme related investments	98,750	—	—	98,750
Interest receivable				
. Interest on loans	7,720	—	—	7,720
. Monies held by investment managers	11,782	561	—	12,343
. Bank interest	1,784	785	—	2,569
	21,286	1,346	—	22,632
2022 Total funds	646,704	52,467	—	699,171

3 Support of members of the Congregation and their ministry

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2023 £
Sisters' living and personal expenses	1,018,670	—	—	1,018,670
Premises	1,107,132	9,084	—	1,116,216
Staff costs	2,149,889	—	—	2,149,889
Spiritual renewal	124,520	—	—	124,520
Other costs	104,648	—	—	104,648
Support costs (note 6)	721,166	—	—	721,166
2023 Total funds	5,226,025	9,084	—	5,235,109

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2022 £
<i>Sisters' living and personal expenses</i>	<i>967,741</i>	<i>—</i>	<i>—</i>	<i>967,741</i>
<i>Premises</i>	<i>1,109,157</i>	<i>—</i>	<i>—</i>	<i>1,109,157</i>
<i>Staff costs</i>	<i>1,903,849</i>	<i>36,450</i>	<i>—</i>	<i>1,940,299</i>
<i>Spiritual renewal</i>	<i>94,101</i>	<i>—</i>	<i>—</i>	<i>94,101</i>
<i>Other costs</i>	<i>86,915</i>	<i>—</i>	<i>—</i>	<i>86,915</i>
<i>Support costs (note 6)</i>	<i>462,775</i>	<i>—</i>	<i>—</i>	<i>462,775</i>
2022 Total funds	4,624,538	36,450	—	4,660,988

4 Charitable grants and donations payable

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2023 £
Donations to the Congregation's overseas missions:				
. Ethiopia	—	79,010	—	79,010
. Kenya	—	1,092	—	1,092
. Morocco	—	5,000	—	5,000
. Vietnam	—	14,487	—	14,487
. Syria	—	13,642	—	13,642
. Lebanon	—	75	—	75
The Vincentian Volunteers	5,000	—	—	5,000
Marillac Neurological Care Centre	500,000	—	—	500,000
Safe Space England and Wales (SSEW)	5,000	—	—	5,000
World Youth Day	2,590	—	—	2,590
Asylum Justice	2,558	—	—	2,558
Holy Cross Abbey	5,000	—	—	5,000
Vincentian Care Plus	(20,000)	—	—	(20,000)
Mission Heart Scotland	6,630	—	—	6,630
Cost of living Vouchers	9,848	—	—	9,848
Other donations	3,142	—	—	3,142
2023 Total funds	519,768	113,306	—	633,074

4 Charitable grants and donations payable (continued)

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2022 £
<i>Donations to the Congregation's overseas missions:</i>				
. Ethiopia	—	94,962	—	94,962
. Haiti	—	700	—	700
. Ukraine	5,000	33,400	—	38,400
. Vietnam	—	9,807	—	9,807
. Syria	—	700	—	700
. Lebanon	—	300	—	300
The Vincentian Volunteers	5,000	—	—	5,000
Marillac Neurological Care Centre	13,000	—	—	13,000
Centenary Artwork Marillac Neurological Care Centre	13,600	—	—	13,600
Religious Life Safeguarding	4,000	—	—	4,000
Holy Cross Abbey	5,000	—	—	5,000
Vincentian Care Plus	(18,500)	—	—	(18,500)
Daughters of Charity of St Vincent de Paul Services	2,600,835	—	—	2,600,835
Other donations	7,655	—	—	7,655
2022 Total funds	2,635,590	139,869	—	2,775,459

Other donations comprise amounts of £1,000 or less donated to other organisations with objects consistent with those of the Charity.

The “negative” amount of £20,000 (2022 – £18,500) in respect to Vincentian Care Plus (VCP) relates to the voluntary repayment of monies donated to VCP in prior years.

5 Contribution to Redress Scotland

The National Inquiry into Historical Abuse commissioned by Scottish Ministers under the Inquiries Act 2005 in Scotland has held hearings in relation to two of the Congregation's former homes in Scotland. The Scottish Government has passed legislation to establish a Redress Scheme (Redress Scotland). Alongside other providers of care in Scotland (both past and present), the Daughters of Charity of St Vincent de Paul Charitable Trust has contributed towards the funding of the payments to be met by the Scheme. Under the Financial Contribution Agreement with the Scottish Ministers, the Charity will contribute a maximum of £10 million to Redress Scotland. £4 million has been paid to date and a further £1 million is payable in 2024 (note 17a). A further £5 million (discounted to £4,525,000) has been provided for, being the maximum amount that will be payable between 2024 and 2026. From 2024, the annual contribution amount is subject to review to assess the amount payable.

6 Support costs

	Total funds 2023 £	Total funds 2022 £
Legal and professional fees	535,281	359,804
Central administration	49,541	39,709
Bank charges	5,202	5,094
Governance (see below)	131,142	58,168
Total funds	721,166	462,775

The above expenses have been analysed in detail and individual invoices, or groups of invoices, have been allocated as appropriate to either the provision of residential, care and support services or support of members of the Congregation and their ministry.

Governance costs included above comprised:

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2023 £
Auditor's remuneration	24,960	—	—	24,960
Legal and professional	103,574	—	—	103,574
Central administration	2,608	—	—	2,608
2023 Total funds	131,142	—	—	131,142

	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>Endowment funds £</i>	<i>Total funds 2022 £</i>
<i>Auditor's remuneration</i>	<i>24,900</i>	<i>—</i>	<i>—</i>	<i>24,900</i>
<i>Legal and professional</i>	<i>31,178</i>	<i>—</i>	<i>—</i>	<i>31,178</i>
<i>Central administration</i>	<i>2,090</i>	<i>—</i>	<i>—</i>	<i>2,090</i>
<i>2022 Total funds</i>	<i>58,168</i>	<i>—</i>	<i>—</i>	<i>58,168</i>

General solicitors' fees are apportioned to governance costs on the basis of the estimated time solicitors spend working on matters pertaining to the governance of the Charity.

General administrative costs are apportioned to governance costs on the basis of the time staff spent working on governance issues.

7 Net (expenditure) income for the year before investment (losses) gains

This is stated after charging (crediting):

	Total 2023 £	Total 2022 £
Staff costs (note 8)	2,149,889	1,940,299
Auditor's remuneration		
. Statutory audit services – current year	24,960	24,900
Depreciation (note 11)	251,320	231,813
Surplus on disposal of tangible fixed assets	(670,247)	(19,744)

8 Staff costs and remuneration of key management personnel

	2023 £	2022 £
Staff costs during the year were as follows:		
Wages and salaries	1,905,517	1,707,745
Social security costs	142,374	124,642
Other pension costs	47,986	40,088
	2,095,877	1,872,475
Agency staff	54,012	67,824
	2,149,889	1,940,299

Payments to agency staff during the year reflect the difficulties in recruiting permanent nursing and care staff.

Staff costs per function were as follows:

	2023 £	2022 £
Support of members of the Congregation and their ministry	2,149,889	1,940,299

The following number of employees earned £60,000 per annum or more (including taxable benefits but excluding employer's pension contributions):

	2023	2022
£70,000 - £80,000	—	1
£80,000 - £90,000	1	—

The average number of employees during the year, analysed by function, was:

	2023	2022
Support of members of the Congregation and their ministry	103	99

8 Staff costs and remuneration of key management personnel (continued)

The number of employees based on full time equivalents, analysed by function, was:

	2023	2022
Support of members of the Congregation and their ministry	80	76

The key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis comprise the Trustees, the Business Executive Officer and the Care Home Managers. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £227,780 (2022 – £180,051).

9 Trustees' expenses and remuneration and transactions with Trustees

The Charity's Trustees are all members of the Congregation and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Congregation, are borne by the Charity. No Trustee received any remuneration or reimbursement of expenses in connection with their duties as Trustees or members of key management (2022 – none).

As members of the Congregation, none of the Trustees have resources of their own as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the Trustees to the Charity was £77,683 (2022 – £64,418).

10 Taxation

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

11 Tangible fixed assets

	Freehold land and buildings			Furniture, plant and computer equipment	Motor vehicles	Total
	Sisters' living accommodation £	Special needs accommodation £	Long leasehold land and buildings £	£	£	£
Cost or valuation						
At 1 January 2023	5,912,059	7,323,501	42,623	134,336	363,398	13,775,917
Additions	1,253,092	—	—	77,412	72,887	1,403,391
Disposals and eliminations	(1,679,521)	—	—	(7,032)	(55,133)	(1,741,686)
Transfer to The Daughters of Charity of St Vincent de Paul CIO	(5,485,630)	(7,323,501)	(42,623)	(204,716)	(381,152)	(13,437,622)
At 31 December 2023	—	—	—	—	—	—
Depreciation						
At 1 January 2023	—	3,027,153	—	92,449	298,118	3,417,720
Charge for the year	—	169,518	—	36,066	45,736	251,320
On disposals and eliminations	—	—	—	(7,032)	(55,126)	(62,158)
Transfer to The Daughters of Charity of St Vincent de Paul CIO	—	(3,196,671)	—	(121,483)	(288,728)	(3,606,882)
At 31 December 2023	—	—	—	—	—	—
Net book values						
At 31 December 2023	—	—	—	—	—	—
At 31 December 2022	5,912,059	4,296,348	42,623	41,887	65,280	10,358,197

Under previous Generally Accepted Accounting Practice, a number of freehold and long leasehold properties were held at book values based on Trustees' valuations made in 1993, 1996 and 1997 based on open market value at the date of valuation. As permitted under the transitional provisions of FRS 102 (section 35), the Charity has elected to use these valuations as deemed cost.

The remaining properties and other tangible fixed assets are held at cost less accumulated depreciation where applicable.

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

Capital commitments

There were no capital commitments at the year end (2022 – £1,300,000 of capital expenditure had been authorised in respect to work to be undertaken on the property in London).

12 Investments

	2023 £	2022 £
Investment land	3,000,000	3,000,000
Listed investments	6,200,000	24,148,736
Unsettled foreign exchange contracts	—	(73,819)
Programme Related Investments	—	4,298,510
	9,200,000	31,373,427

Investment land

The Charity has owned and occupied land at Lanark, Scotland since 1949 and for many years the Sisters operated a hospital on the site. Since the closure of the hospital, the Charity has been exploring how best to utilise the land for the benefit of its charitable objects. Initially, this involved discussions with a property developer about a disposal of the land for residential property development. Unfortunately, the collapse of the housing market and the severe financing restrictions since 2008 have led to interest by developers being extremely limited.

The value of the land was reduced to £3 million in 2019 to reflect its value on the open market as estimated by an independent valuer. This value does not include any premium for development value. The Trustees are of the opinion that there has been no material change in the market value of the land since this date.

Listed investments

	2023 £	2022 £
Listed investments		
Market value at 1 January 2023	22,534,530	32,277,428
Additions	11,773,195	12,096,390
Disposals at opening book value (proceeds £19,872,100, gains £467,885)	(19,404,215)	(19,410,990)
Net gains (losses) on revaluation	782,461	(2,428,298)
Market value at 31 December 2023	15,685,971	22,534,530
Cash held by investment managers	6,575,510	1,614,206
	22,261,481	24,148,736
Transfers to The Daughters of Charity of St Vincent de Paul CIO	(16,061,481)	—
	6,200,000	24,148,736
Cost of listed investments at 31 December 2023	6,200,000	22,706,827

In addition, during the year, the investment manager carried out some trades in derivatives and the resulting net realised and unrealised losses amounted to £27,349 (2022 – net gains of £69,288).

12 Investments (continued)

The listed investments, all of which were transferred to the new CIO with effect from midnight on 31 December 2023, comprised the following:

	2023 £	2022 £
. Government Bonds	1,567,505	2,093,280
. Non-Government Bonds	1,247,416	1,427,042
. UK Equities and Equity Trusts	—	3,908,443
. Global Equities	10,425,718	10,248,839
. UK Property and Unit Trusts	754,335	869,153
. Alternative Investments	1,690,997	2,975,351
. Liquid Assets	—	1,012,422
	15,685,971	22,534,530

At 31 December 2023 listed investments included the following individual holdings, all of which are deemed material holdings in the context of the entire portfolio valuation as at that date:

	2023		2022	
	Market value of holding £	Percentage of portfolio %	Market value of holding £	Percentage of portfolio %
Sarasin Responsible Corp Bond Inc	1,247,416	7.95%	1,275,405	5.66%
ICS-Sterling Liquidity Fund - Acc	—	—	1,012,422	4.49%

All listed investments were dealt in directly on a recognised stock exchange or comprised units the underlying investments of which were dealt in on a recognised stock exchange.

Gains (losses) on foreign exchange contracts for the year ended 31 December 2023 consisted of the following:

	2023 £	2022 £
Foreign exchange contracts		
Fair value gain (loss) on settlement	116,135	(450,382)
Fair value gain (loss) on unsettled contracts	149	(73,821)
Total gains (losses) on foreign exchange contracts	116,284	(524,203)

Nature and extent of risks arising from financial instruments

The aim of investment risk management is to minimise the risk of an overall reduction in the value of the portfolio and to maximise the opportunity for gains.

The Trustees monitor the underlying risks to which the investments are exposed through reviews with the investment managers. The risks to which the investments are exposed include market and credit risk. The exposure to market risk is mitigated by the Charity investing in a diverse portfolio of investments across various markets. Bonds and bond-like instruments are exposed to credit risk but exposure to credit risk is minimised by only investing in bonds that are subject to a minimum credit rating.

12 Investments (continued)

Listed investments (continued)

Liquidity risk represents the risk that the Charity will not be able to meet its financial obligations as they fall due. The Trustees monitor cash flows and take steps to ensure that there are adequate cash resources to meet the Charity's commitments.

Currency risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The fund is exposed to currency risk on financial instruments that are denominated in any currency other than the functional currency of the fund (UK sterling).

Programme related investments

	2023 £	2022 £
Carrying value at 1 January 2023	4,298,510	4,098,510
Transfer to The Daughters of Charity of St Vincent de Paul CIO	(4,298,510)	—
At 31 December 2023	—	4,298,510

During 2021, four properties were sold to St Joseph's Services, Rosewell. This sale was agreed after both the Charity and St Joseph's Services had taken independent professional advice and after taking in to consideration the fact that both are registered charities.

With effect midnight on 31 March 2017, the activities carried out by The Space, Govanhill were transferred to The Louise Project Limited, a charity registered in Scotland with the Office of the Scottish Charity Regulator (Charity Registration No. SC047316) and a company limited by guarantee incorporated in Scotland (Company Registration No. SC555365). At that date a property owned by the Charity but occupied by The Louise Project Limited, at a reduced market rent was reclassified as a programme related investment in these accounts, having previously been classified as functional freehold property within tangible fixed assets.

With effect from midnight on 31 March 2021, the activities carried out by the Marillac were transferred to Marillac Neurological Care Centre, (Charity Registration No. 118,4495) and a company limited by guarantee (Company Registration No. 12085591). At that date a property owned by the Charity but occupied by Marillac Neurological Care Centre, at a reduced market rent, was reclassified as a programme related investment in these accounts, having previously been classified as functional freehold property within tangible fixed assets.

13 Debtors

	2023 £	2022 £
Residential and care home fees	8,182	11,352
Prepayments and accrued income	108,955	93,561
Loan to St Joseph's Services: due in less than one year (note 21)	50,000	50,000
Loan to St Joseph's Services: due in more than one year (note 21)	312,500	362,500
Cash flow loan to St Vincent's Family Project (note 21)	54,500	12,500
Other debtors	18,152	9,600
Professional fees in respect of planned capital works	—	93,122
	552,289	632,635
Transfer to The Daughters of Charity of St Vincent de Paul CIO	(552,289)	—
	—	632,635

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Redress Scotland	1,000,000	988,000
Expense creditors	53,169	141,652
Social security and other taxes	33,601	23,437
Other creditors	28,249	19,195
Monies administered by the Charity on behalf of individual members of the Daughters of Charity of St Vincent de Paul	55,585	55,585
Money held on behalf of the Ethiopian Province of the Daughters of Charity of St Vincent de Paul	87,879	86,982
Grant payable to St Vincent's Family Project (note 24)	—	40,000
Accruals	24,000	24,000
	1,282,483	1,378,851
Transfer to the Daughters of Charity of St Vincent de Paul CIO	(282,483)	—
	1,000,000	1,378,851

In 2021 the trustees committed to contribute £10,000,000 to Redress Scotland from 2021 to 2026 inclusive. A liability has been recognised, within creditors falling due within one year and provision for liabilities (note 7) discounted to present value using a discount rate of 5% per annum, the expected long-term average yield from investments earned by the Charity. The liability at 31 December 2023 represents contributions which the trustees have committed to paying in the years 2024 to 2026. The notional interest is debited to the statement of financial activities as the discount is "unwound".

The contributions payable are as follows:

	Discounted amounts		Gross amounts	
	2023 £	2022 £	2023 £	2022 £
Creditor due within one year	1,000,000	988,000	1,000,000	1,000,000
Provision for liabilities	4,525,000	5,249,000	5,000,000	6,000,000
	5,525,000	6,237,000	6,000,000	7,000,000

14 Creditors: amounts falling due within one year (continued)

The movement in liability for the contributions is as follows:

	2023 £	2022 £
Total contributions payable at 1 January 2023	6,237,000	7,918,000
Notional interest in respect to discounted future cash flows	288,000	319,000
Contributions paid during the year	(1,000,000)	(2,000,000)
Total contributions payable at 31 December 2023	5,525,000	6,237,000

15 Permanent endowment funds

The capital of these funds must be preserved, although the income may be used in accordance with the terms of the relevant endowment at the discretion of the Trustees.

	At 1 January 2023 £	Transfer to the Daughters of Charity of St Vincent de Paul CIO £	At 31 December 2023 £	At 1 January 2022 £	Movement in year £	At 31 December 2022 £
Salisbury fund	254,175	(254,175)	—	254,175	—	254,175

The Salisbury fund was established in 1871 by deed of trust when several properties located in Salisbury were gifted to the Daughters of Charity of St Vincent de Paul to be held as an endowment in perpetuity. The properties were vested in the name of the Charity by means of a Scheme of the Charity Commissioners dated 2 June 1965 and a Vesting Order dated 16 May 1997. The properties were sold during the year ended 31 December 1998, following approval from the Charity Commission. The proceeds are to be held as permanent endowment.

16 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purpose.

	At 1 January 2023 £	Income £	Expenditure and internal transfers £	Transfer to the Daughters of Charity of St Vincent de Paul CIO £	At 31 December 2023 £
Mission funds					
. Ethiopian	363,215	264,648	(90,214)	(537,649)	—
. Other mission funds	2,284	39,003	(34,259)	(7,028)	—
	365,499	303,651	(124,473)	(544,677)	—

16 Restricted funds (continued)

	At 1 January 2022 £	Income £	Expenditure £	Transfers £	At 31 December 2022 £
Mission funds					
. Ethiopian	317,589	151,631	(106,705)	700	363,215
. Other mission funds	2,008	82,333	(81,357)	(700)	2,284
	<u>319,597</u>	<u>233,964</u>	<u>(188,062)</u>	<u>—</u>	<u>365,499</u>

The mission funds comprise monies donated or granted to the Charity towards the work of members of the Roman Catholic Congregation, the Daughters of Charity of St Vincent de Paul, in overseas missions.

Transfers from restricted funds to unrestricted funds represent the reimbursement of the unrestricted funds for expenditure.

17 Tangible fixed asset fund

	At 1 January 2023 £	Movements in year £	Transfer to the Daughters of Charity of St Vincent de Paul CIO £	At 31 December 2023 £
Tangible fixed assets fund	<u>10,358,197</u>	<u>(527,457)</u>	<u>(9,830,740)</u>	<u>—</u>

	At 1 January 2022 £	Movements in year £	At 31 December 2022 £
Tangible fixed assets fund	<u>10,527,282</u>	<u>(169,085)</u>	<u>10,358,197</u>

The tangible fixed assets fund represents the net book value of the Charity's tangible fixed assets used for the support of the Sisters and their ministry (i.e. excluding those applied for use by the residential and care service establishments and The Space, Govanhill). A decision was made to separate this fund from the General Fund in recognition of the fact that the assets are used in the day to day work of the Charity, and the fund value would not be realisable easily if needed to meet future contingencies.

18 Programme related investments fund

Group and charity	Transfer to The Daughters of Charity of St Vincent de Paul CIO		At 31 December 2023 £	At 1 January 2022 £	Movement in year £	At 31 December 2022 £
	At 1 January 2023 £	Vincent de Paul CIO £				
Marillac Neurological Care Services	3,918,858	(3,918,858)	—	3,918,858	—	3,918,858
The Louise Project Limited property	379,652	(379,652)	—	379,652	—	379,652
	4,298,510	(4,298,510)	—	4,298,510	—	4,298,510

The programme related investments fund represents the book value of those properties classified as programme related investments i.e. those properties occupied by The Louise Project Limited and Marillac Neurological Care Centre at a reduced rent but used for purposes consistent with the charitable objectives of the Charity.

19 Designated funds

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

	Transfer to the Daughters of Charity of St Vincent de Paul CIO		At 31 December 2023 £
	At 1 January 2023 £	New designatio ns £	
Sisters' care and retirement fund	19,200,000	—	(6,600,000)
Project fund	2,046,546	133,663	—
	21,246,546	133,663	(6,600,000)

	Transfer to the Daughters of Charity of St Vincent de Paul CIO		At 31 December 2022 £
	At 1 January 2022 £	New designations £	
Sisters' care and retirement fund	20,700,000	—	(1,500,000)
Development fund	1,000,000	—	(1,000,000)
Project fund	2,366,918	—	(320,372)
	24,066,918	—	(2,820,372)

19 Designated funds (continued)

The funds have been designated for the following purposes:

♦ *Sisters' care and retirement fund*

This fund consists of monies set aside by the Trustees to provide for the future costs of providing nursing and care costs to elderly Sisters and also to provide for Sisters of retirement age who are still active and not in need of care. The value of the fund is based on actuarial calculations which show that it will need to be preserved in order to provide for the Congregation's 95 Sisters within the British Province.

♦ *Residential, care and support services fund*

This fund represented the net assets (including freehold land and buildings) of the residential and care service establishments operated by the Charity.

♦ *Development fund*

This fund represents monies set aside for new initiatives and projects newly established as well as buildings developments at the residential, care and support establishments.

♦ *Project fund*

This fund represents monies set aside for use by particular projects, principally the missionary work of the Sisters overseas.

20 Analysis of net assets between funds

	Tangible fixed assets £	Investments £	Net current liabilities £	Long term creditors and provisions £	At 31 December 2023 Total net assets £
Unrestricted funds					
. General fund	—	9,200,000	(950,000)	(4,525,000)	3,725,000
	—	9,200,000	(950,000)	(4,525,000)	3,725,000

	Tangible fixed assets £	Investments £	Net current assets £	Long term creditors and provisions £	At 31 December 2022 Total net assets £
<i>Capital funds</i>					
<i>Endowment funds</i>	—	—	254,175	—	254,175
<i>Income funds</i>					
<i>Restricted funds</i>	—	—	365,499	—	365,499
<i>Unrestricted funds</i>					
. Tangible fixed assets fund	10,358,197	—	—	—	10,358,197
. Programme related investments fund	—	4,298,510	—	—	4,298,510
. Designated funds	—	21,246,546	—	—	21,246,546
. General fund	—	5,828,371	188,570	(5,249,000)	767,941
	10,358,197	31,373,427	808,244	(5,249,000)	37,290,868

20 Analysis of net assets between funds (continued)

The total unrealised gains as at 31 December 2023, immediately prior to the transfer of funds to the CIO, constitute movements on revaluation and are as follows:

	2023 £	2022 £
Unrealised gains include above on:		
On listed investments	914,280	(172,297)
Reconciliation of movements in unrealised gains:		
At 1 January 2023	(172,297)	4,914,528
In respect to disposals in the year	304,116	(2,658,527)
Net gains arising on revaluation	782,461	(2,428,298)
At 31 December 2023	914,280	(172,297)

21 Related party transactions with connected organisations

A summary of organisations connected to the Charity and transactions with the Charity are given below:

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust (the Charitable Trust) is connected to The Daughters of Charity of St Vincent de Paul Services (Charity Registration No 1149326, Company Registration No. 07638065) by virtue of the fact that two of its Trustees are also the Trustees of the Charitable Trust. And four were Daughters of Charity of St Vincent de Paul.

Gifts in kind amounting to £98,000 (2022 – £63,000) representing facilities and staff costs were donated to The Daughters of Charity of St Vincent de Paul Services .

During the year the Charity made a grant to The Daughters of Charity of St Vincent de Paul Services of £nil (2022 – £2,600,835) to assist with long term funding requirements.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to St Vincent's Family Project (Charity Registration No 1142095) by virtue of the fact that two of the Trustees of the Project, who served during the year, were Daughters of Charity of St Vincent de Paul.

At 31 December 2020, the Charity had committed to make a grant of £120,000 to the Project payable over three years at £40,000 per annum. The Final £40,000 was paid in 2023.

In addition, at 31 December 2023 St Vincent's Family Project was indebted to the successor charity to the value of £54,500 (2022 – £12,500 was receivable by the charity) representing a short term interest free loan to assist cash flow.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to Vincentian Care Plus (Charity Registration No 1112473, Company Registration No 05321333) by virtue of the fact that Vincentian Care Plus was initiated by the Congregation and the fact that two of the Trustees of Vincentian Care Plus who served during the year were Daughters of Charity of St Vincent de Paul.

21 Related party transactions with connected organisations (continued)

During the year the Charitable Trust received £20,000 from Vincentian Care Plus (2022 – £30,000) in gratitude for the donations made by the Charity to help with cash flow. Now that Vincentian Care Plus is beginning to generate a surplus, its Trustees felt it only appropriate to give back some of the funds that had been donated.

A donation of £Nil (2022 – £11,500) was given to Vincentian Care Plus to help with crises management following the pandemic.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to Out There Supporting Families of Prisoners Limited ('Out There') (Charity Registration No 1120342, Company Registration No 6239170) by virtue of the fact that Out There Supporting Families of Prisoners Limited was initiated by the Congregation and the fact that two of the Trustees of Out There Supporting Families of Prisoners Limited who served during the year were Daughters of Charity of St Vincent de Paul, one of which was also a Trustee of the Charitable Trust.

There were no transactions between the two charities in the year to 31 December 2023.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to The Vincentian Volunteers Limited (Charity Registration No 1161536) by virtue of the fact that Vincentian Volunteers was initiated by the Congregation and the that two of the Trustees of The Vincentian Volunteers Limited who served during the year were Daughters of Charity of St Vincent de Paul.

During the year the Charitable Trust gave a donation of £5,000 (2022 – £5,000) to the Vincentian Volunteers.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to St Joseph's Services (Charity Registration No SC045482 (Scotland), Company Registration No SC500182 (Scotland)) by virtue of the fact St Joseph's Services was initiated by the Congregation. two Sisters who sit on the Board of the company are Daughters of Charity of St Vincent de Paul.

In March 2021 four properties were sold to St Joseph's Services, Rosewell. This sale was agreed after both the Charity and St Joseph's Services had taken independent professional advice and after taking in to consideration the fact that both are registered charities. The proceeds from properties sold to St Joseph's Services, Rosewell amounted to £1,000,000. £500,000 was settled by St Joseph's Services as a bank transaction and a loan of £500,000 repayable over a 10 year period, with interest of 1% above the bank of England base rate was advanced by the Charity. £362,500 of this loan was repayable to the successor charity at 31 December 2023 (2022 – £412,500 repayable to the charity), with £50,000 (2022 – £50,000) repayable within one year and £312,500 (2022 – £50,000) repayable in more than one year.

Following the increase in interest rate throughout 2022, the Trustees of the Charitable Trust have agreed to cap the interest on the repayment of this loan to 2% for two years following a request from St Joseph's Services.

21 Related party transactions with connected organisations (continued)

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to The Louise Project (Charity Registration No SC047316 (Scotland), Company Registration No SC555365 (Scotland)) by virtue of the fact The Louise Project was initiated by the Congregation. Two Sisters who sit on the Board of the company are Daughters of Charity of St Vincent de Paul.

Included in programme related investment income is £25,000 (2022 – £23,750) being rent of the property occupied by The Louise Project and paid to the Charitable Trust.

- ◆ *The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to Marillac Neurological Care Centre (Charity Registration No 1184495 (England and Wales), Company Registration No 12085591 (England and Wales)) by virtue of the fact MNCC was initiated by the Congregation. MNCC became an independent charitable company on 4 July 2019. Two Sisters who sit on the Board of the company are Daughters of Charity of St Vincent de Paul.*

Included in programme related investment income is £79,000 (2022 – £75,000) being rent of the property occupied by MNCC and paid to the Charitable Trust.

During the year to 31 December 2023 the Charitable Trust paid MNCC:

- ◆ £21,788 (period 1 April to 31 December 2022 – £19,005) in relation to the community at Warley and £43,575 (2022 – £41,503) in relation to the Seton Care Unit at Warley (a unit specifically for the care of older Sisters) in respect to a rental charge for the use of the land and buildings.
- ◆ £39,218 (period 1 April to 31 December 2022 – £30,050) in relation to the community at Warley and £62,748 (2022 – £58,160) in relation to the Seton Care Unit at Warley in recognition of the provision of catering facilities.
- ◆ a grant of £nil (period 1 April to 31 December 2022 – £13,600) in relation to centenary artwork. A general grant of £nil (period 1 April to 31 December 2022 – £13,000).
- ◆ During the year a grant of £500,000 was given to MCC in relation to electrical supply improvements during the year.

22 Ultimate control

The Charity, which is constituted as a Trust, was controlled throughout the period by the Daughters of Charity of St Vincent de Paul, British Province by virtue of the fact that the Sister Provincial of the Province appoints the Trustees. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the British Province are vested in the Trustees of the Charity, who undertake all transactions in the course of the Province's charitable activities.

23 Leasing commitments

Operating leases

At 31 December 2023, the Charity had the following future minimum commitments under non-cancellable operating leases in respect to equipment and motor vehicles:

Amounts falling due:	2023 £	2022 £
. Within one year	73,112	70,928
. After one but within five years	240,686	283,712
Total	313,798	354,640

24 Contingent liability in respect to alleged historic abuse

As detailed in note 7, the Daughters of Charity of St Vincent de Paul has contributed towards the funding of Redress Scotland, which has been established by Scottish Ministers to fund compensation payments to those who suffered historic abuse.

In addition to the contributions to Redress Scotland, at the date of signing this report, the Charity has received a number of specific claims in respect to alleged historic abuse. The Congregation continues to receive correspondence from new individuals and continues to address each claim or subject access request proactively from receipt. In a limited number of the claims received to date, it has been possible to retrieve records and progress investigations as far as possible given the limitations on available evidence. During the year to 31 December 2023, no (2022 – four) claims were settled without litigation, with the express approval in advance of the Trustees and after close consideration of legal advice, on the basis of an economic analysis, without admission of liability. No provision has been made in these accounts for the future settlement or cost relating to other intimated claims given the inevitable uncertainties that exist whilst investigations are progressed.

25 Transfer of activities, assets and liabilities

The Trustees of the Charity are also the trustees of the Daughters of Charity of St Vincent de Paul CIO, Charity Registration Number 1204513 (England and Wales) SC052894 (Scotland). The Daughters of Charity of St Vincent de Paul CIO was registered as a charity on 29 August 2023.

The activities, certain assets and certain liabilities of the Charitable Trust, principally excluding those relating to the Scottish Redress Scheme liabilities and sufficient corresponding assets to meet such costs, were transferred to the CIO by deed of transfer with effect from midnight on 31 December 2023.

The net assets transferred at midnight on 31 December 2023 comprise:

	2023 £
Tangible fixed assets	
. Cost	13,437,622
. Accumulated depreciation	(3,606,882)
	<u>9,830,740</u>
Listed investments	15,685,971
Programme related investments	4,298,510
Cash held by investment managers	375,510
	<u>20,359,991</u>
Cash at bank and in hand and short term deposits	2,154,328
Debtors	552,289
Creditors: amounts falling due within one year	(282,483)
	<u>32,614,865</u>

The net assets transferred at midnight on 31 December 2023 were represented by the following funds and reserves

	2023 £
Capital funds	
Permanent endowment funds	254,175
Income funds	
Restricted funds	544,677
Unrestricted fund	
. Tangible fixed assets fund	9,830,740
. Programme related investment fund	4,298,510
. Designated funds	14,780,209
. General fund	2,906,554
	<u>32,614,865</u>

THE DAUGHTERS OF CHARITY OF ST VINCENT DE PAUL

England & Wales - Charity number 236803

Accounts

**Daughters of
Charity of St
Vincent de Paul
Charitable
Trust**

Annual Report and Accounts

31 December 2022

Charity Registration Numbers
236803 (England and Wales)
SC039155 (Scotland)

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Reference and administrative details of the Charity, its Trustees and Advisers

Trustees	Sister Ellen T Flynn Sister Kay Harte Sister Sarah King-Turner Sister Mary T O'Neill Sister Kathleen M Page Sister Theresa Tighe Sister Maureen Tinkler
Sister Provincial	Sister Ellen Flynn
Provincial Treasurer	Sister Sarah King-Turner
Principal office	Provincial House The Ridgeway Mill Hill London NW7 1RE
Telephone	020 8959 2257
Facsimile	020 8959 7155
Charity Registration Numbers	236803 (England and Wales) SC039155 (Scotland)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC Bank plc Fenton House 85-89 New London Rd Chelmsford Essex CM2 0PP
Investment Managers	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU

Reference and administrative details of the Charity, its Trustees and Advisers

Solicitors

Womble Bond Dickinson LLP
4 More London Riverside
London
SE1 2AU

Holmes Mckillop
109 Douglas Street
Blythswood Square
Glasgow
G2 4HB

The Trustees present their statutory report together with the accounts of the Daughters of Charity of St Vincent de Paul Charitable Trust (the Charity) for the year ended 31 December 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 46 to 54 of the attached accounts and comply with the Charity's Trust Deed, applicable laws, applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

INTRODUCTION

The Daughters of Charity of St Vincent de Paul (the Congregation) is an international Roman Catholic Religious Community of Women who have dedicated their lives to the service of poor, vulnerable and marginalised people. It was founded in France where its Generalate has its headquarters and is divided into a number of distinct Provinces in 91 countries, one being the British Province.

The Charity is a Charitable Trust on which the assets of the Congregation in England, Wales and Scotland are held. The Charity is governed by a Trust Deed dated 5 June 1964 and is registered under the Charities Act 2011 – Charity Registration No. 236803 (England and Wales). The Charity is also a registered charity in Scotland, Charity Registration No. SC039155 (Scotland).

MISSION

The object of the Daughters of Charity of St Vincent de Paul Charitable Trust, as set out in its governing document, is for *'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.'* Thus, it supports the charitable and religious works carried out by the members of the British Province of the Congregation.

By caring for the members of the Congregation throughout their lives, the Charity aims to enable and support the Sisters to live out their faith in the spirit of their founders, St Vincent de Paul and St Louise de Marillac, through the service of those most in need in society today.

The service or works of the Sisters of the Congregation are undertaken in the spirit of their founders, St Vincent de Paul and St Louise de Marillac who, in seventeenth century France, instilled into the first members of the Congregation the values of compassion, respect, love, forgiveness, justice and dignity.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The Sisters serve people of all cultures, religions and creeds with particular emphasis on those who are vulnerable in any way or suffering from poverty and injustice. Their 'work' falls into the following four areas:

1. Worship and Prayer
2. Social and Pastoral Work
3. Caring for Members of the Congregation
4. Overseas Missionary Work

Each of the above areas is considered in turn over the next few pages.

1. WORSHIP AND PRAYER

Activities and specific objectives

"The apostolic action of the Daughters of Charity draws its strength from contemplation following the example of the Son of God who, intimately united with His Father, often went aside to pray." (Constitution C21a)

Each member of the Congregation is given every opportunity for daily private and communal prayer, times of worship and an annual eight-day retreat for the development of her own personal understanding of and relationship with Jesus Christ.

Many opportunities are given to the wider community to join the Sisters during their times of prayer, as well as offering facilities for quiet times of reflection and/or study to people of all faiths and none. Throughout the Province, Sisters lead prayer services and offer spiritual guidance to people in their own homes, in hospitals, as well as in local parish churches. Opportunities to study and reflect on the life and spirit of the founders of the Congregation – St Vincent de Paul and St Louise de Marillac – as well as the Constitutions of the Congregation, are organised each year. Workshops on the Vincentian spirit and values are also offered to all the various organisations (religious and lay) throughout Britain who share this spirit.

The spiritual development and on-going formation of the Sisters is thus given utmost importance, as this is the foundation of all their charitable works and every service they give to people, especially those who are poor.

The Charity is committed to helping as many people as possible to join with the Sisters in living out the call of the Gospel to love God and thy neighbour.

Specific examples of this are as follows:

- Promoting the vision and values set out in the Gospel, including the promotion of human dignity and respect for all peoples and cultures, with special emphasis on those who are poor and vulnerable in our society.

1. WORSHIP AND PRAYER (continued)

Activities and specific objectives (continued)

- Having an open-door policy in many of our establishments, enabling people to come in and spend some quiet time in prayer and reflection.
- Leading short prayer services in the homes of those who are housebound and in residential care.
- Having a recognised office from where medals associated with Mary, the Mother of Jesus, are distributed to individuals and groups. This medal is known throughout the world as the 'Miraculous Medal'.
- Involvement in parish liturgies and celebration of the Sacraments especially with children and those wishing to become members of the Catholic Church.
- Providing opportunities for prayer and reflection for those who have been bereaved.
- Providing a daily structure of times for prayer and reflection as well as annual retreats for the members of the Congregation.
- Organising workshops and meetings on the spirit of the founders and the Constitutions of the Congregation.

The Sisters' personal and common life of prayer and their ever-deepening understanding of the spirituality of St Vincent de Paul and St Louise de Marillac, forms the bedrock from which stems all aspects of their service to people who are vulnerable.

2. SOCIAL AND PASTORAL WORK

Activities and specific objectives

Many members of the Congregation are involved in various forms of social or pastoral work throughout England, Wales and Scotland. This includes chaplaincy in hospitals, support of families and vulnerable children, especially those who are living in poverty, the befriending of elderly people, especially those living alone and in isolation, advocacy and practical help to asylum seekers, refugees and homeless people.

As the members of the Congregation devote their lives to serving people who are in need, many members are involved in various forms of social or pastoral work throughout England, Wales and Scotland in a voluntary capacity. The Mission Statement states:

'We choose to stand at "the cutting edge" with vulnerable and marginalised people and to open our eyes to the global issues of our world today.'

The following are examples of the activities undertaken by individual Sisters:

- **Hospital / hospice chaplaincy work** where Sisters aim to provide comfort and a listening ear to those who are ill and support to their families and hospital staff. They pray with and on behalf of those who are ill as well as giving Holy Communion to those who wish to receive it.

2. SOCIAL AND PASTORAL WORK (continued)

Activities and specific objectives (continued)

- **Visiting of vulnerable elderly people**, the object of which is to befriend, support and care practically for elderly people, especially those living alone and isolated in inner city areas.
- **Advocacy and assistance to asylum seekers and refugees**, the object of which is to support and to give a voice to those trying to survive in an alien culture, far from their homeland and family.
- **Working with people who are homeless**, the aim of which is to uphold their dignity and offer practical help, advice and rehabilitation.
- **Caring for people with disability**. Sisters provide pastoral care for people with a) visual impairment and b) learning disability. This care extends to the families and staff.
- **Parish work**, in which Sisters support local people, both young and elderly in a variety of ways, for example: spending time with those who are frail and lonely, bringing them Holy Communion and helping them to attend church services, and arranging social and catechetical activities for children.
- **Human trafficking awareness raising**, a new initiative in which four Sisters representing different geographical areas in the UK have become involved in small ways with local agencies working for the relief of victims of human trafficking. The Sisters also aim to heighten the awareness of the Province of the tragedy of this poverty which is sadly growing at an alarming rate in every town and city in the UK.

The objectives of the Trustees in this area include:

- To be faithful to the charism of the Congregation by offering service to those most in need in our society.
- To ensure that members of the Congregation receive appropriate training for the ministries in which they are involved.
- To be alert to needs as they appear and to respond when possible.
- To ensure, whenever possible, that Sisters are remunerated for their work by way of salary or stipend. Such income is given directly to the Charity, ensuring that the work of the Charity may continue into the future and develop.

As the Daughters of Charity begin to age, a new concept of mission has been crafted which enables all the Sisters to participate in mission. Outreach to those living in various forms of poverty has always been the heart of what the Sisters do and is the reason for the existence of the Congregation. Thus, it is important to the Sisters to be as actively engaged as possible. Consequently, the Province has been divided into areas called Mission Hearts. The Sisters gather, often by zoom, to share all their activities with each other thereby creating a platform for engagement for every Sister to share in the ministry of every other.

2. SOCIAL AND PASTORAL WORK (continued)

Activities and specific objectives (continued)

This is known as 'common mission'. This initiative has successfully led to participation of different types and innovative ways of working from home. The following describes some of those activities.

Mission Heart: North West of England

There are 5 local communities in the North West of England, one of which is a registered care home. The focus of mission is:

- Pastoral care within parishes and social care settings.
- Community work addressing issues of inner city poverty.
- Work with refugees and asylum seekers.

Sisters are engaged in pastoral care, visiting the housebound, offering a Eucharistic ministry to individuals in care home settings and providing funeral and bereavement support. Parish ministry within Salford Cathedral extends to the organisation and facilitation of Catechetical programmes. Christopher Grange in Liverpool provides residential care for elderly people with a visual impairment, and a hospice wing for end-of-life care. Here a team of sisters provide pastoral care to both residents and staff. Pastoral care is also delivered through chaplaincy work in Manchester Royal Infirmary, Trafford General Hospital and an inner city school for children with disabilities.

Collaboration with other agencies forms a significant part of the Sisters' work, enabling them to assist in areas of food poverty, child poverty and related cost of living difficulties. Direct and indirect work takes place with refugees and asylum seekers including teaching English as a second language. People from Ukraine are supported by the development of a conversation group and a support group for host families.

Sisters in St Vincent's Care Home actively support the above ministries by their prayers.

A close relationship of support, governance and training is held with 'Out There', supporting families of prisoners, situated in Manchester. This project is part of the Daughters of Charity of St Vincent de Paul Services which is a separate charity owned by the Daughters of Charity.

Mission Heart: Scotland

In Scotland there are 18 Sisters jointly holding the ministry in Scotland. The ministry includes:

- Being active members of our parish church;
- Visiting the housebound in the parishes to which we belong;
- Volunteering with a homeless project;
- Stella Maris ship visiting;

2. SOCIAL AND PASTORAL WORK (continued)

Activities and specific objectives (continued)

***Mission Heart: Scotland* (continued)**

- Passing on our Charism through the Mini Vinnies in a local primary school, teaching children to play the guitar at a club during lunch break; and
- Supporting young people through Project Scotland.

Sisters in St Catherine's Care Home actively support the above ministries by their prayers.

A close relationship of support, governance and training is held with The Space in Glasgow which enables marginalised people to transform their own lives, access appropriate services and actively participate in the social transformation of their community. The Space also aims to intervene and challenge systemic structures to take people out of poverty. One Sister works in the project offering Pastoral Ministry.

A similar relationship is held with St Joseph's Services for people with Learning Disabilities in Edinburgh.

These projects are part of the Daughters of Charity of St Vincent de Paul Services, which is a separate charity owned by the Daughters of Charity.

Stop and Blether...@ The Listening Heart

In response to the needs of the people in the East End of Glasgow, the Daughters of Charity opened a new initiative, 'The Listening Heart', on Tuesday 22 February 2023.

This is a new initiative and is a response to the ever-growing levels of anxiety, worry and isolation that many people carry and which has been exacerbated by Covid and the realities of the cost of living.



The 'Listening Heart' aims to:

- Create a place of welcome where people can come and share their anxieties etc openly and with trust;
- Offer a service of listening - listening to the person, allowing them the confidential space to share what they wish to share, in a non-judgmental way;
- Direct people, where necessary, to the relevant support services; and
- Offer a consistent listening ear.

The seeds of the initiative were planted in 2020, just as Covid took hold of the world. Five Daughters of Charity came to Glasgow to listen to the needs of the people and to discern a way forward in meeting some of these needs.

2. SOCIAL AND PASTORAL WORK (continued)

Activities and specific objectives (continued)

Mission Heart: Scotland (continued)

Stop and Blether...@ The Listening Heart (continued)

Covid descended before any research could begin and so any information gathered during the lockdown period was information gathered from the internet.



Involvement in other local organisations during this period gave some insight in to some of the needs, but as soon as it was possible, we began meeting with local people, Social Services, schools, churches, NHS, the Vincentian Family in Glasgow, CAB and other organisations local to the East End.

The same message was being echoed wherever we went; people needed to find a place to talk, to be heard. For some it was to alleviate loneliness; for others who had nowhere to take their worries, it was a place to unburden their anxieties, to invite someone to help them carry their burdens... in essence, 'a problem shared is a problem halved'.

Underpinning all this research was the prayer and support of the Sisters across the Mission Heart in Scotland, especially our Sisters in St Catherine's, Lanark. We held monthly prayer and update Zoom meetings and, when Covid allowed, we had face to face gatherings.

Also important in all of this was collaboration: we collaborated with the Vincentian Family in the area, with the Daughters of Charity of St Vincent de Paul Services in London, who gave great support and encouragement, with local parishes and other religious communities and local people who gave us contacts and avenues to explore.

By May 2022 we gathered with the many people we collaborated with to discern what we could realistically offer the people of the East End of Glasgow and the seeds of our initiative, as well as its name, were planted. At this meeting, groups were formed to take forward the various aspects of the initiative – Administration, Finance, Pastoral, Advertising, Volunteers, Safeguarding and so on.

In October 2022 we gathered once again, this time to discern where the initiative should be placed to best serve the needs of the people and on 21 November 2022 we picked up the keys and became tenants at 1369 Gallowgate, Parkhead, Glasgow.

In November 2022 we met with the Daughters of Charity of St Vincent de Paul Services who guided us through some of the hurdles we needed to jump before we could open up.

Without this collaboration, support and prayer, we wouldn't have the Listening Heart up and running today.

2. SOCIAL AND PASTORAL WORK (continued)

Activities and specific objectives (continued)

Mission Heart: Scotland (continued)

Stop and Blether...@The Listening Heart (continued)

The Listening Heart's strap line is, ***Stop and Blether...@The Listening Heart'***. The initiative is a place to come and chat. We're not there to solve people's problems, or to counsel them; we're there to support them. There are many organisations across the East End of Glasgow, offering a multitude of support systems to people. Our aim is to listen to people and, where necessary, we will signpost people to relevant organisations.

The Holy Spirit has lead and guided us throughout all that has happened with regard to the Listening Heart, and we're very confident the Holy Spirit will continue to lead and guide us as we journey with those who 'Stop and Blether...@the Listening Heart'.

Mission Heart: South of England

In the South of England, Sisters live in the following seven locations: Mill Hill, Erith, Pinner, Victoria and Westminster, Central London, and Brentwood. Seton, in Brentwood, is a care facility situated close to Donworth House. Sisters at Donworth are involved in pastoral ministry at the Marillac Neurological Care Centre and in collaborative ministry with the St Vincent de Paul Society. The Sisters are also involved in ministry with our older Sisters in Seton, which is a registered care home on this site.

Provincial House is the Administrative Centre of the Province and operates as a welcome centre. It also houses the Archives and Safeguarding Office.

Abbey Wood Community in Erith is involved in pastoral ministry in local schools and parishes within a mostly Nigerian Community.

At Pinner, the Sisters are involved in hospital, parish and school ministries.

Two central London houses are involved in services with people who are homeless, in prison, women who were trafficked, people learning English as a second language and support to people who are refugees. They are also involved in parish ministry and provide major support to the Daughters of Charity of St Vincent de Paul Services, especially providing values training.

A close relationship of support, governance and training is held with St Vincent's' Family Project, working with families experiencing poverty in Westminster and Vincentian Care Plus, a Domiciliary Care Agency in Victoria.

These projects are part of the Daughters of Charity of St Vincent de Paul Services which is a separate charity owned by the Daughters of Charity.

Throughout the Province, nineteen Sisters support fifteen charities as trustees and board members. All of these charities are involved in direct service with people who are marginalised and vulnerable and span England, Scotland and Wales.

3. CARING FOR MEMBERS OF THE CONGREGATION

St Vincent's, Southport

Life through Covid

Throughout the year, in line with all services caring for older people, we have been faced with the demands and challenges of Covid. At St Vincent's we have been following the NHS and Sefton Guidelines in relation to keeping our residents and staff safe. We have been fortunate only to have had isolated cases of Covid which required individual residents to isolate and staff not to come to work until they tested negative. The regulations for lateral flow testing changed a number of times during the year, all the time moving toward greater freedom for our residents.



Generally, staff said that working throughout the Covid pandemic has been a strange time as they were continuing to work while following strict guidelines. Staff were wearing PPE and this presented its own problems, for example when trying to communicate with a resident who is hard of hearing. Staff said that it was very difficult at times when working a 13 hour shift due to the PPE

and the heat. The resident Sisters never really liked staff wearing their masks, but understood the reason why.

We were supported with grant aid from local government and free Personal Protective Equipment (PPE), lateral flow tests and PCR tests.

Our staff team worked hard throughout to maintain high quality infection control procedures while minimising the potential distress and isolation of our residents. In July we were inspected by the IPC link nurse and achieved 78% overall for our infection control measures. Following the inspection, we introduced an Infection Control Champion for the home and are planning to address the shortfall in the environment of our laundry in 2023.

Staff

Staffing continues to be a central issue in the care sector and due to a number of factors, recruitment and retention is a big challenge. During the year we saw a number of people join and leave the staff team. We were happy to create a new post at St Vincent's of a part time Deputy Manager to support our Registered Manager and we successfully recruited internally for this post. Due to the dedication of our staff we have only had to use very limited agency support and so have been able to provide continuity of care and support for our residents.

In the current climate of staff shortages in the Care Sector, it was not an easy time to recruit for a new Manager. However, towards the end of the year we were successful in recruiting a new manager, who has worked for a number of years in the care sector, and she joined our team at St Vincent's as our new Registered Manager in January.

Staff continue to undertake training and supervision for their roles. We were able to undertake some face-to-face training as well using the e-learning platform in order to support staff with their development.

3. CARING FOR MEMBERS OF THE CONGREGATION (continued)

St Vincent's, Southport (continued)

***Life through Covid* (continued)**

Meetings have been held for the staff team and our manager was able to attend the Sefton Home Strategy meetings and the managers monthly meeting organised by Sister Kathleen Fox for guidance and support.

Residents

It is important for our staff to take responsibility for encouraging engaging and providing meaningful activity for our residents, whether that be a one-to-one chat, looking through a photo album together, taking a walk around the grounds or feeding the birds. Even encouraging individuals to actively participate more in their own daily tasks, such as personal care and dressing, can help increase their level of engagement, physical independence and overall well-being.



We are happy to say that as St Vincent's opened up more after lockdown in 2022, our residents were able to enjoy short outings, in-house activities, tasty themed meals, support with their IT activities, singing and games. Christmas time is always a highlight and a variety of entertainment was provided for the residents to enjoy.

Residents received wellbeing visits from the chiropodist and the hairdressers as well as support for their general health from the hospital and community. In order to keep flexible and support mobility, the residents enjoy their weekly chair exercises, which moved from being a TV activity to in house live sessions.

Community life as a Daughter of Charity is central to our residents' spiritual life and identity and, thanks to Sister Mai, our residents were supported with their annual retreat, their vow retreat, and a number of community Zoom meetings, which enabled the Sisters to join in with the wider Province studying a number of topics, mission heart gatherings, daily prayer and daily Mass.

Environment



This year, our residents have been able to enjoy the newly refurbished and decorated lounge, dining room and entrance hall.

Health and safety

During the year it was decided to put up security gates at the back entrance of the home to restrict public access as a safety measure, and this has worked out well for the home.

We acquired a new air conditioning unit for our kitchen which has made a big difference, as our kitchen is located in the basement. Our new cooks are providing good quality, nutritious meals for our residents.

3. CARING FOR MEMBERS OF THE CONGREGATION (continued)

St Vincent's, Southport (continued)

***Health and Safety* (continued)**

X Centra provided our risk assessment for the year and PIB our Fire Risk Assessment for the home.

Safeguarding

We continue to be supported in our safeguarding responsibilities both locally and from our office in Mill Hill. Sefton Council have introduced a new Safeguarding Portal and, as a care home, we are now registered with it.

CQC

Seton Care continued to be monitored throughout 2022 by the CQC inspectorate and the required notices were reported to the CQC. Seton did not receive a visit or inspection in 2022. We were informed by CQC of the new Single Assessment Framework to be introduced in 2023.

Governance

We were able to hold our Advisors meeting in March, which focused on Quality Assurance, pastoral care and the home's developments. Due to a number of organisational changes St Vincent's suspended its Advisory meetings, while introducing a number of new staff members to support the Governance and management of the service. Sister Kathleen Fox resigned from her role of co-ordinating the care communities and Sister Anne Redmond took up post in October. A new Health and Safety role has been introduced into the Charity and Anna Yardly will monitor and support St Vincent's health and safety.

Seton Care, Essex

Life through Covid



Seton Care has faced the challenges of Covid throughout 2022 with a number of small outbreaks at the home leading to the residents needing to isolate for a number of days and for staff to be absent from work. The residents found the time alone in their rooms challenging and at times lonely but were resourceful in using phones and IT to communicate with one another and outside the home. Staff continued to test throughout the year and to use the Personal Protective Equipment (PPE) and good hygiene practices to maintain safety and ensure Infection Prevention Controls were in place in line with Government regulations and local guidelines.

As Covid restrictions were being eased, it meant that the resident Sisters were able to enjoy more day-to-day social, spiritual and leisure activities and were able to plan for outings and events.

Staff

Recruitment and retention of staff at Seton Care has remained a challenge throughout the year, particularly in relation to the hiring of care and housekeeping staff. This has resulted in Seton needing to use agency staff which has come with a large financial burden for the home.

3. CARING FOR MEMBERS OF THE CONGREGATION (continued)

Seton Care, Essex (continued)

Staff (continued)

In July the Registered Manager resigned as she was moving out of the area. It required a number of months and a number of interviews to recruit a new Registered Manager for the home. In January 2023 Mrs Kim Currie joined the staff team as our new manager. She has worked locally as a Registered Manager for a number of years and we are happy she has joined our team.

A number of other staff member left our service during the year adding to the challenge of recruitment. To support the team a new part time, post of Deputy Manager, was introduced into the service and a senior carer was recruited into this role. She was able to support the service while a new manager for Seton was recruited.

Staff continued throughout the year to develop their skills through the e-learning platform and face-to-face training. Meetings and supervision for staff were undertaken.

Residents

It is essential to meet not only the physical needs of those residing within our care homes, but to also nurture and stimulate their mental wellbeing. Having a variety of accessible, person-centred activities available to residents has been an excellent way of encouraging active participation and promoting high-quality care. The resident sisters at Seton have been encouraged throughout the year to be involved and take ownership of their home participating in preparing food for their meals and tidying up afterwards. They do this as a group.



For general wellbeing, the residents have been supported with regular visits from the chiropody services, the hearing service, the optician, the beautician, and the hairdresser. They attend a group physiotherapy exercise session weekly, which proves competitive and fun for all and a new exercise bike has been added to the exercise equipment for the home.



Health care has been supported through the local community GP, the District Nursing and Hospital Services and residents have received support with personal physiotherapy, dementia and mental health services.

Following the easing of restrictions, the residents have had the chance to enjoy together meals in a restaurant. They attended the late Queen's Jubilee celebrations and Christmas concerts at the theatre. They also have had small individual outings to shops, to garden centres and three residents were supported to enjoy family holidays in Ireland.

3. CARING FOR MEMBERS OF THE CONGREGATION (continued)

Seton Care, Essex (continued)

Residents (continued)

As a Community Care home for the Daughters of Charity, the resident Sisters at Seton wish to live out their vocation as active Sisters to the end of their days, focusing on prayer and presence to one another. Thanks to Sister Zoe, community and spiritual activities are organised and the residents supported and encouraged to participate to the best of their abilities. This year they have had the opportunity for their annual five-day retreat, for advent prayer services, for Province gatherings via Zoom, for daily gatherings for prayer and the rosary and the residents are particularly delighted to have daily Mass once again in their chapel.



As a number of Sisters have drawn near to the end of their lives, it has been a touching feature at Seton that the other resident Sisters have supported them by sitting in vigil and prayer at the bedside.

Sadly, three of our residents died in 2022 and their funerals were supported by the local parish, family members and community companions who were able to attend.

Environment



This year, Seton undertook a refurbishment of their dining room which is now a bright inviting space with a well-equipped kitchen for the residents to dine. It has also undertaken painting and decorating for residents' personal rooms as needed.

A car has now been given to Seton for use by the residents and staff, which is most appreciated and well used.

Health and Safety

Seton Care continues to be supported with its health and safety requirements by Marillac Care, who provide the health and safety and maintenance service for the home. During the year, a review was undertaken of the service provided by Marillac Care and it was decided to recruit for a part time maintenance person in 2023 to support general maintenance and health and safety for the home.



Safeguarding

Seton Care continues to monitor safeguarding throughout the home in line with national and local guidelines and is supported from the Safeguarding office at Mill Hill.

3. CARING FOR MEMBERS OF THE CONGREGATION (continued)

Seton Care, Essex (continued)

Governance

At Seton Care we were able to hold our Advisors' meeting in both March and July which focused on the general wellbeing of staff and residents, staffing, pastoral care and the home's development. Due to a number of organisational changes, Seton Care suspended its Advisory meetings after July, while introducing a number of new staff members to support the governance and management of the service. Sister Kathleen Fox resigned from her role of co-ordinating the care communities and Sister Anne Redmond took up post in October.

St Catherine's, Lanark

Life through Covid



Throughout 2022 Covid had a major impact on our resident Sisters here and the restrictions that this brought were at times very difficult for the Sisters as well as the staff. All our Sisters and staff experienced periods of isolation due to Covid and the negative impact that this had at times was difficult. Due to the commitment of the staff and the Sisters' prayers, as well as all the support that everyone experienced, moral was kept up during the difficult times. We observed the national and local guidelines in relation to Covid and worked hard to ensure our housekeeping and infection control measures were up to the highest standard.

Following the easing of the Covid restrictions during the year, the home welcomed friends and family back into the community. The lifting of the restrictions has had a huge impact on St Catherine's and has brought a new vibrance to the home.



Staff

Our staff continue to be our greatest asset in supporting the residents' wellbeing. We have been able to maintain a full complement of staff throughout the year with no reliance on agency staff. One new member of staff for the care team was appointed during the year. A new role for a sleep-in staff was introduced to St Catherine's in 2022.

Staff have continued with their in-house training on the e-learning platform and with support from our admin staff their attainment on the courses undertaken exceeds 90%. We continued with our staff supervision and staff meetings throughout the year.

Residents

St Catherine's had a low occupancy for most of 2022. However, in December we were joined by four Sisters who were living nearby in the community: two residents and two sisters supporting the service and community living. During the year, sisters from the wider community were welcomed again, enjoying periods of respite care.

3. CARING FOR MEMBERS OF THE CONGREGATION (continued)

St Catherine's, Lanark (continued)

Residents (continued)

Resident sisters have enjoyed day to day activities and are individuals when it comes to activities and enjoy reading, crosswords, jigsaws, walking and getting out and about within the community. Our Sisters also maintain contact with the community, friends and family through the use of the internet, iPads as well as their own personal computers.



Our maintenance person had been growing fresh vegetables for the cook to use for the residents' meals. One resident was able to help collect the vegetables, which she really enjoyed. Growing our own vegetables has helped to keep provisions costs down, as well as adding healthier ingredients to the dishes cooked at St Catherine's.

Community living is central to the Sisters' lives and thanks to Sister Margaret and the other Sisters, our residents have been able to enjoy their community activities of prayer, online masses, Mission Heart gatherings, their annual retreat as well as daily gatherings for morning and evening prayer. The local priest has returned to saying Mass in the home on a weekly basis, which is most appreciated.

Environment

Our home here has undergone a transformation for the better.

We have had painting and decorating carried out throughout the building and this has been done with a person-centred approach. All the residents became involved and picked the colour that they wanted for their bedrooms, as well as the colour of the new carpets that were fitted in the bedrooms. Each of our bedrooms reflects the individual Sister's personality and choice.



A new office space has been created for our Sister Servant, using the space at the back of the Small Chapel. A Fire Safety Curtain has been used as a separator between the Chapel and the Office, making the office space usable for extra seating when required.

External works were carried out on the grounds as they had become overgrown and are now more user friendly.

We continue to monitor our overall energy cost and continuously seek to make savings in all our purchases.

We moved to a cheaper and better support provider for our IT and have recently changed printer supplier, securing this at half of the cost of our previous supplier.

A new cooker and dishwasher were purchased, improving our long-term energy ratings.

3. CARING FOR MEMBERS OF THE CONGREGATION (continued)

St Catherine's, Lanark (continued)

Health and Safety

Existing lighting was replaced throughout the home in order to be more energy efficient and we are now using LED lighting throughout the building.

We have carried out additional works to our fire system and the home is now L1 rated for fire. This is the best rating attainable.

We had all our existing duct work that was vented through the roof changed to be compliant and our venting has all been re-routed through the external walls. This has cut back on the cost of the annual ducting inspection, as this is now no longer required. This has also increased the ventilation throughout the building.

Care Inspectorate (CI)

We had an unannounced visit from the Care Inspectorate in April 2022 and St Catherine's achieved a very good report. We were inspected and received ratings on the following:

1.3 Peoples health and wellbeing benefits from their care and support: 6, Excellent.

1.4 Peoples experience meaningful contact that meets their outcomes, needs, and wishes: 6, Excellent.

1.5 Peoples health and wellbeing benefits from safe infection prevention and control practice and procedures: 6, Excellent.

2.2 Quality Assurance and improvement is well led: 5, Very Good.

Safeguarding

St Catherine's continues to monitor safeguarding throughout the home in line with national and local guidelines and is supported from the office at Mill Hill

Governance

At St Catherine's, we were able to hold our Advisors' meeting in March which focused on the general wellbeing of staff and residents, staffing, pastoral care and the home's development. Due to a number of organisational changes, St Catherine's suspended its Advisory meetings after July while introducing a number of new staff members to support the governance and management of the service. The Proprietor, Sister Ellen Flynn, undertook a review of the home in July and she gave the opportunity for each member of staff to meet her individually. Sister Kathleen Fox resigned from her role of co-ordinating the care communities and Sister Anne Redmond took up post in October. A new Health and Safety role has been introduced into the Charity and Anna Yardly will monitor and support St Catherine's health and safety.

4. OVERSEAS MISSIONARY WORK

Ethiopia

The mission of the Daughters of Charity in Ethiopia is to help those most in need and we do this through our various ministries such as education, health care, community development, social support pastoral care and youth ministry, service to migrants/refugees, internally displaced, support to homeless people, care for the elderly, support to persons with disabilities, and helping children in difficult situations and street children.

In education, we provide more than **8,000** young people from kindergarten to second level with quality education. In addition, we provide third level Montessori Training to **135** students. In health, we run five institutions providing health care. These institutions are generally situated in remote regions and serve very marginalized people 24 hours a day, 7 days a week when possible taking into account the country's situation. To date, health care in 2022 has reached 167,978 direct beneficiaries and 503,934 indirect beneficiaries.



In different community development and social support services during 2022, **29,766** people have been helped. These services include skills training, shelter/housing support, and financial support to start income-generating activities and to meet basic needs. In addition to direct beneficiaries, there are many indirect beneficiaries, mostly family members. Refugees and victims of human trafficking are also supported.

We are grateful that we were able to continue with all of these services given the evolving situation in the country. Though all areas and sectors have been affected, the North has endured the most. The Community has three missions in the North and the Province has responded by sending more Sisters to Tigray to assist the Sisters who work there as they struggle to save the lives of internally displaced people (IDP). At one stage, hot meals were served to over **35,000** children every day in the IDP centres in Mekelle. This continued until the total blockade stopped supplies entering the region and what was already in the market there was completely consumed. Nevertheless, our Sisters continued to help and give support where possible, with courage and determination, despite the dangers because the need is so great.



Ethiopia is a country with many problems mainly because of man-made disasters and natural disasters. We have war, tribal conflicts, religious intolerance, ignorance, diseases, drought and flood. Ethiopia is one of the poorest countries in Africa.

In November 2020, fighting started between the Ethiopian Federal Government troops and the Regional Force of Tigray.

4. OVERSEAS MISSIONARY WORK (continued)

Ethiopia (continued)

This has affected the people of Tigray Region, as well as the neighbouring Amhara and Afar Regions. There has been no official communication from the Government, but politicians have said off-the-record that the war has cost the lives of between 600,000 and 1,000,000 people. Millions of dollars' worth of property has been destroyed and the number of soldiers and civilians facing disabilities as a result of the conflict is unknown.

If one happens to visit hospitals where the wounded are, they will come with great sadness. Some have lost hope and they say those who have died are better off. Many are hurt physically, psychologically and mentally. Many are left with traumatic experiences, especially women and children, and many are still displaced: they have no home to go to. What can one say about the effect of war? It is tragic destruction beyond words. People are left with memories of terrible events with great sadness, brothers fighting brothers! It is madness. The peace agreement signed recently has brought some relief. Roads are open, communication is better, the bank is working, shops are open though things are expensive, food is scarce. Schools are hoping to resume classes soon.

The United Nations, Catholic Relief Services, Red Cross and other organisations are doing what they can, but still the affected people are not totally out of fear.

The Eritreans are occupying some land, claiming that they got it after the peace agreement signed in Algiers after the border dispute. The Tigreans say they want them out. A problem without end.

Impact story

Tigest's Story (In the story the names are changed.)

Our story concerns a 35-year-old woman named Selam. Selam was born in the Amhara region of Ethiopia. She lost both parents when she was very young. As a young person, she went to Addis Ababa seeking work. To find work was very difficult and she ended up having to live on the streets. She was raped and gave birth to a daughter, Tigest. Eventually, Selam managed to find work as a housekeeper and rented a small room. When Tigest was 3 years old, she joined Atse Tekle Ghiorgis School run by the Daughters of Charity. There she was provided with food, uniform and school materials. When Tigest reached Grade 6 the Sister in charge of the school noticed that she was losing weight and under performing at school. It took some time, as Tigest was reluctant to talk about her situation. Selam became ill and lost her job. Both were back on the streets again. Selam was invited to come to the school and was supported with medical help and temporary accommodation. In due course, Selam was encouraged to set up a small business of her own, the Sisters providing the capital needed. Selam started a small vegetable outlet selling a variety of vegetables, and thus generating enough income to rent a small house and support herself and her daughter. Tigest is now studying at Grade 11 at Secondary School. Selam always says, "I wouldn't be what I am now if the Sisters had not assisted us in our desperate needs. God visited me through the Daughters of Charity who not only changed my life; they also taught me what true love means."

4. OVERSEAS MISSIONARY WORK (continued)

Ukraine Appeal

The Daughters of Charity of St Vincent de Paul, Depaul International and the Vincentian Family worldwide are all very closely linked and all are extensively involved in providing relief and humanitarian aid to Ukraine. There is much to be done and we are appealing for financial assistance, which will go straight to the relief of the Ukrainian people, for whom we care deeply. This appeal gives an opportunity for us to play a vital part in the work of the Daughters of Charity and/or Depaul International, who are working both inside Ukraine and on the borders of Poland and Slovakia and providing accommodation for refugees in all the neighbouring countries.

There are 24 Sisters in Ukraine, most of whom come from Poland and Slovakia. Some of them have been forced to leave their hometowns but all of them have stayed in Ukraine to organise relief for the refugees and to be available for the service of the elderly and the sick.



In 2022, a total of £38,400 was sent to help with the relief services on the borders, split between the Provinces of Poland and Slovakia. Most of our communities in Poland have answered the call to house refugees in conjunction with the Conference of Major Superiors and Caritas. Local communities in other countries are also preparing to receive refugees.

In the Provincial House in Poland, there are 30 people from Ukraine. Among them, there are many children. We have adapted the premises for these people. Some parents have found a job. All the children go to school, to kindergarten, or to the crèche. In a house just in front of the Provincial House we have a Home for the children. Currently, most of these children come from Ukraine. It is a place where they can come after their classes at school. They have a hot meal here, they study and they play. In the evening they return home. In another Community in Krakow, Piekarska Street, there are about 40 people from Ukraine: mothers with children.

The Sisters in Ukraine continue their service. The situation is getting more and more difficult. The infrastructure is shaken. People are running out of electricity, gas... and winter is coming. We continue to pray for peace.



Our Representative at the UN

The Congregation of the Daughters of Charity has two representatives at the United Nations who work in close collaboration with members of the Vincentian Family and other NGOs. One of our Sisters in this Province has been appointed to the UN office in Geneva. She will continue to be part of our Province.

4. OVERSEAS MISSIONARY WORK (continued)

Ukraine Appeal

The **mission** of the Company of the Daughters of Charity of St Vincent de Paul at the United Nations is to actively engage with other like-minded organisations within the UN Mechanisms in Geneva/New York, to advocate for the elimination of poverty, inequality around the world and the promotion of climate action for ecological harmony.

The **vision** is to connect the mission of the company's world-wide services of persons who live in poverty with the mission of the United Nations. For development and international solidarity, for the achievement of the Sustainable Development Goals, which they see as part of the core values of the Vincentian Spirituality.

In the **Geneva office**, Sister Franca Edet works in collaboration with other faith-based groups to push for the ratification of the declaration of the Rights to Development which has been on the discussion table for over 30 years now. She participates in the general debates and submit statements in support of a rights-based approach on issues of justice and Human Rights concerning women, child protection, migration and environmental protection around the world. She collaborates with the civil society on the issues of good governance and advocacy at the grassroots to raise awareness and promote interest on Human Rights issues. Among the Daughters of Charity, Sister Franca responds readily to the invitations to share information about the work of the United Nations and their Sustainable Development Goals. Over and above all these, her goal is to work with other likeminded agencies to influence policies at the global level, while sharing Vincentian methods of best practice in listening, identifying problems and responding through multilateral cooperation for positive impact and international solidarity.

GRANTS AND DONATIONS

Grants, donations and other payments in support of missionary work and ministry are decided by the Trustees in consultation with other members of the Congregation, as appropriate. In the main, the Charity supports the work of the Congregation in overseas countries where there is the most need. Whilst the Trustees give occasional support to English, Scottish and Welsh organisations whose work is within the objects of the Charity, the Charity does not regard itself as a grant-making entity and applications for grants and donations are not invited.

ENVIRONMENTAL ISSUES

Investment in Fossil Fuels

As mentioned in last year's Trustees' Report concerning our response to the COP26 World Climate Change Meeting, the Daughters of Charity signed up to the global divestment announcement for faith organisations. The statement reads: "The Province does not hold any fossil fuel investments and will not invest in fossil fuels in the future."

Energy Consumption

The Daughters of Charity have put in place measures to reduce our energy consumption in our use of gas and electricity in our community houses and properties.

ENVIRONMENTAL ISSUES (continued)

Carbon Emissions

The Daughters of Charity have a policy in place that whenever a car needs to be replaced, a second-hand hybrid car will be purchased, which will enable us to eliminate our carbon emissions in towns and cities where most of our driving takes place. A number of such cars have already been purchased.

INVESTMENTS

Policy – listed investments

The Charity has a portfolio of listed investments with a market value of approximately £24.1 million.

In March 2019, the Trustees appointed Sarasin & Partners LLP as the Charity's sole Investment Managers. This decision was taken following a detailed review, assisted by professional investment advisers.

There are no restrictions on the Charity's power to invest.

Investment Objectives

The Charity seeks to obtain the best financial return within an acceptable level of risk.

The investment objective for the long-term portfolios of the General and Ethiopian Funds is to generate a return of 3.5% in excess of inflation, as measured by the UK Consumer Price Index (CPI), over rolling 5 year periods, in order to protect the real value of the investment portfolio, so that it can fund the future activities of the Charity. In this context, long-term is taken to be five years plus. This level of growth ought to allow for income to be withdrawn, whilst allowing for the capital value to keep pace with inflation, after deduction of the investment manager's fees.

The establishment of a General Fund medium term portfolio is under consideration and would be a separate 'pot' of money which might be expected to be withdrawn over the next 5-10 years, in order to meet the current operational deficit requirement of c.£2 million or 7.1% per annum.

Ethical Policy

The policy is required to reflect the following concerns and to exclude direct, and where possible indirect, exposure to:

- Any company earning more than 10% of their turnover from sale or production of alcohol, armaments, gambling, tobacco or pornography;
- Any company involved in the production of single-purpose abortifacients, contraceptives, or engaged with scientific research on human fetuses.

The Trustees also wish the investment manager to be sensitive to the ethics and religious principles of the Trustees and to try to avoid any investments in contravention of these and to highlight areas of potential sensitivity.

INVESTMENTS (continued)

Policy – listed investments (continued)

Ethical Policy (continued)

Particular concern is attached to issues related to the protection of human life and human rights, as well as discrimination against any sectors of society and the company's overall environmental impact. The Trustees expect the managers to apply Environmental, Social and Governance (ESG) criteria when selecting investments.

Management, Reporting and Monitoring

The Trustees have appointed Sarasin & Partners LLP to manage the investments on a fully discretionary management agreement in line with this investment policy.

The Trustees have appointed an Investment Committee, which includes both Trustees and the Director of Finance, which has responsibility for agreeing strategy and monitoring the investment assets. The investment manager will provide the following information on a quarterly basis: valuation of the investments, transaction report, cash reconciliation, performance analysis and commentary for this Committee to review. Once a year (at a minimum) the investment manager will be required to present in person to the Investment Committee. The Committee will review the information provided by the manager. Their recommendations are required to be ratified by the Trustees.

Policy – investment land

The Charity has owned and occupied land at Lanark, Scotland, since 1949 and for many years the Sisters operated a hospital on the site. Since the closure of the hospital, the Charity has been exploring how best to utilise the land for the benefit of its charitable objects. Initially, this involved discussions with a property developer about a disposal of the land for residential property development. Unfortunately, the collapse of the housing market and the severe financing restrictions since 2008 have prevented a disposal for this purpose.

The land continues to be owned with a view to disposal. As a consequence, in the accounts, the land is classified as investment land. It is the intention of the Trustees of the Charity to continue to seek buyers for this land and hence to maximise its value to the Charity.

Investment performance

During the year the Charity's listed investments achieved an income yield of 2.11% (2021 – 2.11%). The investments decreased in value and the capital decrease for the year was 9.73% (2021 – increase of 7.46%). Throughout the year the Trustees have continued to liaise closely with the Charity's investment advisers and seek their advice.

FINANCIAL REPORT FOR THE YEAR

A summary of the results for the year can be found on page 40 of the attached accounts.

Income for the year to 31 December 2022 totalled £2.78 million compared to £4.68 million in 2021. This decrease in income is mainly due to The Marillac Neurological Care Centre (MNCC becoming an independent Charitable Company on 1 April 2021. The discontinuing income to the Charity for 2021 is £1.6 million and therefore comparative income for the previous year, excluding the discontinued operations amounted to £3.0 million.

FINANCIAL REPORT FOR THE YEAR (continued)

Expenditure has decreased on 2021 by £9.4 million from £17.3 million to £7.9 million. This decrease has arisen mainly due to the following factors:

- Expenditure in 2021 included the transfer of net assets to MNCC of £1.5 million. As above, Marillac Neurological Care Centre's independence has also impacted expenditure, with expenditure on discontinuing operations in the Charity during 2021 amounting to £3 million.
- In 2021 the Charity agreed a contribution to the Scottish Redress Scheme of up to £10 million. This contribution is payable over a 10 year period and was recognised at a discounted value of £8.9 million during 2021. The commitment is shown in these accounts as a creditor of £1 million (discounted to £0.99 million) and a provision of £6 million (discounted to £5.25 million). During the year, the notional interest charge to unwind the discount on the liability amounted to £0.32 million.
- In 2022, a donation of investments was made to DCVSP Services to ensure its longer term future.

The Charity is committed to its workforce and increases to care staff wages have increased in line with the commitments of both the UK and Scottish Governments. The Charity has now made a commitment to paying the real living wage as identified by the Living wage Foundation.

All other expenditure is in line with previous years.

Reserves policy

The Trustees have examined the requirement 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, the Charity's continuing commitment to residential and nursing care, the need to care for members of the Congregation and to respond to unforeseen emergencies, the level of free reserves should at least be equivalent at least six months' expenditure. The Trustees are of the opinion that this provides sufficient flexibility to cover shortfalls in income, adequate working capital to cover core costs, and will allow the Charity to meet its commitments to its residential and care work and to members of the Congregation, and will enable the Charity to cope and respond to unforeseen emergencies.

Financial position

The balance sheet shows total reserves of £37.3 million (2021 – £46 million).

Of this, £10.4 million (2021 – £10.5 million) is represented by tangible fixed assets used for the support of the Sisters and their ministry. A decision was made to separate this fund from the general fund in recognition of the fact that the tangible fixed assets are used in the day to day work of the Charity and the fund value cannot, therefore, be realised easily if needed to meet future contingencies.

The programme related investments fund amounts to £4.3 million (2021 – £4.3 million). The fund is represented by freehold properties occupied by other charities:

FINANCIAL REPORT FOR THE YEAR (continued)

Financial position (continued)

- ◆ A property used by The Louise Project Limited (formerly known as The Space) for its head office and a drop-in centre.
- ◆ The land and buildings used by Marillac Neurological Care Centre (MNCC). With effect from midnight on 31 March 2021, the Charity donated the net assets (excluding the freehold land and buildings) to a newly established charitable company which continued the activities previously carried out by the Charity from 1 April 2021. The freehold to the land and buildings was retained by the Charity and with effect from 1 April 2021 the properties with a net book value of £3.9 million were reclassified from tangible fixed assets to programme related investments.

Funds of £19.2 million (2021 – £20.7 million) have been set aside in the Sisters' care and retirement fund to provide for the Sisters' wholistic needs going into the future. The value of the fund has been calculated based on actuarial principles to provide for each of the Province's 95 Sisters. Given the increasing age profile of the Sisters and the lack of new vocations, this sum will provide only modest resources to look after the Sisters, many of whom will need increasing support and increasingly expensive residential and nursing care.

At 31 December 2021, £1 million was set aside towards the costs of developing new initiatives and those projects newly established, as well as enhancing the properties used by the Charity. These funds were fully utilised during 2022 and no further amounts have been designated for this purpose as at 31 December 2022.

Finally, £2 million (2021 – £2.4 million) has been designated for use on specific projects by the Trustees. It is intended that such projects should principally be concerned with the missionary work of the Sisters overseas.

The endowment funds amounting to £254,175 (2021 – £254,175) comprise the Salisbury Fund, established in 1871 by a Deed of Trust, when several properties located in Salisbury were gifted to the Congregation.

Restricted funds comprising monies given specifically for overseas missionary work totalled £365,499 (2021 – £319,597) at the end of the year.

Funds available to support the work of the Sisters in the future are shown as general funds on the balance sheet and amount to £0.77 million (2021 – £6.6 million). This figure needs to be considered in the light of annual expenditure of £4.9 million (as adjusted for exceptional expenditure in the year). The Trustees have reviewed the general funds available to the Charity and note that they fall short of the desired reserves policy stated above owing to the significant unrealised losses arising on the Charity's investment portfolio during the year. Given that the Charity is a long-term investor, the Trustees do not consider the current level of free reserves to be of significant cause for concern. The investment losses are expected to be recouped in the medium term, replenishing free reserves to the desired level. The Trustees are also satisfied that the Charity's liquid resources are sufficient to mitigate any short-term solvency risks, given the high level of unrestricted designated funds.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

The British Province is governed by the Sister Provincial and four Sisters who form the Provincial Council. All are appointed by the Superioress General and General Council in Paris and are accountable to them. The Provincial and Council members are appointed for a period of six years, renewable for a further three-year period if required.

The Trustees are members of the Community and are chosen for their personal qualities, their understanding and experience of the works and ministries of the Province and to ensure a varied skills mix.

At present, the Provincial Secretary, the Provincial Treasurer, together with the Provincial and Provincial Council members, form the Board of Trustees. The Sister Provincial is always the Chair of Trustees by virtue of her office and she in turn appoints the other Trustees, of which there can be up to seven.

The Trustees are responsible for the policies, activities and assets of the Charity and for compliance with regulations and legislation including the Charities Act. The Trustees meet monthly to review developments with regard to the Charity, its activities and assets, and to make important decisions. Training continues to be provided for the Trustees in order that they are fully updated with current legislation.

The Trustees are incorporated under the provisions of Section 251 of the Charities Act 2011 as "The Incorporated Trustees of the Daughters of Charity of St Vincent de Paul".

The names of the Trustees at the date on which this report was approved are set out as part of the reference and administrative details on page 1 of this Annual Report and Accounts and brief biographical details on each of the Trustees are given below:

Sister Ellen Flynn

Sister Ellen Flynn has been a member of the Daughters of Charity of St Vincent de Paul since 1972, and formerly worked as the CEO of The Passage for nine years, helping homeless people in Central London. During that time, she developed skills in charity management, governance, fundraising and project development as well as networking across London in all sectors of business and society. Prior to this, Sister Ellen has a background in education, initially working with disadvantaged young people in inner city schools, and later in adult formation including group facilitation, liturgy, music and management with the Christian Church. Sister Ellen was named Provincial of the Province of Great Britain in September 2015.

Sister Kay Harte

Sister Kay Harte entered the Daughters of Charity of St Vincent de Paul in 1967 and is currently working in the offices as Secretary to the Provincial. After training as a rehabilitation worker for the visually impaired and interpreter for deaf/blind people, she worked in managerial positions in Glasgow and Liverpool. Prior to moving to Provincial House, she was manager of a community care home for elderly Sisters.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

Sister Sarah King-Turner

Sister Sarah King-Turner entered the Daughters of Charity of St Vincent de Paul in 1980. Her early ministry was in running a day centre for the elderly and then a hostel for students. After training as a Social Worker she had experience working with families and children. Sister went on to set up a new project for homeless young people, the Depaul Trust, followed by several years in Community administration both in London and later in the Community's Mother House in Paris. She was Provincial from 2002-2008.

Sister Mary O'Neill

Sister Mary joined the Daughters of Charity in 1977. Her early ministries were with children with disabilities and with young families. After gaining an MSc. in Management of Care, she led the development of a Family Project in Central London. She has been working in Wales for 16 years until December 2021, with asylum seekers who were destitute. She founded a Drop-in Centre and an Accommodation Project, both of which are Registered Charities. She enjoys walking, drawing and writing and loves the countryside and the sea.

Sister Kathleen Page

Sister Kathleen Page joined the Daughters of Charity in 1986. Her ministry has engaged her in a variety of work with families, homeless people and people with disabilities within the contexts of residential care, community organising and project management. She is trained in community and youth work, social care and pastoral care. Since 2005 she has undertaken pastoral care within a social care setting, most recently within one of the DC Services projects.

Sister Theresa Tighe

Sister Theresa Tighe has been a member of the Daughters of Charity of St Vincent de Paul for many years. Her training is in youth and community work and in pursuing that she provides a short counselling course as a way of supporting young people. Most of her experience has involved working with young people with disabilities and their families. She has also engaged with children and families through parish ministry.

Sister Maureen Tinkler

Sister Maureen Tinkler has been a member of the Daughters of Charity of St Vincent de Paul since 1971 and has lived and worked in numerous social priority areas in Great Britain. She trained as a secondary school teacher in Liverpool and also as a teacher of Hearing Impaired Children. She has been involved in the formation of novices and young Sisters. In the 1990's she served on the Province Leadership Team for nine years and during that time served in hospital chaplaincy. She began the Vincentian Volunteers Gap Year and worked in Youth Ministry in Langbank, Scotland. For 12 years she was the Director of Vincentians in Partnership, an umbrella body for the Vincentian organisations in Great Britain. She is currently the VIVAT Co-ordinator for the Daughter of Charity Services and is a member of the Province Leadership Team.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales and in Scotland requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the group for that period.

In preparing these accounts, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the Accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the Charity's Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Structure and management reporting

Five professional advisers ably support the Trustees, meeting together twice a year. The solicitors, accountant and surveyors, who comprise the Advisory Board, are always available for advice and guidance and especially prior to the making of any major decision.

The British Province comprises 95 Sisters, in 15 houses, of which 12 are situated in England and three in Scotland. These local communities are mostly situated in areas of towns and cities where it is believed that the Sisters can provide the greatest help to deprived and marginalised people. The Mission Statement states:

'We choose to stand at "the cutting edge" with vulnerable and marginalised people and to open our eyes to the global issues of our world today.'

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Structure and management reporting (continued)

Each of the local communities has a local Superior, appointed by the Provincial. She is responsible, with her Sisters in the community, for the services offered in the local area, for the financial management of the house, the upkeep of the property and the wellbeing of the Sisters. She is accountable to, and supported by, the Provincial and her Council, with whom there is regular communication and meetings. She submits her accounts monthly and budgets annually to the Provincial Treasurer who in turn draws up a three-year financial forecast for the Province, thus establishing a sound base for current and future planning.

Key management

The Trustees consider that they, together with the Business Executive Officer, the Care Home Managers, and in the previous year (up until 1 April 2021), the executive team of The Marillac Neurological Care Centre, comprise the key management of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis.

All Trustees are members of the Congregation and, whilst their living and personal expenses are borne by the Charity, they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or key management.

The pay of the Business Executive Officer, and the three Registered Care Home Managers, are reviewed annually by the Trustees. The remuneration benchmarks used for all key management are based on published pay grades for care and administrative staff but take into account additional responsibilities to ensure that the remuneration paid is fair and not out of line with that paid for similar roles.

Risk management

The Trustees undertake an annual review of the principal risks and uncertainties that the charity faces categorising the risks between:

- ◆ Governance and management.
- ◆ Operational.
- ◆ Financial.
- ◆ Reputation.
- ◆ Laws, regulations, external and environment.

Governance and management looks at the skills and training of its members and staff and the good use of its resources.

Operational looks at the risks inherent in the Charity's activities including the operation of its four care establishments – the members engaging in inappropriate activities, the unsuitability of buildings, poor maintenance, shortcomings in the service provided, difficulties with staff, poor health and safety, lack of a disaster recovery policy, etc.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

Financial risks include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies, global downturn in markets, and so on.

Reputation looks at possible damage to the Congregation and/or the charity's reputation.

Laws, regulations, external and environment look at the effect of government policies, the consequences of non-compliance with laws and regulations and poor risk assessment in the charity's care establishments.

The Trustees regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures.

This work and the impact of Covid-19 and its aftermath have led to a number of key risks being identified for the Charity which are described below, together with the principal ways in which they are mitigated:

Risk 1: The increasing age profile of the Province

The average age of the Sisters in the Province at the end of 2022 was 81 years. The stark reality is that there are now more Sisters in residential care than there are under the age of 70 years. The risks entailed in this fact are multiple, as not only will the activities and ministries of the Sisters decrease, but the need for financial resources to pay for residential and nursing care costs will inevitably increase.

To mitigate the dilution of services for vulnerable people due to this increase in age and few, if any, younger women entering the Congregation, the Trustees created 'The Daughters of Charity of St Vincent de Paul Services', an "umbrella" charitable organisation formed to ensure the sustainability of projects and services started by the Congregation and that the values and ethos on which these services were built, remain strong and true. The Trustees are made up of both lay people and Daughters and have developed a training programme called VIVAT, where Vincentian values are shared with all staff, who in turn are asked to experience these values in the services they offer to others.

Regarding the ongoing care of the elderly members of the Congregation, the Trustees, as companions and friends for many years of all the elderly Sisters, desire to provide excellent care for them. The Trustees also know that there is both a moral and legal obligation to do so, as the Sisters do not have resources of their own, as all earnings, pensions and other income have been donated to the Charity under a Deed of Covenant.

Thus, there is now a dedicated fund for this need, the value of which has been based on actuarial principles. Also, as previously stated in the caring for members of the Community section of this report, the Trustees ensure that residential care of a high standard is delivered to those Sisters most in need of it, as well as ensuring that at least another three houses are fully equipped with all necessary aids and facilities to give elderly Sisters not in need of care, but unable to fulfil active ministries, as much independence as possible.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk Management (continued)

Risk 2: Demand on the Charity's finances

The Trustees are very aware of the continuing demand on its finances, with increases in salaries staff and the cost of living, gas and oil prices increasing by the day. This, together with the reduction in the income now being received from the investments and the reduction in income from donations, partly due to the shortage of disposable income of many people and the age profile of the Sisters, mean fewer sisters now receive salaries for their work and thus donations of such income to the Charity by deed of covenant are lower.

The volatility of the stock markets in the year and more especially at 31 December 2022 has seen the investments fall in value by just over £3 million. This is a cause of concern to the Trustees. The investment managers continually review the investment portfolio and communicate with the Trustees. The hope is that the investments will stabilise in the coming year with a small amount of growth predicted for 2023.

This demands on the finances will continue into 2023 and beyond. Therefore, the Trustees have requested and now review budgets covering a three year period. They also look to the next ten years to ensure all assets are being optimised to ensure that any and all deficits can be met. Expenditure is continually reviewed to ensure the Charity has sufficient funds going forward.

Risk 3: Recruitment of Care staff and Managers

The Trustees are very aware of the national shortage of adult Social Care workers. The impact of the shortfall has been felt this year when two managers resigned and it took months to recruit to these posts. The recruitment and retention of carers is also a concern with a number of carers deciding to leave our home for better pay and less demanding work, which they can now get in local supermarkets and other places of employment.

The need to provide all staff with a decent wage has always been the priority of the Trustees and a lot of work is done every year in benchmarking the salaries of all staff to ensure the wages do not fall short of industry standards. The Trustees are also looking at the support which is available to staff to ensure the workplace is a supportive environment and all staff are happy in their roles.

Risk 4: Protection of children and vulnerable adults

The Trustees recognise the absolute necessity of ensuring the protection and safeguarding of all those whom the Charity serves, especially children and vulnerable adults. All the Sisters in the Province and all members of staff and volunteers, who are in contact with people through their ministry, have an Advanced Disclosure from the Disclosure and Barring Service (DBS). In Scotland this is the Protecting of Vulnerable Groups (PVG).

The Trustees are committed to implementing all the policies and procedures of the Catholic Safeguarding Standards Agency for England & Wales (CSSA), the Scottish Catholic Safeguarding Standards Agency (SCSSA) and the Religious Life Safeguarding Services (RLSS).

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk Management (continued)

Risk 4: Protection of children and vulnerable adults (continued)

The Province Safeguarding Policy is updated and reviewed annually; each local community receives the updated version to be read and understood by all, and each sister involved in any form of ministry undertakes annual bespoke safeguarding training, delivered by the RLSS training team.

The Trustees along with the Safeguarding Representative and Safeguarding Administrator, take responsibility for identifying, preventing, investigating and responding to all allegations or incidents of abuse. In the light of recent experience of the Inquiries below, the Charity has taken independent advice and revised all its policies and practices.

On 20 October 2022, the Independent Inquiry into Child Sexual Abuse (England & Wales) published its final statutory Report, which was presented to Parliament pursuant to section 26 of the Inquiries Act 2005. In accordance with the Inquiry's Terms of Reference, the Report sets out the main findings about the extent to which state and non-state institutions failed in their duty of care to protect children from sexual abuse and exploitation and makes recommendations for reform. All recommendations relevant to the Daughters of Charity, will be carefully studied, implemented and adhered to.

In Scotland, the Child Abuse Inquiry remains active and no date has been given for its conclusion. Police Scotland continues to be involved following the evidence given by the Daughters to the Inquiry. The Daughters of Charity are seeking to engage with Police Scotland as fully and constructively as possible, and to provide information required, consistently and in a manner which is respectful of data protection obligations owed to Sisters, staff and former residents of the various establishments under consideration. The Sisters involved in this investigation are each represented by a solicitor.

The opening of the Redress Scheme for all survivors of historical child abuse in care in Scotland was announced by Scotland's Deputy First Minister John Swinney on 8 December 2021 and thus has been operational throughout 2022. The Daughters of Charity are on the list of contributors to the Scheme, and thus our Safeguarding Team has worked closely with the Redress Team as well as with applicants to the Scheme throughout this past year, in connection with the verification process.

In relation to the opening of the Redress Scheme, the following statement was written and posted on the Province website:

We, the Daughters of Charity of St Vincent de Paul, welcome the launch of the Scottish Government's Redress Scheme. We have agreed with the Scottish Ministers to make a financial contribution under the terms of the Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021.

The agreed contribution has been assessed by the Scottish Ministers as making a fair and meaningful financial contribution towards the funding of redress payments under this Act.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk Management (continued)

Risk 4. Protection of children and vulnerable adults (continued)

In making it, we explicitly acknowledge the wrongfulness of the historical child abuse which took place in care settings, including residential institutions in which the day-to-day care of children was provided, and the harm it caused. We offer our most sincere and heartfelt apology to those affected by abuse at any establishment under our control. Abuse of any kind is totally at odds with everything the Daughters of Charity of St Vincent de Paul stand for.

The Safeguarding Team has also worked with our solicitor in Scotland with regard to Civil Claims, of which one has been settled this year, with the express approval in advance of the Trustees and after close consideration of legal advice, on the basis of an economic analysis, without admission of liability. None of the claims, have, to date, resulted in litigation.

As the Daughters of Charity publicly stated at the time of the publication of the report on the case study from the Scottish Child Abuse Inquiry, as it was then, remains at present, and will remain in the future their respectful desire to build appropriate relationships with Survivor Groups or individual survivors, to effect healing in whatever ways are possible.

Fundraising policy

The Charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data. It never swaps data and ensures that communication preferences can be changed at any time. The Charity manages its own fundraising activities and does not employ the services of Professional Fundraisers. The Charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2022, the Charity received no complaints about its fundraising activities (2021 – none).

Concern for the environment

Conscious of the need for a sustainable environment and the responsibility each person and organisation has to care for the environment, the Trustees actively encourage the recycling of waste and reduction in energy consumption throughout the Charity's services and locations.

Public benefit

The Trustees confirm that they have complied with their duty under section 17 of the Charities Act 2011 to have regard to the Charity Commission's guidance on public benefit. The Trustees believe they have demonstrated in detail throughout this report the ways in which the Charity has been faithful to this.

Employees, volunteers and members of the Congregation

The Trustees wish to record their recognition of the professionalism and commitment of all their staff and volunteers as well as the individual members of the Congregation. Their loyalty, dedication and positive approach to the service they give is crucial to the services provided to people in need throughout the Province and beyond. This is very much appreciated and never taken for granted.

Signed on behalf of the Trustees:

Ellen T Flynn

Trustee

Approved by the Trustees on: 7 July 2023

Independent auditor's report to the Trustees of Daughters of Charity of St Vincent de Paul Charitable Trust

Opinion

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

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the Charity's affairs as at 31 December 2022 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

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

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

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant frameworks which are directly relevant to specific assertions in the accounts are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and safeguarding regulations.
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- ◆ identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

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

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ carried out substantive testing of expenditure;

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

- ◆ assessed whether judgements and assumptions made in determining the accounting estimate for the provisions for bad debts and the Redress Scheme were indicative of potential bias; and
- ◆ used data analytics to investigate the rationale behind any significant or unusual transactions.

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

- ◆ agreeing accounts disclosures to underlying supporting documentation;
- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

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

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

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

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act, and in accordance with 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 and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

27 July 2023

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

Statement of financial activities Year to 31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2022 £	Total funds 2021 £
Income:						
Grants, donations and legacies	1	1,758,475	181,497	—	1,939,972	2,022,626
Investment income and interest receivable	2	646,704	52,467	—	699,171	738,451
Charges for residential, care and support services	3	—	—	—	—	1,552,055
Other income						
. Surplus on disposal of tangible fixed assets		19,744	—	—	19,744	211,713
. Surplus on disposal of programme related investments		—	—	—	—	115,330
. Rent receivable		62,213	—	—	62,213	28,312
. Miscellaneous income		58,420	—	—	58,420	12,216
Total income		2,545,556	233,964	—	2,779,520	4,680,703
Expenditure:						
Cost of raising funds						
. Investment managers' fees		137,003	11,743	—	148,746	163,608
Expenditure on charitable activities						
. Provision of residential, care and support services	4	—	—	—	—	1,568,060
. Support of members of the Congregation and their ministry	5	4,624,538	36,450	—	4,660,988	4,456,550
. Charitable grants, donations payable and similar	6	2,635,590	139,869	—	2,775,459	741,186
. Contributions to Redress Scotland	7	319,000	—	—	319,000	8,918,000
		7,716,131	188,062	—	7,904,193	15,847,404
Donation of net assets to Marillac Neurological Care Centre (MNCC) (Charity Registration No 1184495)		—	—	—	—	1,474,547
Total expenditure		7,716,131	188,062	—	7,904,193	17,321,951
Net (expenditure) income for the year before investment (losses) gains	9	(5,170,575)	45,902	—	(5,124,673)	(12,641,248)
Net investment (losses) gains						
. Listed investments		(3,166,760)	—	—	(3,166,760)	2,565,000
. Derivatives		69,288	—	—	69,288	(8,461)
. Foreign exchange		(524,203)	—	—	(524,203)	85,483
Net movement in funds for the year		(8,792,250)	45,902	—	(8,746,348)	(9,999,226)
Reconciliation of funds:						
Balances brought forward at 1 January 2022		45,463,444	319,597	254,175	46,037,216	56,036,442
Balances carried forward at 31 December 2022		36,671,194	365,499	254,175	37,290,868	46,037,216

A full comparative statement of financial activities is provided on page 42.

Statement of financial activities Year to 31 December 2022

With effect from midnight on 31 March 2021, the activities, assets (excluding the freehold land and buildings) and liabilities of The Marillac Neurological Care Centre were donated by the Charity to an independent Charitable Company limited by guarantee and incorporated in England and Wales (Charity Registration Number: 1184495 and Company Registration Number 12085591). The new independent charitable company is a subsidiary of the Daughters of Charity of St Vincent de Paul Services.

Therefore, the income and expenditure in respect to The Marillac Neurological Care Centre relate to discontinued activities within the Daughters of Charity of St Vincent de Paul Charitable Trust.

The income and expenditure figures shown on the previous page split between continuing and discontinued activities are summarised below:

	2022			2021		
	Continuing £	Dis- continued £	Total £	Continuing £	Dis- continued £	Total £
Income	2,779,520	—	2,779,520	3,041,214	1,639,489	4,680,703
Expenditure (excluding donation to Marillac Neurological Care Centre)	7,904,193	—	7,904,193	12,801,198	3,046,206	15,847,404

Comparative statement of financial activities Year to 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £
Income:					
Grants, donations and legacies	1	1,801,294	221,332	—	2,022,626
Investment income and interest receivable	2	694,111	44,340	—	738,451
Charges for residential, care and support services	3	1,552,055	—	—	1,552,055
Other income					
. Surplus on disposal of tangible fixed assets		211,713	—	—	211,713
. Surplus on disposal of programme related investments		115,330	—	—	115,330
. Rent receivable		28,312	—	—	28,312
. Miscellaneous income		12,216	—	—	12,216
Total income		4,415,031	265,672	—	4,680,703
Expenditure:					
Cost of raising funds					
. Investment managers' fees		152,611	10,997	—	163,608
Expenditure on charitable activities					
. Provision of residential, care and support services	4	1,516,320	51,740	—	1,568,060
. Support of members of the Congregation and their ministry	5	4,399,857	56,693	—	4,456,550
. Charitable grants, donations payable and similar	6	573,758	167,428	—	741,186
. Contributions to Redress Scotland	7	8,918,000	—	—	8,918,000
		15,560,546	286,858	—	15,847,404
Donation of net assets to Marillac Neurological Care Centre (MNCC) (Charity Registration No 1184495)	10	1,451,122	23,425	—	1,474,547
Total expenditure		17,011,668	310,283	—	17,321,951
Net expenditure for the year before investment gains (losses)	9	(12,596,637)	(44,611)	—	(12,641,248)
Net investment gains (losses)					
. Listed investments		2,565,000	—	—	2,565,000
. Derivatives		(8,461)	—	—	(8,461)
. Foreign exchange		85,483	—	—	85,483
Net movement in funds for the year		(9,954,615)	(44,611)	—	(9,999,226)
Reconciliation of funds:					
Balances brought forward at 1 January 2021		55,418,059	364,208	254,175	56,036,442
Balances carried forward at 31 December 2021		45,463,444	319,597	254,175	46,037,216

Balance sheet 31 December 2022

	Notes	2022 £	2021 £
Fixed assets:			
Tangible assets	14	10,358,197	10,527,282
Investments	15	31,373,427	40,827,541
		41,731,624	51,354,823
Current assets:			
Debtors	16	632,635	555,152
Short term deposits		800,119	1,803,957
Cash at bank and in hand		754,341	594,193
		2,187,095	2,953,302
Liabilities:			
Creditors: amounts falling due within one year	17a	(1,378,851)	(2,288,909)
Net current assets		808,244	664,393
Total assets less current liabilities		42,539,868	52,019,216
Creditors: amounts falling due after more than one year	17b	—	(40,000)
Total net assets before provision for liabilities		42,539,868	51,979,216
Provision for liabilities	7	(5,249,000)	(5,942,000)
Total net assets		37,290,868	46,037,216
The funds of the charity:			
Capital funds			
Permanent endowment funds	18	254,175	254,175
Income funds			
Restricted funds	19	365,499	319,597
Unrestricted funds			
. Tangible fixed assets fund	20	10,358,197	10,527,282
. Programme related investments fund	21	4,298,510	4,298,510
. Designated funds	22	21,246,546	24,066,918
. General fund		767,941	6,570,734
		37,290,868	46,037,216

Approved by the Trustees and signed on their behalf by:

Ellen T Flynn

Trustee

Approved by the Trustees on: 7 July 2023

Statement of cash flows Year to 31 December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(7,332,316)	(4,190,835)
Cash flows from investing activities:			
Investment income received		676,539	732,305
Interest received		22,632	6,146
Proceeds from the disposal of tangible fixed assets		21,119	301,479
Purchase of tangible fixed assets		(64,103)	(86,928)
Proceeds from the disposal of programme related investments		—	500,000
Proceeds from the disposal of investments		18,672,528	13,570,138
Net (cost) receipt from settlement of foreign exchange contracts		(341,971)	78,359
Purchase of investments		(12,096,390)	(11,069,861)
Net cash provided by investing activities		6,890,354	4,031,638
Cash flows from financing activities:			
Loan repayments received		50,000	36,900
Capital element of finance lease rentals		—	(11,385)
Net cash provided by financing activities		50,000	25,515
Change in cash and cash equivalents in the year		(391,962)	(133,682)
Cash transferred to Marillac Neurological Care Centre		—	(536,685)
Cash and cash equivalents at 1 January 2022	B	3,560,628	4,230,995
Cash and cash equivalents at 31 December 2022	B	3,168,666	3,560,628

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

A Reconciliation of net movement in funds to net cash used in operating activities

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	(8,746,348)	(9,999,226)
Adjustments for:		
Depreciation charge	231,813	259,367
Donation of net assets to Marillac Neurological Care Centre	—	1,474,547
Non-cash operating assets and liabilities included in donation of net assets to Marillac Neurological Care Centre	—	(425,134)
Net losses (gains) on investments, derivatives and foreign exchange	3,621,675	(2,642,022)
Investment income receivable	(676,539)	(732,305)
Interest receivable	(22,632)	(6,146)
Surplus on disposal of tangible fixed assets	(19,744)	(211,713)
Surplus on disposal of programme related investments	—	(115,330)
(Increase) decrease in debtors	(77,483)	650,212
(Decrease) increase in creditors	(950,058)	1,614,915
(Decrease) increase in provisions	(693,000)	5,942,000
Net cash used in operating activities	(7,332,316)	(4,190,835)

Statement of cash flows Year to 31 December 2022

B Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	754,341	594,193
Term deposits (less than three months)	800,119	1,803,957
Cash held by investment managers	1,614,206	1,162,478
Total cash and cash equivalents	3,168,666	3,560,628

C Analysis of changes in net debt

	2021 £	Cash flows £	2022 £
Cash at bank and in hand	594,193	160,148	754,341
Term deposits	1,803,957	(1,003,838)	800,119
Cash held by investment managers	1,162,478	451,728	1,614,206
Loan to St Joseph's Services	463,100	(50,600)	412,500
Balance at 31 December 2022	4,023,728	(442,562)	3,581,166

Basis of accounting

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

Basis of preparation

These accounts have been prepared for the year to 31 December 2022 with comparative information given in respect to the year to 31 December 2021.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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

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

Income and expenditure has been analysed between continuing and discontinued activities. The discontinued activities relate to Marillac Neurological Care Centre.

Critical accounting estimates and areas of judgement

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

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

- ◆ assessing the probability of the receipt of legacy income;
- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining a depreciation charge;
- ◆ estimating the market value of investment land;
- ◆ estimating the value of any provision in respect to Scottish Redress;
- ◆ determining the value of designated funds needed at the year end, in particular in respect to the assumptions made in determining the value of the Sisters' care and retirement fund; and

Critical accounting estimates and areas of judgement (continued)

- ♦ estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

The Trustees also acknowledge and recognise the effect of the current macroeconomic and geopolitical climate on the Charity and are aware that its income may continue to be affected as investment markets react and show greater volatility.

The Trustees continue to communicate with their investment managers and, whilst there are concerns over the volatility in world stock markets, they acknowledge also that the Charity is a long term investor. As such, the Charity will be able to wait for markets to stabilise over time whilst the Trustees keep a watching brief.

Undoubtedly there will be challenges ahead, but the Trustees do not expect material concerns to arise over the Charity's financial position or going concern. The Trustees have concluded that the Charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

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

Income comprises donations and legacies, investment income and interest receivable, charges for residential, care and support services and other income including the surplus on the disposal of tangible fixed assets and programme related investments.

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

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

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

Income recognition (continued)

Entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the Charity.

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

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

Income derived from the levying of charges for residential, care and support services is measured at the fair value of the consideration received or receivable, excluding discounts and rebates.

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

Other income, including rental income, is measured at fair value and accounted for on an accruals basis.

Expenditure recognition

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This relates to investment management fees only.

Expenditure recognition (continued)

- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Charity through the provision of its charitable activities. Such costs include direct and indirect expenditure on the provision of residential, care and support services, direct and indirect costs in respect to the support of members of the Congregation and enabling their ministry, and the provision of charitable grants and donations.

Expenditure incurred in the provision of residential care and support services comprises all costs of providing nursing care for physically disabled persons at Marillac Neurological Care Centre.

Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

- ◆ Contributions to Scottish Redress represent estimate of amounts that will be payable to the Scheme over the period to 2026 (see note 7). The amounts payable between 2022 and 2026 have been discounted to present value using a discount rate of 5% per annum, the expected average yield from investments earned by the Charity. These costs include the notional interest charged as a result of unwinding this discounting over time.
- ◆ The comparative figures include a donation of net assets to Marillac Neurological Care Centre, an independent Charitable Company limited by guarantee and incorporated in England and Wales (Charity Registration Number: 1184495 and Company Registration Number 12085591) (see note 10).

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

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

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Governance costs are included as a specific category within support costs.

Support costs are allocated to expenditure on charitable activities on the basis described in note 8 to these accounts.

Tangible fixed assets

All assets costing more than £2,500 and with an expected useful life exceeding one year are capitalised.

♦ ***Voluntary-aided schools***

The freehold of the land and buildings legally owned by the Charity and occupied rent free on behalf of the Trustees of the governing bodies of Catholic voluntary-aided schools, which are separate charities and publicly funded, are valued at £nil. The Trustees consider that no meaningful value can be attributed to these assets, since they are not used directly by the Charity, do not generate income and cannot be disposed of in the open market or put to alternative use while such occupation, which may be indefinite, continues.

♦ ***Other freehold land and buildings***

With the exception of one property, all land and buildings located in England and Wales and purchased prior to 1 January 1993 are included in the accounts at a valuation determined as at that date (the date on which the land and buildings were first incorporated into a set of statutory accounts). The valuations, which were determined by the Trustees with professional assistance and based on market values as at 1 January 1993, were used in the absence of reliable cost figures being available due (in part) to the fact that many of the properties had been purchased many years earlier and cost figures could not be determined without considerable research - the cost of which, in the opinion of the Trustees, would not be an appropriate or effective use of the Charity's resources. As permitted by FRS 102, with effect from 1 January 2014 the values assigned to these properties are now deemed their cost.

One property situated in England was not incorporated into the statutory accounts until 1 January 1997 and, for similar reasons as set out above, it is included in the accounts at a valuation determined by the Trustees with professional assistance as at 1 January 1997 based on market value as at that date. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to this property is now deemed its cost.

All other freehold land and buildings situated in England and Wales have been purchased subsequent to 1 January 1993 and are included in the accounts at cost.

All land and buildings located in Scotland and purchased prior to 1 January 1996 are included in the accounts at a valuation determined as at that date (the date on which the land and buildings were first incorporated into a set of statutory accounts). The valuations, which were determined by the Trustees with professional assistance and based on market values as at 1 January 1996, were used in the absence of reliable cost figures being available due (in part) to the fact that many of the properties had been purchased many years earlier and cost figures could not be determined without considerable research - the cost of which, in the opinion of the Trustees, would not be an appropriate or effective use of the Charity's resources. As permitted by FRS 102, with effect from 1 January 2014, the value assigned to these properties is now deemed their cost. All freehold land and buildings situated in Scotland and purchased subsequent to 1 January 1996 are included in the accounts at cost.

Tangible fixed assets (continued)

◆ ***Other freehold land and buildings (continued)***

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

Specialised buildings are defined as those comprising the Charity's care homes, health care establishments and large residential convents. Depreciation is provided at between 2% to 4% per annum on a straight-line basis to write the buildings off over their estimated useful economic life to the Charity.

◆ ***Long leasehold property***

Long leasehold property comprising both specialised and non-specialised buildings is shown on the balance sheet at a valuation determined by the Trustees with professional assistance as at 1 January 1993 (the date on which it was first incorporated into a set of statutory accounts). The valuations were used in the absence of reliable cost figures being available due (in part) to the fact that many of the leasehold properties had been purchased many years earlier and cost figures could not be determined without considerable research - the cost of which, in the opinion of the Trustees, would not be an appropriate or effective use of the Charity's resources. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to these leasehold properties is now deemed their cost.

Long leasehold property is not depreciated until the period of the lease remaining is 50 years or less at which point it is depreciated on a straight line basis over the remaining period of the lease. All leasehold property is maintained to standards which ensure that its residual value is not less than its book value. Therefore, depreciation on such property with more than 50 years of the lease remaining is deemed immaterial.

◆ ***Furniture, plant and computer equipment***

Expenditure on the purchase and replacement of furniture, plant and computer equipment is capitalised and depreciated on a straight line basis over the estimated life of each asset, as follows:

Plant	- 10 years
Furniture and plant	- 5 years
Computer equipment	- 4 years

◆ ***Motor vehicles***

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

Fixed asset investments

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

Management of the Charity's investment portfolio includes the use of derivatives and foreign exchange contracts including forward contracts. These are a form of complex financial instrument. They are recognised initially at their transaction value and subsequently measured at their fair value as at the balance sheet date, using the prevailing exchange rate at that date. Changes in fair value are credited (or debited) to the statement of financial activities in the year in which they arise.

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

Land held for investment is included in the accounts at the estimated current market value of the land based on disposal for development and the likelihood of residential planning consent being granted. The valuation has been determined by the Trustees after consultation with their professional property advisers.

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

Programme related investments

Programme related investments comprise properties owned by the Charity but occupied by, The Louise Project Limited or Marillac Neurological Care Centre.

The Louise Project Limited occupies the property at a reduced market value rent. The Louise Project Limited (the Project) is a charitable company registered with the Office of the Scottish Charity Regulator. The work carried out by the Project is consistent with the charitable objects of the Charity and as such the property is classified as a programme related investment. It is stated at book value as at 1 April 2017, the date on which the activities of the Project were transferred from the Charity and the date, therefore, on which the properties were reclassified by the Charity from tangible fixed assets (i.e. functional properties) to programme related investments.

Programme related investments (continued)

Marillac Neurological Care Centre (MNCC) occupies the property at a reduced market value rent. MNCC is a charitable company registered with the Charity Commission. The work carried out by MNCC is consistent with the charitable objects of the Charity and as such the property is classified as a programme related investment. It is stated at book value as at 31 March 2021, the date on which the activities of MNCC were transferred from the Charity and the date, therefore, on which the properties were reclassified by the Charity from tangible fixed assets (i.e. functional properties) to programme related investments.

No depreciation is charged on programme related investments. Impairment provisions, if any, are charged to the statement of financial activities when and if they arise and are classified as charitable expenditure.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Fund structure

The endowment funds comprise monies which must be held indefinitely as capital. The income therefrom is credited directly to unrestricted or restricted funds in accordance with the terms of the relevant endowment.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

The tangible fixed assets fund represents the net book value of the tangible fixed assets, after deducting the finance lease obligations in respect to furniture and equipment, used for the support of the Sisters and their ministry.

The programme related investments fund represents the book value of those properties classified as programme related investments i.e. those properties occupied by other organisations at a peppercorn rent or reduced market value rent but used for purposes consistent with the charitable objectives of the Charity.

Fund structure (continued)

The general fund comprises those monies which may be used towards meeting the charitable objectives of the Charity and which may be applied at the discretion of the Trustees.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Trustees.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

Lease arrangements that transfer substantially all the risks and rewards of ownership to the lessee are treated as finance leases. Assets held under finance leases are capitalised within tangible fixed assets and depreciated over the shorter of the lease term and useful life of the asset. A liability is recognised for the present value of the minimum lease payments within current and long term liabilities as appropriate. Rental payments are apportioned between capital and interest expense.

Foreign currencies

Income received, and costs incurred overseas, are translated into sterling at the rate of exchange in force at the year end. This policy does not comply with FRS 102, Section 30 which requires income and expenditure to be translated using the rate of exchange on the transaction date and amounts payable or receivable to be retranslated at the reporting date but has been adopted to avoid over-complexity. The amounts involved are not material, and the Trustees have therefore concluded that this departure does not prevent the accounts from presenting a true and fair view of the Charity's financial position, financial performance and cash flows in the year ended 31 December 2022.

Pension costs

Employer's contributions in respect of the Charity's Group Pension Plan, a defined contribution scheme, are charged to unrestricted funds in the statement of financial activities in the year in which they are payable to the scheme.

All eligible members of staff (not already contributing to an eligible scheme) continue to be auto-enrolled in a workplace pension scheme. Employer contributions to the scheme are charged to the statement of financial activities in the year in which they are payable to the scheme.

Services provided by members of the Congregation

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

1 Grants, donations and legacies

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2022 £
Salaries and pensions of individual religious	1,674,417	—	—	1,674,417
Legacies	57,790	—	—	57,790
Donations for the Congregation's overseas missions	—	145,047	—	145,047
Other donations	26,268	—	—	26,268
Other Covid-19 Government and local authority grants	—	36,450	—	36,450
2022 Total funds	1,758,475	181,497	—	1,939,972

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £
Salaries and pensions of individual religious	1,740,570	—	—	1,740,570
Legacies	15,481	—	—	15,481
Donations for the Congregation's overseas missions	—	121,634	—	121,634
Other donations	31,055	105	—	31,160
Coronavirus Job Retention Scheme funding	14,188	—	—	14,188
Other Covid-19 Government and local authority grants	—	99,593	—	99,593
2021 Total funds	1,801,294	221,332	—	2,022,626

2 Investment income and interest receivable

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2022 £
Income from listed investments				
. Government Bonds	30,383	1,181	—	31,564
. Non-Government Bonds	37,876	4,214	—	42,090
. UK Equities and Equity Trusts	146,298	15,256	—	161,554
. Global Equities	185,539	19,245	—	204,784
. UK property and Unit Trusts	40,281	4,331	—	44,612
. Alternative Investments	86,291	6,894	—	93,185
	526,668	51,121	—	577,789
Income from programme related investments	98,750	—	—	98,750
Interest receivable				
. Interest on loans	7,720	—	—	7,720
. Monies held by investment managers	11,782	561	—	12,343
. Bank interest	1,784	785	—	2,569
	21,286	1,346	—	22,632
2022 Total funds	646,704	52,467	—	699,171

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £
Income from listed investments				
. Government Bonds	59,547	1,925	—	61,472
. Non-Government Bonds	65,909	5,990	—	71,899
. UK Equities and Equity Trusts	153,501	12,548	—	166,049
. Global Equities	164,811	19,517	—	184,328
. UK property and Unit Trusts	37,948	—	—	37,948
. Alternative Investments	105,542	4,312	—	109,854
	587,258	44,292	—	631,550
Income from programme related investments	100,755	—	—	100,755
Interest receivable				
. Interest on loans	4,431	—	—	4,431
. Monies held by investment managers	1,472	21	—	1,493
. Bank interest	195	27	—	222
	6,098	48	—	6,146
2021 Total funds	694,111	44,340	—	738,451

3 Charges for residential, care and support services

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2022 £
2022 Total funds:				
Nursing home charges	—	—	—	—
	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £
2021 Total funds:				
Nursing home charges	1,552,055	—	—	1,552,055

Nursing home charges relate to income receivable by Marillac Neurological Care Centre, the activities of which were transferred to an independent charitable company with effect from midnight on 31 March 2021.

4 Provision of residential, care and support services

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2022 £
Staff costs	—	—	—	—
Premises	—	—	—	—
Provisions	—	—	—	—
Welfare of residents	—	—	—	—
Other costs	—	—	—	—
Support costs (note 8)	—	—	—	—
2022 Total funds	—	—	—	—
	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £
Staff costs	1,152,501	50,752	—	1,203,253
Premises	172,400	988	—	173,388
Provisions	26,099	—	—	26,099
Welfare of residents	66,343	—	—	66,343
Other costs	72,973	—	—	72,973
Support costs (note 8)	26,004	—	—	26,004
2021 Total funds	1,516,320	51,740	—	1,568,060

5 Support of members of the Congregation and their ministry

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2022 £
Sisters' living and personal expenses	967,741	—	—	967,741
Premises	1,109,157	—	—	1,109,157
Staff costs	1,903,849	36,450	—	1,940,299
Spiritual renewal	94,101	—	—	94,101
Other costs	86,915	—	—	86,915
Support costs (note 8)	462,775	—	—	462,775
2022 Total funds	4,624,538	36,450	—	4,660,988
	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £
Sisters' living and personal expenses	858,088	5,996	—	864,084
Premises	1,032,212	9,130	—	1,041,342
Staff costs	1,806,526	41,567	—	1,848,093
Spiritual renewal	68,069	—	—	68,069
Other costs	91,466	—	—	91,466
Support costs (note 8)	543,496	—	—	543,496
2021 Total funds	4,399,857	56,693	—	4,456,550

6 Charitable grants and donations payable

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2022 £
Donations to the Congregation's overseas missions:				
. Ethiopia	—	94,962	—	94,962
. Haiti	—	700	—	700
. Ukraine	5,000	33,400	—	38,400
. Vietnam	—	9,807	—	9,807
. Syria	—	700	—	700
. Lebanon	—	300	—	300
The Vincentian Volunteers	5,000	—	—	5,000
Marillac Neurological Care Centre	13,000	—	—	13,000
Centenary Artwork Marillac Neurological Care Centre	13,600	—	—	13,600
Religious Life Safeguarding	4,000	—	—	4,000
Holy Cross Abbey	5,000	—	—	5,000
Vincentian Care Plus	(18,500)	—	—	(18,500)
Daughters of Charity of St Vincent de Paul Services	2,600,835	—	—	2,600,835
Other donations	7,655	—	—	7,655
2022 Total funds	2,635,590	139,869	—	2,775,459

6 Charitable grants and donations payable (continued)

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £
Donations to the Congregation's overseas missions:				
. Ethiopia	10,000	122,743	—	132,743
. Haiti	—	1,610	—	1,610
. Bethlehem	—	5,000	—	5,000
. Kenya	—	1,670	—	1,670
. Vietnam	—	10,678	—	10,678
. Syria	—	2,027	—	2,027
. India	—	23,400	—	23,400
. Yemen and Beirut	—	300	—	300
The Vincentian Volunteers	5,000	—	—	5,000
Marillac Neurological Care Centre	600,000	—	—	600,000
Centenary Artwork Marillac Neurological Care Centre	4,986	—	—	4,986
Home4U	32,000	—	—	32,000
The Louise Project	2,850	—	—	2,850
Vincentian Care Plus	(20,000)	—	—	(20,000)
Out There	(66,000)	—	—	(66,000)
Other donations	4,922	—	—	4,922
2021 Total funds	573,758	167,428	—	741,186

Other donations comprise amounts of £1,000 or less donated to other organisations with objects consistent with those of the Charity.

The “negative” amount of £18,500 (2021 – £20,000) in respect to Vincentian Care Plus (VCP) relates to the voluntary repayment of monies donated to VCP in prior years amounting to £30,000 (see note 24). A crises grant of £11,500 was awarded in the year.

The negative amount £66,000 for the year ended 31 December 2021 in respect of Out There, shown above, relates to unutilised grant provided in prior years and subsequently cancelled as it is no longer required.

7 Contribution to Redress Scotland

The National Inquiry into Historical Abuse commissioned by Scottish Ministers under the Inquiries Act 2005 in Scotland has held hearings in relation to two of the Congregation's former homes in Scotland. The Scottish Government has passed legislation to establish a Redress Scheme (Redress Scotland). Alongside other providers of care in Scotland (both past and present), the Daughters of Charity of St Vincent de Paul Charitable Trust has contributed towards the funding of the payments to be met by the Scheme. Under the Financial Contribution Agreement with the Scottish Ministers, the Charity will contribute a maximum of £10 million to Redress Scotland. £3 million has been paid to date and a further £1 million (discounted to £988,000) is payable in 2023 (note 17a). A further £6 million (discounted to £5,249,000) has been provided for, being the maximum amount that will be payable between 2023 and 2026. From 2023, the annual contribution amount is subject to review to assess the amount payable.

8 Support costs

	Provision of residential, care and support services £	Support of members of the Congregation and their ministry £	Total funds 2022 £	Provision of residential, care and support services £	Support of members of the Congregation and their ministry £	Total funds 2021 £
Legal and professional fees	—	359,804	359,804	19,127	353,165	372,292
Central administration	—	39,709	39,709	—	41,661	41,661
Bank charges	—	5,094	5,094	3,007	6,471	9,478
Governance (see below)	—	58,168	58,168	3,870	142,199	146,069
Total funds	—	462,775	462,775	26,004	543,496	569,500

The above expenses have been analysed in detail and individual invoices, or groups of invoices, have been allocated as appropriate to either the provision of residential, care and support services or support of members of the Congregation and their ministry.

Governance costs included above comprised:

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2022 £
Auditor's remuneration	24,900	—	—	24,900
Legal and professional	31,178	—	—	31,178
Central administration	2,090	—	—	2,090
2022 Total funds	58,168	—	—	58,168

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £
Auditor's remuneration	29,130	—	—	29,130
Legal and professional	114,746	—	—	114,746
Central administration	2,193	—	—	2,193
2021 Total funds	146,069	—	—	146,069

During the year ended 31 December 2021, the charity incurred professional fees of £57,847 in respect to its participation in the Scottish National Inquiry into Historical Abuse. The Inquiry hearings in relation to two of the homes previously owned and operated by the Daughters of Charity of St Vincent de Paul began on 28 November 2017.

General solicitors' fees are apportioned to governance costs on the basis of the estimated time solicitors spend working on matters pertaining to the governance of the Charity.

General administrative costs are apportioned to governance costs on the basis of the time staff spent working on governance issues.

9 Net (expenditure) income for the year before investment (losses) gains

This is stated after charging (crediting):

	Total 2022 £	Total 2021 £
Staff costs (note 10)	1,940,299	3,051,346
Auditor's remuneration		
. Statutory audit services – current year	24,900	25,260
. Non-statutory audit services	—	3,870
Depreciation (note 13)	231,813	259,367
Surplus on disposal of tangible fixed assets	(19,744)	(211,713)

10 Staff costs and remuneration of key management personnel

	2022 £	2021 £
Staff costs during the year were as follows:		
Wages and salaries	1,707,745	2,636,449
Social security costs	124,642	197,280
Other pension costs	40,088	67,019
Apprenticeship levy	—	2,869
	1,872,475	2,903,617
Agency staff	67,824	147,729
	1,940,299	3,051,346

Payments to agency staff during the year reflect the difficulties in recruiting permanent nursing and care staff.

Staff costs per function were as follows:

	2022 £	2021 £
Provision of residential, care and support services	—	1,203,253
Support of members of the Congregation and their ministry	1,940,299	1,848,093
	1,940,299	3,051,346

The following number of employees earned £60,000 per annum or more (including taxable benefits but excluding employer's pension contributions):

	2022	2021
£70,000 - £80,000	1	1

The average number of employees during the year, analysed by function, was:

	2022	2021
Provision of residential, care and support services	—	41
Support of members of the Congregation and their ministry	99	107
	99	148

10 Staff costs and remuneration of key management personnel

The number of employees based on full time equivalents, analysed by function, was:

	2022	2021
Provision of residential, care and support services	—	33
Support of members of the Congregation and their ministry	76	80
	76	113

The key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis comprise the Trustees, the Business Executive Officer and the Care Home Managers. It also included the Executive team of Marillac Neurological Care Centre up until 31 March 2021. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £180,051 (2021 – £264,887).

11 Trustees' expenses and remuneration and transactions with Trustees

The Charity's Trustees are all members of the Congregation and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Congregation, are borne by the Charity. No Trustee received any remuneration or reimbursement of expenses in connection with their duties as Trustees or members of key management (2021 – none).

As members of the Congregation, none of the Trustees have resources of their own as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the Trustees to the Charity was £64,418 (2021 – £79,255).

12 Taxation

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

13 Tangible fixed assets

	Freehold land and buildings			Furniture, plant and computer equipment	Motor vehicles	Total
	Sisters' living accommo- -dation £	Special needs accommo- -dation £	Long leasehold land and buildings £	£	£	£
Cost or valuation						
At 1 January 2022	5,912,059	7,323,501	42,623	125,608	357,722	13,761,513
Additions	—	—	—	8,728	55,375	64,103
Disposals and eliminations	—	—	—	—	(49,699)	(49,699)
At 31 December 2022	<u>5,912,059</u>	<u>7,323,501</u>	<u>42,623</u>	<u>134,336</u>	<u>363,398</u>	<u>13,775,917</u>
At deemed cost based on valuation in 1993	805,000	—	—	—	—	805,000
At deemed cost based on valuation in 1996	200,000	—	—	—	—	200,000
At cost	<u>4,907,059</u>	<u>7,323,501</u>	<u>42,623</u>	<u>134,336</u>	<u>363,398</u>	<u>12,770,917</u>
	<u>5,912,059</u>	<u>7,323,501</u>	<u>42,623</u>	<u>134,336</u>	<u>363,398</u>	<u>13,775,917</u>
Depreciation						
At 1 January 2022	—	2,857,635	—	67,529	309,067	3,234,231
Charge for the year	—	169,518	—	24,920	37,375	231,813
On disposals and eliminations	—	—	—	—	(48,324)	(48,324)
At 31 December 2022	<u>—</u>	<u>3,027,153</u>	<u>—</u>	<u>92,449</u>	<u>298,118</u>	<u>3,417,720</u>
Net book values						
At 31 December 2022	<u>5,912,059</u>	<u>4,296,348</u>	<u>42,623</u>	<u>41,887</u>	<u>65,280</u>	<u>10,358,197</u>
At 31 December 2021	<u>5,912,059</u>	<u>4,465,866</u>	<u>42,623</u>	<u>58,079</u>	<u>48,655</u>	<u>10,527,282</u>

Under previous Generally Accepted Accounting Practice, a number of freehold and long leasehold properties were held at book values based on Trustees' valuations made in 1993, 1996 and 1997 based on open market value at the date of valuation. As permitted under the transitional provisions of FRS 102 (section 35), the Charity has elected to use these valuations as deemed cost.

The remaining properties and other tangible fixed assets are held at cost less accumulated depreciation where applicable.

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

Capital commitments

As at 31 December 2022, the trustees had authorised approximately £1,300,000 of capital expenditure in respect to work to be undertaken on the property in London.

There were no capital commitments as at 31 December 2021.

14 Investments

	2022 £	2021 £
Investment land	3,000,000	3,000,000
Listed investments	24,148,736	33,439,906
Foreign exchange contracts	(73,819)	89,125
Programme Related Investments	4,298,510	4,298,510
	31,373,427	40,827,541

Investment land

The Charity has owned and occupied land at Lanark, Scotland since 1949 and for many years the Sisters operated a hospital on the site. Since the closure of the hospital, the Charity has been exploring how best to utilise the land for the benefit of its charitable objects. Initially, this involved discussions with a property developer about a disposal of the land for residential property development. Unfortunately, the collapse of the housing market and the severe financing restrictions since 2008 have led to interest by developers being extremely limited.

The value of the land was reduced to £3 million in 2019 to reflect its value on the open market as estimated by an independent valuer. This value does not include any premium for development value. The Trustees are of the opinion that there had been no change in the market value of the land as at 31 December 2022.

Listed investments

	2022 £	2021 £
Listed investments		
Market value at 1 January 2022	32,277,428	32,212,705
Additions	12,096,390	11,069,861
Disposals at opening book value (proceeds £18,672,528, losses £738,462)	(19,410,990)	(13,247,096)
Net (losses) gains on revaluation	(2,428,298)	2,241,958
Market value at 31 December 2022	22,534,530	32,277,428
Cash held by investment managers	1,614,206	1,162,478
	24,148,736	33,439,906
Cost of listed investments at 31 December 2022	22,706,827	27,362,902

In addition, during the year, the investment manager carried out some trades in derivatives and the resulting net realised and unrealised gains amounted to £69,288 (2021 – net losses of £8,461).

15 Investments (continued)

Listed investments held at 31 December 2022 comprised the following:

	2022 £	2021 £
. Government Bonds	2,093,280	2,139,857
. Non-Government Bonds	1,427,042	1,435,517
. UK Equities and Equity Trusts	3,908,443	5,453,832
. Global Equities	10,248,839	15,633,372
. UK Property and Unit Trusts	869,153	1,075,564
. Alternative Investments	2,975,351	4,041,496
. Liquid Assets	1,012,422	2,497,790
	22,534,530	32,277,428

At 31 December 2022 listed investments included the following individual holdings, all of which are deemed material holdings in the context of the entire portfolio valuation as at that date:

	2022		2021	
	Market value of holding £	Percentage of portfolio %	Market value of holding £	Percentage of portfolio %
Sarasin Responsible Corp Bond Inc	1,275,405	5.66%	1,435,517	4.45%
ICS-Sterling Liquidity Fund - Acc	1,012,422	4.49%	2,497,790	7.74%

All listed investments were dealt in directly on a recognised stock exchange or comprised units the underlying investments of which were dealt in on a recognised stock exchange.

(Losses) gains on foreign exchange contracts for the year ended 31 December 2022 consisted of the following:

	2022 £	2021 £
Foreign exchange contracts		
Fair value loss on settlement (settled cost: £450,382; market value: £nil)	(450,382)	(3,641)
Fair value gain on unsettled contracts (unsettled cost: £3,037,725; market value: £3,111,546)	(73,821)	89,124
Total (losses) gains on foreign exchange contracts	(524,203)	85,483

Nature and extent of risks arising from financial instruments

The aim of investment risk management is to minimise the risk of an overall reduction in the value of the portfolio and to maximise the opportunity for gains.

The Trustees monitor the underlying risks to which the investments are exposed through reviews with the investment managers. The risks to which the investments are exposed include market and credit risk. The exposure to market risk is mitigated by the Charity investing in a diverse portfolio of investments across various markets. Bonds and bond-like instruments are exposed to credit risk but exposure to credit risk is minimised by only investing in bonds that are subject to a minimum credit rating.

15 Investments (continued)

Listed investments (continued)

Liquidity risk represents the risk that the Charity will not be able to meet its financial obligations as they fall due. The Trustees monitor cash flows and take steps to ensure that there are adequate cash resources to meet the Charity's commitments.

Currency risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The fund is exposed to currency risk on financial instruments that are denominated in any currency other than the functional currency of the fund (UK sterling).

Programme related investments

	2022 £	2021 £
Carrying value at 1 January 2022	4,298,510	1,264,323
Transfer from tangible fixed assets at net book value (note 14)	—	3,918,858
Disposals in year	—	(884,671)
Carrying value at 31 December 2022	4,298,510	4,298,510

During 2021, four properties were sold to St Joseph's Services, Rosewell. This sale was agreed after both the Charity and St Joseph's Services had taken independent professional advice and after taking in to consideration the fact that both are registered charities.

With effect midnight on 31 March 2017, the activities carried out by The Space, Govanhill were transferred to The Louise Project Limited, a charity registered in Scotland with the Office of the Scottish Charity Regulator (Charity Registration No. SC047316) and a company limited by guarantee incorporated in Scotland (Company Registration No. SC555365). At that date a property owned by the Charity but occupied by The Louise Project Limited, at a reduced market rent was reclassified as a programme related investment in these accounts, having previously been classified as functional freehold property within tangible fixed assets.

With effect from midnight on 31 March 2021, the activities carried out by the Marillac were transferred to Marillac Neurological Care Centre, (Charity Registration No. 118,4495) and a company limited by guarantee (Company Registration No. 12085591). At that date a property owned by the Charity but occupied by Marillac Neurological Care Centre, at a reduced market rent, was reclassified as a programme related investment in these accounts, having previously been classified as functional freehold property within tangible fixed assets.

15 Debtors

	2022 £	2021 £
Residential and care home fees	11,352	7,176
Prepayments and accrued income	93,561	80,886
Loan to St Joseph's Services (note 24)	412,500	463,100
Cash flow loan to St Vincent's Family Project (note 24)	12,500	—
Other debtors	9,600	3,990
Professional fees in respect of planned capital works	93,122	—
	632,635	555,152

17a Creditors: amounts falling due within one year

	2022 £	2021 £
Redress Scotland	988,000	1,976,000
Expense creditors	141,652	51,917
Social security and other taxes	23,437	27,506
Other creditors	19,195	18,670
Monies administered by the Charity on behalf of individual members of the Daughters of Charity of St Vincent de Paul	55,585	61,249
Money held on behalf of the Ethiopian Province of the Daughters of Charity of St Vincent de Paul	86,982	90,767
Grant payable to St Vincent's Family Project (note 24)	40,000	40,000
Accruals	24,000	22,800
	1,378,851	2,288,909

In 2021 the trustees committed to contribute £10,000,000 to Redress Scotland from 2021 to 2026 inclusive. A liability has been recognised, within creditors falling due within one year and provision for liabilities (note 7) discounted to present value using a discount rate of 5% per annum, the expected long-term average yield from investments earned by the Charity. The liability at 31 December 2022 represents contributions which the trustees have committed to paying in the years 2023 to 2026. The notional interest is debited to the statement of financial activities as the discount is "unwound".

The contributions payable are as follows:

	Discounted amounts		Gross amounts	
	2022 £	2021 £	2022 £	2021 £
Creditor due within one year	988,000	1,976,000	1,000,000	2,000,000
Provision for liabilities	5,249,000	5,942,000	6,000,000	7,000,000
	6,237,000	7,918,000	7,000,000	9,000,000

The movement in liability for the contributions is as follows:

	2022 £	2021 £
Total contributions payable at 1 January 2022	7,918,000	—
Contributions committed during the year	—	8,918,000
Notional interest in respect to discounted future cash flows	319,000	—
Contributions paid during the year	(2,000,000)	(1,000,000)
Total contributions payable at 31 December 2022	6,237,000	7,918,000

17b Creditors: amounts falling due after more than one year

	2022 £	2021 £
Grant payable to St Vincent's Family Project (note 24)	—	40,000

18 Permanent endowment funds

The capital of these funds must be preserved, although the income may be used in accordance with the terms of the relevant endowment at the discretion of the Trustees.

	At 1 January 2022 £	Movement in year £	At 31 December 2022 £	At 1 January 2021 £	Movement in year £	At 31 December 2021 £
Salisbury fund	254,175	—	254,175	254,175	—	254,175

The Salisbury fund was established in 1871 by deed of trust when several properties located in Salisbury were gifted to the Daughters of Charity of St Vincent de Paul to be held as an endowment in perpetuity. The properties were vested in the name of the Charity by means of a Scheme of the Charity Commissioners dated 2 June 1965 and a Vesting Order dated 16 May 1997. The properties were sold during the year ended 31 December 1998, following approval from the Charity Commission. The proceeds are to be held as permanent endowment.

18 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purpose.

	At 1 January 2022 £	Income £	Expenditure £	Transfers £	At 31 December 2022 £
Mission funds					
. Ethiopian	317,589	151,631	(106,705)	700	363,215
. Other mission funds	2,008	82,333	(81,357)	(700)	2,284
	319,597	233,964	(188,062)	—	365,499

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	At 31 December 2021 £
Mission funds					
. Ethiopian	324,885	125,620	(133,740)	824	317,589
. Other mission funds	7,163	40,354	(44,685)	(824)	2,008
Other restricted funds	32,160	99,698	(131,858)	—	—
	364,208	265,672	(310,283)	—	319,597

The mission funds comprise monies donated or granted to the Charity towards the work of members of the Roman Catholic Congregation, the Daughters of Charity of St Vincent de Paul, in overseas missions.

19 Restricted funds (continued)

Transfers from restricted funds to unrestricted funds represent the reimbursement of the unrestricted funds for expenditure.

20 Tangible fixed asset fund

	At 1 January 2022 £	Movements in year £	At 31 December 2022 £	At 1 January 2021 £	Movements in year £	At 31 December 2021 £
Tangible fixed assets fund	10,527,282	(169,085)	10,358,197	10,771,361	(244,079)	10,527,282

The tangible fixed assets fund represents the net book value of the Charity's tangible fixed assets used for the support of the Sisters and their ministry (i.e. excluding those applied for use by the residential and care service establishments and The Space, Govanhill). A decision was made to separate this fund from the General Fund in recognition of the fact that the assets are used in the day to day work of the Charity, and the fund value would not be realisable easily if needed to meet future contingencies.

21 Programme related investments fund

Group and charity	At 1 January 2022 £	Movement in year £	At 31 December 2022 £	At 1 January 2021 £	Movement in year £	At 31 December 2021 £
St Joseph's Services property	—	—	—	884,670	(884,670)	—
Marillac Neurological Care Services	3,918,858	—	3,918,858	—	3,918,858	3,918,858
The Louise Project Limited property	379,652	—	379,652	379,652	—	379,652
	4,298,510	—	4,298,510	1,264,322	3,034,188	4,298,510

The programme related investments fund represents the book value of those properties classified as programme related investments i.e. those properties occupied by The Louise Project Limited and Marillac Neurological Care Centre at a reduced rent but used for purposes consistent with the charitable objectives of the Charity.

22 Designated funds

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

	At 1 January 2022 £	New designations £	Utilised/ released £	At 31 December 2022 £
Sisters' care and retirement fund	20,700,000	—	(1,500,000)	19,200,000
Development fund	1,000,000	—	(1,000,000)	—
Project fund	2,366,918	—	(320,372)	2,046,546
	24,066,918	—	(2,820,372)	21,246,546

22 Designated funds (continued)

	At 1 January 2021 £	New designations £	Utilised/ released £	At 31 December 2021 £
Sisters' care and retirement fund	21,890,000	—	(1,190,000)	20,700,000
Residential care and support services fund	5,293,415	—	(5,293,415)	—
Development fund	2,000,000	—	(1,000,000)	1,000,000
Project fund	2,171,491	195,427	—	2,366,918
	31,354,906	195,427	(7,483,415)	24,066,918

The funds have been designated for the following purposes:

♦ ***Sisters' care and retirement fund***

This fund consists of monies set aside by the Trustees to provide for the future costs of providing nursing and care costs to elderly Sisters and also to provide for Sisters of retirement age who are still active and not in need of care. The value of the fund is based on actuarial calculations which show that it will need to be preserved in order to provide for the Congregation's 95 Sisters within the British Province.

♦ ***Residential, care and support services fund***

This fund represented the net assets (including freehold land and buildings) of the residential and care service establishments operated by the Charity.

♦ ***Development fund***

This fund represents monies set aside for new initiatives and projects newly established as well as buildings developments at the residential, care and support establishments.

♦ ***Project fund***

This fund represents monies set aside for use by particular projects, principally the missionary work of the Sisters overseas.

23 Analysis of net assets between funds

	Tangible fixed assets £	Investments £	Net current assets £	Long term creditors and provisions £	At 31 December 2022 Total net assets £
Capital funds					
Endowment funds	—	—	254,175	—	254,175
Income funds					
Restricted funds	—	—	365,499	—	365,499
Unrestricted funds					
. Tangible fixed assets fund	10,358,197	—	—	—	10,358,197
. Programme related investments fund	—	4,298,510	—	—	4,298,510
. Designated funds	—	21,246,546	—	—	21,246,546
. General fund	—	5,828,371	188,570	(5,249,000)	767,941
	10,358,197	31,373,427	808,244	(5,249,000)	37,290,868

23 Analysis of net assets between funds (continued)

	Tangible fixed assets £	Investments £	Net current assets £	Long term creditors and provisions £	At 31 December 2021 Total net assets £
Capital funds					
Endowment funds	—	—	254,175	—	254,175
Income funds					
Restricted funds			319,597		319,597
Unrestricted funds					
. Tangible fixed assets fund	10,527,282	—	—	—	10,527,282
. Programme related investments fund	—	4,298,510	—	—	4,298,510
. Designated funds	—	24,066,918	—	—	24,066,918
. General fund	—	12,462,113	90,621	(5,982,000)	6,570,734
	<u>10,527,282</u>	<u>40,827,541</u>	<u>664,393</u>	<u>(5,982,000)</u>	<u>46,037,216</u>

The total unrealised gains as at 31 December 2022 constitute movements on revaluation and are as follows:

	2022 £	2021 £
Unrealised gains include above on:		
On listed investments	<u>(172,297)</u>	<u>4,914,526</u>
Reconciliation of movements in unrealised gains:		
At 1 January 2022	4,914,528	4,742,661
In respect to disposals in the year	(2,658,527)	(2,070,092)
Net gains arising on revaluation	(2,428,298)	2,241,957
At 31 December 2022	<u>(172,297)</u>	<u>4,914,526</u>

24 Related party transactions with connected organisations

A summary of organisations connected to the Charity and transactions with the Charity are given below:

- ♦ The Daughters of Charity of St Vincent de Paul Charitable Trust (the Charitable Trust) is connected to The Daughters of Charity of St Vincent de Paul Services (Charity Registration No 1149326, Company Registration No. 07638065) by virtue of the fact that its Trustees are also the Trustees of the Charitable Trust.

Gifts in kind amounting to £63,000 (2021 – £140,364) representing facilities and staff costs were donated to The Daughters of Charity of St Vincent de Paul Services .

During the year the Charity made a grant to The Daughters of Charity of St Vincent de Paul Services of £2,600,835 (2021 – £nil) to assist with long term funding requirements.

- ♦ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to St Vincent's Family Project (Charity Registration No 1142095) by virtue of the fact that three of the Trustees of the Project, who served during the year, were Daughters of Charity of St Vincent de Paul, one of which was also Trustee of the Charitable Trust.

24 Related party transactions with connected organisations (continued)

At 31 December 2020, the Charity had committed to make a grant of £120,000 to the Project payable over three years at £40,000 per annum. At 31 December 2022, £40,000 (2021 – £80,000) remained payable to the Project.

In addition, at 31 December 2022 St Vincent's Family Project was indebted to the Charitable Trust to the value of £12,500 (2021 – £nil) representing a short term interest free loan to assist cash flow.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to Vincentian Care Plus (Charity Registration No 1112473, Company Registration No 05321333) by virtue of the fact that Vincentian Care Plus was initiated by the Congregation and the fact that three of the Trustees of Vincentian Care Plus who served during the year were Daughters of Charity of St Vincent de Paul.

During the year the Charitable Trust received £30,000 from Vincentian Care Plus (2021 – £20,000) in gratitude for the donations made by the Charity to help with cash flow. Now that Vincentian Care Plus is beginning to generate a surplus, its Trustees felt it only appropriate to give back some of the funds that had been donated.

A donation of £11,500 was given to Vincentian Care Plus to help with crises management following the pandemic.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to Out There Supporting Families of Prisoners Limited ('Out There') (Charity Registration No 1120342, Company Registration No 6239170) by virtue of the fact that Out There Supporting Families of Prisoners Limited was initiated by the Congregation and the fact that three of the Trustees of Out There Supporting Families of Prisoners Limited who served during the year were Daughters of Charity of St Vincent de Paul, one of which was also a Trustee of the Charitable Trust.

During the year to 31 December 2021, a grant of £66,000 to Out There committed to by the Charity in a prior period was cancelled as it was no longer required.

There were no transactions between the two charities in the year to 31 December 2022.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to Vincentian Volunteers (Charity Registration No 1161536) by virtue of the fact that Vincentian Volunteers was initiated by the Congregation and the fact that two Sisters sit on the Board, one of whom is also a Trustee of the Charitable Trust, and a Sister is the Director of Vincentian Volunteers.

During the year the Charitable Trust gave a donation of £5,000 (2021 – £5,000) to the Vincentian Volunteers.

24 Related party transactions with connected organisations (continued)

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to St Joseph's Services (Charity Registration No SC045482 (Scotland), Company Registration No SC500182 (Scotland)) by virtue of the fact St Joseph's Services was initiated by the Congregation. Three Sisters who sit on the Board of the company are Daughters of Charity of St Vincent de Paul, one was also a Trustee of the Charitable Trust.

In March 2021 four properties were sold to St Joseph's Services, Rosewell. This sale was agreed after both the Charity and St Joseph's Services had taken independent professional advice and after taking in to consideration the fact that both are registered charities. The proceeds from properties sold to St Joseph's Services, Rosewell amounted to £1,000,000. £500,000 was settled by St Joseph's Services as a bank transaction and a loan of £500,000 repayable over a 10 year period, with interest of 1% above the bank of England base rate was advanced by the Charity. £412,500 of this loan was outstanding at 31 December 2022 (2021 – £463,100).

Following the increase in interest rate throughout 2022, the Trustees of the Charitable Trust have agreed to cap the interest on the repayment of this loan to 2% for two years following a request from St Joseph's Services.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to The Louise Project (Charity Registration No SC047316 (Scotland), Company Registration No SC555365 (Scotland)) by virtue of the fact The Louise Project was initiated by the Congregation. Two Sisters who sit on the Board of the company are Daughters of Charity of St Vincent de Paul, one was also a Trustee of the Charitable Trust.

Included in programme related investment income is £23,750 (2021 – £13,750) being rent of the property occupied by The Louise Project and paid to the Charitable Trust.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to Marillac Neurological Care Centre (Charity Registration No 1184495 (England and Wales), Company Registration No 12085591 (England and Wales)) by virtue of the fact MNCC was initiated by the Congregation. MNCC became an independent charitable company on 4 July 2019. Two Sisters who sit on the Board of the company are Daughters of Charity of St Vincent de Paul. Assets and liabilities relating to MNCC were transferred to the independent charitable company on 31 March 2021 and a donation of £600,000 was also made 2021. Further detail is given in note 10.

Included in programme related investment income is £75,000 (2021 – £54,000) being rent of the property occupied by MNCC and paid to the Charitable Trust.

During the year to 31 December 2022 the Charitable Trust paid MNCC:

- ◆ £19,005 (period 1 April to 31 December 2021 – £8,330) in relation to the community at Warley and £41,503 (period 1 April to 31 December 2021 – £16,665) in relation to the Seton Care Unit at Warley (a unit specifically for the care of older Sisters) in respect to a rental charge for the use of the land and buildings.

24 Related party transactions with connected organisations (continued)

- ♦ £30,050 (period 1 April to 31 December 2021 – £12,500) in relation to the community at Warley and £58,160 (period 1 April to 31 December 2021 – £20,000) in relation to the Seton Care Unit at Warley in recognition of the provision of catering facilities.
- ♦ a grant of £13,600 (period 1 April to 31 December 2021 – £4,986) in relation to centenary artwork.
- ♦ a general grant of £13,000 ((period 1 April to 31 December 2021 – £nil)

25 Ultimate control

The Charity, which is constituted as a Trust, was controlled throughout the period by the Daughters of Charity of St Vincent de Paul, British Province by virtue of the fact that the Sister Provincial of the Province appoints the Trustees. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the British Province are vested in the Trustees of the Charity, who undertake all transactions in the course of the Province's charitable activities.

26 Leasing commitments

Operating leases

At 31 December 2022, the Charity had the following future minimum commitments under non-cancellable operating leases in respect to equipment and motor vehicles:

Amounts falling due:	2022 £	2021 £
. Within one year	70,928	63,840
. After one but within five years	283,712	255,360
Total	354,640	319,200

27 Contingent liability in respect to alleged historic abuse

As detailed in note 7, the Daughters of Charity of St Vincent de Paul has contributed towards the funding of Redress Scotland, which has been established by Scottish Ministers to fund compensation payments to those who suffered historic abuse.

In addition to the contributions to Redress Scotland, at the date of signing this report, the Charity has received a number of specific claims in respect to alleged historic abuse. The Congregation continues to receive correspondence from new individuals and continues to address each claim or subject access request proactively from receipt. In a limited number of the claims received to date, it has been possible to retrieve records and progress investigations as far as possible given the limitations on available evidence. During the year to 31 December 2022, four (2021 – nine) claims were settled without litigation, with the express approval in advance of the Trustees and after close consideration of legal advice, on the basis of an economic analysis, without admission of liability. No provision has been made in these accounts for the future settlement or cost relating to other intimated claims given the inevitable uncertainties that exist whilst investigations are progressed.

THE DAUGHTERS OF CHARITY OF ST VINCENT DE PAUL

England & Wales - Charity number 236803

Accounts

**Daughters of
Charity of St
Vincent de Paul
Charitable
Trust**

Annual Report and Accounts

31 December 2021

Charity Registration Numbers
236803 (England and Wales)
SC039155 (Scotland)

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Reference and administrative details of the Charity, its Trustees and Advisers

Trustees	Sister Ellen T Flynn Sister Kay Harte Sister Sarah King-Turner Sister Mary T O'Neill Sister Kathleen M Page Sister Theresa Tighe Sister Maureen Tinkler
Sister Provincial	Sister Ellen Flynn
Provincial Treasurer	Sister Sarah King-Turner
Principal office	Provincial House The Ridgeway Mill Hill London NW7 1RE
Telephone	020 8959 2257
Facsimile	020 8959 7155
Charity Registration Numbers	236803 (England and Wales) SC039155 (Scotland)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC Bank plc Fenton House 85-89 New London Rd Chelmsford Essex CM2 0PP
Investment Managers	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU

Reference and administrative details of the Charity, its Trustees and Advisers

Solicitors

Womble Bond Dickinson LLP
4 More London Riverside
London
SE1 2AU

Holmes Mckillop
109 Douglas Street
Blythswood Square
Glasgow
G2 4HB

The Trustees present their statutory report together with the accounts of the Daughters of Charity of St Vincent de Paul Charitable Trust (the Charity) for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out on pages 44 to 53 of the attached accounts and comply with the Charity's Trust Deed, applicable laws, applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

INTRODUCTION

The Daughters of Charity of St Vincent de Paul (the Congregation) is an international Roman Catholic Religious Community of Women who have dedicated their lives to the service of poor, vulnerable and marginalised people. It was founded in France where its Generalate has its headquarters and is divided into a number of distinct Provinces in 91 countries, one being the British Province.

The Charity is a Charitable Trust on which the assets of the Congregation in England, Wales and Scotland are held. The Charity is governed by a Trust Deed dated 5 June 1964 and is registered under the Charities Act 2011 - Charity Registration No. 236803 (England and Wales). The Charity is also a registered charity in Scotland, Charity Registration No. SC039155 (Scotland).

MISSION

The object of the Daughters of Charity of St Vincent de Paul Charitable Trust, as set out in its governing document, is for *'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.'* Thus, it supports the charitable and religious works carried out by the members of the British Province of the Congregation.

By caring for the members of the Congregation throughout their lives, the Charity aims to enable and support the Sisters to live out their faith in the spirit of their founders, St Vincent de Paul and St Louise de Marillac, through the service of those most in need in society today.

The service or works of the Sisters of the Congregation are undertaken in the spirit of their founders, St Vincent de Paul and St Louise de Marillac who, in seventeenth century France, instilled into the first members of the Congregation the values of compassion, respect, love, forgiveness, justice and dignity.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The Sisters serve people of all cultures, religions and creeds with particular emphasis on those who are vulnerable in any way or suffering from poverty and injustice. Their 'work' falls into the following five areas:

1. Worship and Prayer
2. Social and Pastoral Work
3. Marillac Neurological Care Centre (MNCC)
4. Caring for Members of the Congregation
5. Overseas Missionary Work

Each of the above areas is considered in turn over the next few pages.

1. WORSHIP AND PRAYER

Activities and specific objectives

"The apostolic action of the Daughters of Charity draws its strength from contemplation following the example of the Son of God who, intimately united with His Father, often went aside to pray." (Constitution C21a)

Each member of the Congregation is given every opportunity for daily private and communal prayer, times of worship and an annual eight day retreat for the development of her own personal understanding of and relationship with Jesus Christ.

Many opportunities are given to the wider community to join the Sisters during their times of prayer, as well as offering facilities for quiet times of reflection and/or study to people of all faiths and none. Throughout the Province, Sisters lead prayer services and offer spiritual guidance to people in their own homes, in hospitals, as well as in local parish churches. Opportunities to study and reflect on the life and spirit of the founders of the Congregation – St Vincent de Paul and St Louise de Marillac – as well as the Constitutions of the Congregation, are organised each year. Workshops on the Vincentian spirit and values are also offered to all the various organisations (religious and lay) throughout Britain who share this spirit.

The spiritual development and on-going formation of the Sisters is thus given utmost importance, as this is the foundation of all their charitable works and every service they give to people, especially those who are poor.

The Charity is committed to helping as many people as possible to join with the Sisters in living out the call of the Gospel to love God and thy neighbour.

Specific examples of this are as follows:

- Promoting the vision and values set out in the Gospel, including the promotion of human dignity and respect for all peoples and cultures, with special emphasis on those who are poor and vulnerable in our society.

1. WORSHIP AND PRAYER (continued)

Activities and specific objectives (continued)

- Having an open-door policy in many of our establishments, enabling people to come in and spend some quiet time in prayer and reflection.
- Leading short prayer services in the homes of those who are housebound and in residential care.
- Having a recognised office from where medals associated with Mary, the Mother of Jesus, are distributed to individuals and groups. This medal is known throughout the world as the 'Miraculous Medal'.
- Involvement in parish liturgies and celebration of the Sacraments especially with children and those wishing to become members of the Catholic Church.
- Providing opportunities for prayer and reflection for those who have been bereaved.
- Providing a daily structure of times for prayer and reflection as well as annual retreats for the members of the Congregation.
- Organising workshops and meetings on the spirit of the founders and the Constitutions of the Congregation.

The Sisters' personal and common life of prayer and their ever-deepening understanding of the spirituality of St Vincent de Paul and St Louise de Marillac, forms the bedrock from which stems all aspects of their service to people who are vulnerable.

2. SOCIAL AND PASTORAL WORK

Activities and specific objectives

Many members of the Congregation are involved in various forms of social or pastoral work throughout England, Wales and Scotland. This includes chaplaincy in hospitals, support of families and vulnerable children, especially those who are living in poverty, the befriending of elderly people, especially those living alone and in isolation, advocacy and practical help to asylum seekers, refugees and homeless people.

As the members of the Congregation devote their lives to serving people who are in need, many members are involved in various forms of social or pastoral work throughout England, Wales and Scotland in a voluntary capacity. The Mission Statement states:

'We choose to stand at "the cutting edge" with vulnerable and marginalised people and to open our eyes to the global issues of our world today.'

The following are examples of the activities undertaken by individual Sisters:

- **Hospital / hospice chaplaincy work** where Sisters aim to provide comfort and a listening ear to those who are ill and support to their families and hospital staff. They pray with and on behalf of those who are ill as well as giving Holy Communion to those who wish to receive it.

2. SOCIAL AND PASTORAL WORK (continued)

Activities and specific objectives (continued)

- **Visiting of vulnerable elderly people**, the object of which is to befriend, support and care practically for elderly people, especially those living alone and isolated in inner city areas.
- **Advocacy and assistance to asylum seekers and refugees**, the object of which is to support and to give a voice to those trying to survive in an alien culture, far from their homeland and family.
- **Working with people who are homeless**, the aim of which is to uphold their dignity and offer practical help, advice and rehabilitation.
- **Caring for people with disability**. Sisters provide pastoral care for people with a) visual impairment and b) learning disability. This care extends to the families and staff.
- **Parish work**, in which Sisters support local people, both young and elderly in a variety of ways, for example: spending time with those who are frail and lonely, bringing them Holy Communion and helping them to attend church services, and arranging social and catechetical activities for children.
- **Human trafficking awareness raising**, a new initiative in which four Sisters representing different geographical areas in the UK have become involved in small ways with local agencies working for the relief of victims of human trafficking. The Sisters also aim to heighten the awareness of the Province of the tragedy of this poverty which is sadly growing at an alarming rate in every town and city in the UK.

The objectives of the Trustees in this area include:

- To be faithful to the charism of the Congregation by offering service to those most in need in our society.
- To ensure that members of the Congregation receive appropriate training for the ministries in which they are involved.
- To be alert to needs as they appear and to respond when possible.
- To ensure, whenever possible, that Sisters are remunerated for their work by way of salary or stipend. Such income is given directly to the Charity, ensuring that the work of the Charity may continue into the future and develop.

2. SOCIAL AND PASTORAL WORK (continued)

Covid – the impact a year on

Cardiff

Cardiff, our only remaining house in Wales, also provided pastoral support by telephone in these unusual circumstances. Local elderly people missed the weekly late Mass and healthy soup lunch which provided an important social gathering, so the Community of three Sisters gathered a small group of volunteers and together provided '*souper deliveries*' including personalised cards which were very much appreciated.

The Sister who originally founded two projects for those who were asylum seekers and refugees, also continued to work with staff and volunteer teams to help move those who were destitute into accommodation. Although the Drop-in centre, Space4U, was brought to an almost complete standstill at first, the Accommodation Project, Home4U, became busier than ever both in terms of referrals and support. The tragic position of destitute asylum seekers became very evident and understanding and empathy grew as Stay Home, Stay Safe provided an overwhelming challenge to those who had no rights and to those working with them. Even those accommodated by the Home Office lived in properties without a picture on the wall, a plant, a book or a game and some sharing a house with others who didn't share a common language – 'Home' did not describe it. Home4U opened three new properties during the pandemic.

Carlisle Place

During lockdown, the Sisters in Carlisle Place were invited by DC Services to begin a phone support service for people receiving care from Vincentian Care Plus. This was to provide company and support during the long months when family and friends could not visit. The people were delighted to chat each week and although lockdown is over, several of the Sisters still continue to phone each week. The elderly people look forward to the calls.

Also, one of our Sisters provided the same kind of service – telephone support – to five asylum seekers and continues to support them in this way today.

Although most homeless people were offered accommodation in order to protect them from Covid, some remained on the streets and so we always responded to them when they called at the door, by providing food, a hot drink and a chat.

Our ministry of prayer was deepened during this time as we joined all people of faith throughout the world who prayed each day for all those who were suffering or dying from the pandemic. We were always very conscious to bring to prayer, families living in cramped conditions with little access to outside space or internet access for the children to engage in online education, as well as those suffering from domestic abuse or mental illness.

2. SOCIAL AND PASTORAL WORK (continued)

Hulme Community, Manchester – Ministry January – December 2021

In spite of Covid and its restrictions, overall, the Sisters continued their usual ministries.

When Covid restrictions allowed, they met personally with Sisters, patients, clients, colleagues and volunteers and used Zoom, WhatsApp and the telephone when face-to-face meetings were not possible. Throughout the year they followed all the guidelines with regard to wearing face coverings and testing for Covid.

Their ministries included the following:

Membership of the Provincial Council – regular meetings and on-going support of local communities and Sisters.

Various Trusteeships – meetings, interviews and support of staff and clients.

Vincentian Volunteer Programme – volunteers from overseas supported in their workplaces and living arrangements.

Hospital Chaplaincy - visiting continued weekly throughout the year.

Training and Formation – regular meetings were held – in person where possible, otherwise via Zoom. Research and planning continued.

In the Cathedral Parish, Sacramental preparation was carried out with children (First Reconciliation and Communion), teenagers (Confirmation) and adults (R.C.I.A.) Visits to housebound parishioners were limited by the Conference of Bishops to one per morning and one per afternoon.

All the Sisters occasionally helped the St Vincent de Paul Society in the foodbank and supported local families with visits and food.

Abbey Wood

Since returning to Abbey Wood after the lifting of the Covid restrictions, the Daughters have returned to active participation in the Parish. We support the parish community by attending daily Morning Prayer and Mass with the parishioners.

One Sister continued her work in the Local Catholic Secondary School, St Paul's Academy. She worked with the school Chaplain and the Youth St Vincent de Paul Society. A number of the children received the Jack Petchey Achievement Award. This is awarded to young people who have gone above and beyond to achieve. These children had been fundraising for the poor in their area.



We involved some of our local children in an Environment activity. They came to our garden to paint nesting boxes and plant seeds to take home and watch them grow.

2. SOCIAL AND PASTORAL WORK (continued)

Abbey Wood (continued)

We worked with the Women's group in the planning of a Parish Prayer Day, over 25 women attended this event. We also worked in preparation for the Parish Bazaar in December, collecting gifts for sale, running our own stall to raise much needed funds for the Parish.

During the early part of 2021 we organised a weekly Zoom Catechesis activity for the children of the Parish. Approximately 15 children attended regularly. We decided to round it off with a BBQ and a magician. It was a wonderful celebration in our back garden.



We organised a weekly Zoom prayer meeting during Lent in preparation for Easter. We had an average of 10 participants each week. It was well received and appreciated. For the Parishioners it was more acceptable on Zoom as the evenings were still dark and leaving their homes to come to a venue would have been daunting. Three people attended from other Parishes in the area.

The Daughters organised the Lenten Parish Retreat at the request of the Parish Priest. It was well received and well attended by about 40 people, including families and teenagers.

One Sister is Volunteering one day a week in the local parish school.

3. MARILLAC NEUROLOGICAL CARE CENTRE

With effect from midnight on 31 March 2021, the activities, assets (excluding the freehold land and buildings) and liabilities of Marillac Neurological Care Centre (MNCC) were transferred from the Charity to an independent Charitable Company limited by guarantee and incorporated in England and Wales (Charity Registration Number:1184495 and Company Registration Number 12085591). The new independent charitable company is a subsidiary of the Daughters of Charity of St Vincent de Paul Services.

Celebration of its Centenary

In 1921 the Daughters of Charity purchased a property in Warley, Essex, a short distance from where it is now, for the care and rehabilitation of children, Sisters and eventually adults, suffering from TB and other lung conditions. As the prevalence of TB declined, the local hospital board ask the Sisters to take young chronically sick patients. It was to cater for these patients that the Daughters of Charity bought the present building that had been the Officers' Mess of the Essex Regiment before it moved to Chelmsford. The building was adapted and opened in September 1963. Gradually the service has developed into what it is today, a centre of excellence, providing specialised nursing care and treatment for 52 residents with complex neurological conditions.

The centenary was celebrated on 8 September 2021 – it celebrated that sense of the unbroken stream of care, delivered with its distinctive values, reaching back to the first Sisters who came to Warley and even further back, well beyond 400 years, to Louise de Marillac herself, the co-foundress of the Daughters of Charity - after whom the Home is named.

3. MARILLAC NEUROLOGICAL CARE CENTRE (continued)

Celebration of its Centenary (continued)

At the heart of The Marillac, as it has been from the very beginning, are the residents and their families. They are its life and breath, its inspiration and they were held at the centre of our centenary celebrations. Without them we would have nothing. They bring to us so much that is unique and special – each resident and each family member in their own way.

Since the beginning, 266 Sisters have ministered in The Marillac. We pay tribute to them and all the Sisters who have served there over the years. We acknowledge the continuing presence of our Sisters who live and serve there today and the enormously important presence of our older retired Sisters, who live in Seton Care as an integral part of The Marillac.



The glass feature to be unveiled was commissioned by the Daughters of Charity of St Vincent de Paul for the centenary of Marillac Neurological Care Centre. The Marillac was founded by the Daughters of Charity on 8 September 1921. It took its name from Louise de Marillac who along with Vincent de Paul co-founded the Daughters.

This art was commissioned to speak of the Vincentian spirit of Louise de Marillac which finds expression today in the work of the staff, volunteers, friends, residents and family of The Marillac. It seeks to inspire the community of Marillac Neurological Care Centre to continue to live and deepen this same Vincentian spirit today and into the future.

This work of art by the artist Kirsty Brooks will be unveiled by Sister Julie Kubasak, General Councillor of the International Company of the Daughters of Charity.

4. CARING FOR MEMBERS OF THE CONGREGATION

St Vincent's, Southport

Another year on at St Vincent's – Covid remains a significant presence within the home but not as much in our thoughts and conversations as we try hard to get things back to the new normal. We have tried hard to keep the home full of life and offer lots of different things for the Sisters to do such as fundraising for Macmillan Cancer Support, Queenscourt Hospice and the Vincent de Paul Society. The Sisters enjoyed an afternoon at the fun fair in the comfort and safety of their own home, where the team took them back in time by creating stalls and games from the past. The Sisters have managed to get out for shopping and to socialise and spend time with their families and friends most of the time (with the exception of December and early January, when we were only allowed to have two named visitors per Sister). We did however manage to get out for a lovely Christmas lunch together, which everyone enjoyed thoroughly. The Sisters still really miss welcoming visitors for lunch in the dining room and even now that they can have lunch together with their visitors in a separate area, do not feel this is the same. The Priest has returned to offer Mass twice a week in the chapel and the Sisters are now using the chapel for prayers each evening. The Sisters and staff often say how much they miss the other community houses coming in for mass and coffee each morning. We are currently waiting an update from Sefton Local Authority on what we can expect moving forward, living with Covid.

4. CARING FOR MEMBERS OF THE CONGREGATION (continued)

St Vincent's, Southport (continued)



We have been very fortunate that all of the Sisters have remained safe and well. However, as the Sisters are and continue to reach remarkable ages, their general wellbeing naturally declines and care

needs have increased. The Sisters continue to receive exceptional care. This is very clear to see and highlighted by the attention to detail of our loyal and trusted team.



Over the last few months we have had the lounge refurbished and, with the Sisters help on colour schemes and soft furnishings, managed to put together a beautiful, bright and welcoming room. The Sisters love it!

Due to increasing concerns around the security of the car park and rear of the building we have added security gates that are linked to the fire alarm; this has been successful in stopping the general public walking through the grounds etc.

We applied for a grant from Sefton Local Authority to supply and fit an external lift to allow the Sisters much more independence in accessing the garden area. Fortunately we were one of the 20 care homes in Sefton that got this.

This has enabled the Sisters to utilise the garden whenever the weather permits.

On a sad note we had to lose three members of our team due to the government legislation of mandatory vaccines in care homes (which was revoked on 15 March 2022). This was extremely difficult and cast a shadow over the Sisters and the team, as we struggled to say goodbye. It was very emotional for everyone and upsetting to now know it will all change again.

4. CARING FOR MEMBERS OF THE CONGREGATION (continued)

St Vincent's, Southport (continued)

The Sisters are encouraged to live a full community life, participating in all aspects of what it means to be a Daughter of Charity, in spite of age and health. Prayer life is strong and spiritual needs are well met in spite of Covid. Community sharings/meetings and some fun are part of life. The Sisters like to be involved in the life of the community locally, in the Province and Internationally. The Zoom sessions are very much appreciated. Pastorally, the community are well supported and comforted in their ups and downs, fears, grief and anxieties during the year. In spite of it all, the Sisters pray for the needs of the world – the church, community, St Vincent de Paul requests, staff intentions and many more. The Sister in charge of each community, together with the other Sisters, try to live out their calling in a loving way and support each other pastorally. Finally the Sisters appreciate the staff enabling them to be as independent as possible and for the tender loving care they receive.



Seton Care, Essex



2021 has still been a challenging year with the pandemic, particularly with staff shortages. The staff have worked extremely hard to cover shortages and ensure enough staff are always on site.

In September we were fortunate to have the 100 year celebration at The Marillac which was a very happy occasion especially after all the pandemic restrictions. The Sisters were involved in creating the lighthouse display in the hall.



4. CARING FOR MEMBERS OF THE CONGREGATION (continued)

Seton Care, Essex (continued)



For Christmas we decided to celebrate with a tea party, although we couldn't invite guests as we usually would do. The best was made of the occasion with a Christmas cake the Sisters made together, and even a karaoke machine!

St Catherine's, Lanark

The Sisters at St Catherine's have experienced a difficult couple of years.

2021 has seen many changes for them and how they carry out their day to day lives. There have been many ups and downs during the past year, and this has greatly affected their physical health as well as their mental health. Social interactions have been limited due to restrictions put in place by public health when a staff member tests positive. Sisters had to remain in their rooms for 14 days at a time, recently this has been reduced to 10 days. The greater impact on protecting the Sisters has had the opposite effect on them. They have become socially excluded and a little withdrawn from the local community. The parishioners who visited on a regular basis stopped visiting and visits were dependant on whether staff working had tested positive. We continue to follow the guidance from public health and are vigilant with testing everyone who enters the property. We have been very lucky that in the past six months none of the Sisters have tested positive. This is down to ensuring that all staff always wear PPE and follow the government guidance in place. Staff absence has been very difficult to manage, and everyone has been working over and above during this difficult time. Agency staff have had to be used at times due to the difficulties of covering the shifts. It is very difficult to forward plan now as the government guidance and everyday lives are changing on a regular basis.

As Covid restrictions have been slowly lifting we have been encouraging the Sisters from Gavel Lane to visit on a regular basis. Father John Paul has started to have Mass in the chapel within St Catherine's, but this is dependent on restrictions that may be placed on the home. All visits to St Catherine's are on a planned basis and family visits are in line with the government guidance in place.

The Sisters' spiritual needs are always at the forefront of the day and their day is based around prayer and meeting up in the community room. The Sisters have access to the internet and daily mass live streamed from around the world. Zoom meetings have been important and everyone now seems to be a bit more confident in embracing technology.

4. CARING FOR MEMBERS OF THE CONGREGATION (continued)

St Catherine's, Lanark (continued)

The Sisters are very clear in what they want to do and have been very slowly starting to go back to Church on a Sunday although they are very cautious especially when meeting up with people in the community.

The Sisters enjoy each other's as well as their own company. It is important to note that the Sisters are very set in their ways and activities are not at the forefront just now. Televisions were installed in every room as well as wi-fi. They have many activities available so that they have a variety of choice. Colouring in, jigsaws, watching television, reading, some of the Sisters enjoy the use of technology and use their kindle and i-pads for keeping in touch with their family members.

Community based activities are slowly starting back up and the Sisters will join in when they can. The public have not been reintroduced to St Catherine's; this is because it is unsafe at present due to the rise in Covid cases within the community. Hopefully soon things will get better.

Jack started St Catherine's very own vegetable patch and May has been using some of the produce in meal preparations.

Sister Paula visited her sister accompanied by Sister Servant. This was great to see especially due to the Covid restrictions in place. This was a very positive meeting.

Initially Sister Barbara played the piano in the dining room, and it was felt that it would be a good idea especially in times when there are restrictions in place that she continued to have access to playing the piano. Sister Barbara now has an organ in her bedroom that she enjoys playing on a regular basis. This has been especially beneficial when there have been restrictions put in place due to Covid.

Sister Paula is now knitting, and this is great to see.

Sister Connie and Sister Linda stayed at the holiday flat from Monday 27 December until Thursday 30 December 2021.

Father Paul Roche was here for Retreat on the 28 of November until the 4 of December staying in the holiday flat. This was very much enjoyed by all.

The Sisters continue to celebrate all the feast days and the home is decorated to suit these occasions. Everyone looks forward to these.

Forward planning for the Sisters depends on restrictions in place and what is important to them. It is very difficult to forward plan at present, but we are always looking for community-based activities especially involving St Mary's Parish that the Sisters can attend.

Hopefully 2022 will be a better year for everyone.

5. OVERSEAS MISSIONARY WORK

Ethiopia

It has been another year of highs and lows. As we came out of lockdown here in the UK many other parts of the world went back into lockdown, all in the quest of holding back the spread of the Covid-19 virus. We learned more this year about climate change and its impact on our planet - these are challenging times indeed. Ethiopia has been faced with political unrest in the north which has affected all the charity work being carried out in areas. But we have many things to be thankful for, one being our supporters, without whose generosity many children in Ethiopia would go hungry.



We have still not been able to hold our usual annual fundraising event. In the meantime, we are anxious to continue our support for the Kindergarten food project. The political situation in Ethiopia is of great concern. However, we aim to do what we can for the young children.



Each month we send £2,215 for the food programme in 13 kindergartens to support and provide food for approximately 1,000 children, aged between two and six years old. One kindergarten has a pre-school centre for babies up to two years old enabling mothers to work. Once again we launched our annual Christmas Appeal through JustGiving. As always, 100% of all donations goes to our Sisters in Ethiopia for the running of the project – nothing is kept for administrative costs. With the appeal sent to our donors and Sisters, we were able to raise over £11,000. We have also received generous donations through Sisters towards supporting this ongoing project and to keep the children fed. The donations are also used for school uniforms, hygiene materials, teachers' and supportive staff salaries, stationery materials and transportation.



We send the funds to the following kindergartens each month:

1. Alitena KG
2. Bulbula KG
3. St Louise Mekelle KG
4. Bahir Dar KG
5. Dembidollo KG
6. Maichew KG
7. Atse School KG
8. Wolaita Soddo KG
9. Jimma KG
10. Jimma WID
11. Bahir Dar



5. OVERSEAS MISSIONARY WORK (continued)

Ethiopia (continued)

Due to the political problems in the north we have been holding all the donations for Alitena, Tigray, Mekelle, Maichew and also any other projects running there since June. There have been communication problems and the Sisters are unable to send any money across to these areas. We will be holding all the donations until further instructions.

A generous and kind donor, Zoe Wildig, decided to put out an appeal given the problems in the country, to support the Sisters in Tigray who were helping all the people being affected by the fighting. Through the appeal, she managed to collect over £21,000. We are still holding over £6,000 waiting to be sent.

The Sisters run an eye clinic in Mekelle and well as clinics for women in Danka Dembidollo, where women with health problems are given medical attention, medicines, clothes and mental support. There is medical centre in Alitena as well. The Sisters try and provide treatment to the patients as well as educate the people on hygiene, HIV and also other health conditions.



There are Women In Development projects run all over the country. It is an extensive development program with an attempt to raise the standard of living and dignity of women, sustain their life and may also help themselves and their families. The women are taught different skills, such as agriculture, and animal and poultry keeping to generate regular income.



Impact story

Atse Teklegiorgis Catholic School is run by the Daughters of Charity. It is over 50 years since it was started. The school provides free education and food provision to poor children. The school has many successful stories. Those who have passed through Atse School got better jobs and are better able to support their families. They are also grateful for the school. This is a success story of W/ro Yimany Belachew.

5. OVERSEAS MISSIONARY WORK (continued)

Ethiopia (continued)

Background information about W/ro Yimanyi Belachew

W/ro Yimanyi Belachew is 54 years old and she was born in Gojam, which is 402 km from the capital city of Ethiopia, Addis Ababa. She is physically impaired (blind) and society was neglecting her because of her blindness. In the community where she came from, blindness is like a curse for the family. When visitors came to their house, her mother used to hide her in the house. Therefore, she decided to go to Addis Ababa for further treatment. She was not able to get treatment and decided to marry and stay in Addis Ababa. After marriage, she used to live with her husband and had six children from him. Her husband was sick for a period and died. After his death, it was not easy for her to pay the house rent, school fees and provide basic needs for her children. She decided to live at the gate of Holy Savior Orthodox Church, near Kechene area.

One day, one of her friends encouraged her to go and talk to the Sister who is in charge of Atse Teklegiorgis Catholic School. She came and narrated the whole story. The Sisters accepted the children and they continued learning while they were living at the gate of the church. The Sisters paid for the house rent for some time. Since she is a visually impaired single mother, the government gave her a kebele house and she is now living with six of her children and her nephew who is seven years old. Most of the time, Sisters support her with food provision and educational support for her children. Six of her children attended Atse Teklegiorgis Catholic School from kindergarten to 8th grade.



Two of her elder sons are working in private organisations and supporting their mother whenever they can. One of her daughters is abroad and supporting her mother too. Therefore, W/ro. Yimanyi Belachew said, "Kindness is a language which the blind can see and the deaf can hear. I feel blessed because Daughters of Charity are here to stay, to share your life with me in so many ways. Thank you is all I have to say to all the Daughters of Charity and Atse Teklegiorgis Catholic School staff who touched my life and change the life of my children in one way or another".

Covid-19 INDIA APPEAL

Covid-19 hit the world in all aspects. Every country had its peak at different times of the year. India had the second wave and it was at its peak in May 2021 and they had an average of 400,000 cases daily during the peak. The virus has been affecting the people in different ways physically, mentally and financially.

The Daughters of Charity of St Vincent de Paul based in the south and the north of India had a challenge on their hands. The Sisters in the south opened their doors to anyone and everyone they could help. The Sisters in the north needed some funds to buy a ventilator to help the patients.

5. OVERSEAS MISSIONARY WORK (continued)

Covid-19 INDIA APPEAL (continued)

Sister Ellen, after being in touch with Sister Rose in the south, put out an appeal to see if we could support them financially so they can carry on the good work. The response has been overwhelming and heart felt. We received great support from generous donors, Sisters all over the country and Australia, the local parish, St Josephs in Scotland and also the parishes around Midlothian. A raffle was organised to raise funds too. Stephen Martin, who is a trustee at St Josephs, has raised over £4,600 by cycling from John O'Groats to Lands' End to support the appeal. We managed to collect an amazing £23,428.38, which was split equally between both north and south.

Sister Rose, along with the Sisters in the south, was able to do a lot with that money. They purchased provision kits and distributed them to the poor people, especially to the migrants and people of the slums, during the lockdown. They cooked food and distributed food parcels to people with help from collaborators in the slums. They also helped the Covid centre in Manmad to purchase medicine, oxygen tanks, PPE kits and other medical supplies.



Sister Theresa, along with the Sisters in the north, was in desperate need of a ventilator and other medical supplies to help the patients that were coming in big numbers. As soon as the funds reached there, Sister Teresa ordered the ventilator. They also managed to get beds, syringe pumps, monitors, laboratory equipment, Covid antigen test kits and an automatic haematology test machine for the lab. Having all these facilities have saved them many problems in the laboratory. Until then they were sending the samples to outside laboratories and waiting for reports. But now they can do these tests quickly in the lab and start the treatment sooner.

We received feedback from both areas of India regarding all the work done using the donations and they appreciated all the help they got.



LOOKING AHEAD TO 2022

Ukraine – two appeals we are funding

The Daughters of Charity of St Vincent de Paul, Depaul International and the Vincentian Family worldwide are all very closely linked and all are extensively involved in providing relief and humanitarian aid to Ukraine. There is much to be done and we are appealing for financial assistance, which will go straight to the relief of the Ukrainian people, for whom we care deeply. This appeal gives us opportunity for us to play a vital part in the work of the Daughters of Charity and/or Depaul International who are working both inside Ukraine and on the borders of Poland and Slovakia and providing accommodation for refugees in all the neighbouring countries.

We have 24 Sisters in Ukraine most of whom come from Poland and Slovakia. Some of them have been forced to leave their hometowns but all of them have stayed in Ukraine to organise relief for the refugees and to be available for the service of the elderly and the sick.

We have been in touch with the Provincials of the Polish and Slovakian Provinces pledging our prayers and support. We sent a small donation to the Province of Krakow to help with the relief services on the border and they have also received a large number of refugees into their Provincial House. Most of our communities in Poland have answered the call to house refugees in conjunction with the Conference of Major Superiors and Caritas. Local communities in other countries are also preparing to receive refugees.

We have been advised that the best way to support them is to send money rather than goods, as the needs change by the hour and we can be certain that any donation will go straight to the Sisters at the front line. We have already sent £5,000 and our Sisters and their communities throughout the two areas of our Province, Great Britain and Australia, have been sending in their donations for Ukraine.

Our New Representative at the UN

The Congregation of the Daughters of Charity has two representatives at United Nations who work in close collaboration with members of the Vincentian Family and other NGOs.

One Sister works in New York while the other represents us in Geneva. This year, 2022, there is to be an addition of personnel in both places. One of our Sisters in this Province, has been appointed to the UN office in Geneva. She will continue to be part of our Province.

GRANTS AND DONATIONS

Grants, donations and other payments in support of missionary work and ministry are decided by the Trustees in consultation with other members of the Congregation, as appropriate. In the main, the Charity supports the work of the Congregation in overseas countries where there is the most need. Whilst the Trustees give occasional support to English, Scottish and Welsh organisations whose work is within the objects of the Charity, the Charity does not regard itself as a grant-making entity and applications for grants and donations are not invited.

ENVIRONMENTAL ISSUES

Investment in Fossil Fuels

As mentioned in last year's Trustees' Report concerning our response to the COP26 World Climate Change Meeting, the Daughters of Charity signed up to the global divestment announcement for faith organisations. The statement reads: "The Province does not hold any fossil fuel investments and will not invest in fossil fuels in the future."

Energy Consumption

The Daughters of Charity have put in place measures to reduce our energy consumption in our use of gas and electricity in our community houses and properties.

Carbon Emissions

The Daughters of Charity have a policy in place that whenever a car needs to be replaced, a second-hand hybrid car will be purchased, which will enable us to eliminate our carbon emissions in towns and cities where most of our driving takes place. A number of such cars have already been purchased.

INVESTMENTS

Policy - listed investments

The Charity has a portfolio of listed investments with a market value of approximately £33.4 million.

In March 2019, the Trustees appointed Sarasin & Partners LLP as the Charity's sole Investment Managers. This decision was taken following a detailed review assisted by professional investment advisers.

There are no restrictions on the Charity's power to invest.

Investment Objectives

The Charity seeks to produce the best financial return within an acceptable level of risk.

The investment objective for the long-term portfolios of the General and Ethiopian Funds is to generate a return of 3.5% in excess of inflation, as measured by the UK Consumer Price Index (CPI), over rolling 5 year periods, in order to protect the real value of the investment portfolio so that it can fund the future activities of the Charity. In this context, long-term is taken to be five years plus. This level of growth ought to allow for income to be withdrawn, whilst allowing for the capital value to keep pace with inflation, after deduction of the investment manager's fees.

The establishment of a General Fund medium term portfolio is under consideration and would be a separate 'pot' of money which might be expected to be withdrawn over the next 5-10 years, in order to meet the current operational deficit requirement of c.£2 million or 7.1% per annum.

INVESTMENTS (continued)

Ethical Policy

The policy is required to reflect the following concerns and to exclude direct, and where possible indirect, exposure to:

- any company earning more than 10% of their turnover from sale or production of alcohol, armaments, gambling or pornography;
- any company involved in the production of tobacco;
- any company involved in the production of single-purpose abortifacients, contraceptives, or engaged with scientific research on human fetuses.

The Trustees also wish the investment manager to be sensitive to the ethics and religious principles of the Trustees and to try to avoid any investments in contravention of these and to highlight areas of potential sensitivity. Particular concern is attached to issues related to the protection of human life and human rights, as well as discrimination against any sectors of society and the company's overall environmental impact. The Trustees expect the managers to apply Environmental, Social and Governance (ESG) criteria when selecting investments.

Management, Reporting and Monitoring

The Trustees have appointed Sarasin & Partners LLP to manage the investments on a fully discretionary management agreement in line with this investment policy.

The Trustees have appointed an Investment Committee, which includes both Trustees and the Director of Finance, which has responsibility for agreeing strategy and monitoring the investment assets. The investment manager will provide the following information on a quarterly basis: valuation of the investments, transaction report, cash reconciliation, performance analysis and commentary for this Committee to review. Once a year (at a minimum) the investment manager will be required to present in person to the Investment Committee. The Committee will review the information provided by the manager. Their recommendations are required to be ratified by the Trustees.

Policy - investment land

The Charity has owned and occupied land at Lanark, Scotland, since 1949 and for many years the Sisters operated a hospital on the site. Since the closure of the hospital, the Charity has been exploring how best to utilise the land for the benefit of its charitable objects. Initially, this involved discussions with a property developer about a disposal of the land for residential property development. Unfortunately, the collapse of the housing market and the severe financing restrictions since 2008 have prevented a disposal for this purpose.

The land continues to be owned with a view to disposal. As a consequence, in the accounts, the land is classified as investment land. It is the intention of the Trustees of the Charity to continue to seek buyers for this land and hence to maximise its value to the Charity.

Investment performance

During the year the Charity's listed investments achieved an income yield of 2.11% (2020 – 2.21%). The investments increased in value and the capital yield for the year was 7.46% (2020 - increase 9.55%). Throughout the year the Trustees have continued to liaise closely with the Charity's investment advisers and seek their advice.

FINANCIAL REPORT FOR THE YEAR

A summary of the results for the year can be found on page 38 of the attached accounts.

Income for the year to 31 December 2021 totalled £4.68 million compared to £8.82 million in 2020. This decrease in income is mainly due to the discontinuing operation of The Marillac Neurological Care Centre, which became an independent Charitable Company on 1 April 2021. The discontinuing income for 2021 is £1.6 million compared to £6.1 million in 2020.

Expenditure, including the transfer of net assets to MNCC of £1.5 million, has increased from £10.9 million in 2020 to £17.3 million in 2021. As above, Marillac Neurological Care Centre's independence has impacted expenditure as well with discontinuing expenditure of £3 million compared to £6.4 million in 2020.

In the year the Charity agreed a contribution to the Scottish Redress Scheme of up to £10 million. This contribution is payable over a 10 year period, £1 million of which has been paid in the year. The remaining commitment is shown in these accounts as a creditor of £2 million (discounted to £1.98 million) and a provision of £7 million (discounted to £5.94 million).

Staff costs, once MNCC is removed, have increased in the year. The Charity is committed to the workforce, and increases to care staff wages have increased in line with commitments of both the UK and Scottish Governments. All other expenditure is in line with previous years.

Reserves policy

The Trustees have examined the requirement 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, the Charity's continuing commitment to residential and nursing care, the need to care for members of the Congregation and to respond to unforeseen emergencies, the level of free reserves should at least be equivalent to between six and twelve months' expenditure. The Trustees are of the opinion that this provides sufficient flexibility to cover shortfalls in income, adequate working capital to cover core costs, and will allow the Charity to meet its commitments to its residential and care work and to members of the Congregation, and will enable the Charity to cope and respond to unforeseen emergencies.

Financial position

The balance sheet shows total reserves of £46 million (2020 - £56 million).

Of this, £10.5 million (2020 - £10.8 million) is represented by tangible fixed assets used for the support of the Sisters and their ministry. A decision was made to separate this fund from the general fund in recognition of the fact that the tangible fixed assets are used in the day to day work of the Charity and the fund value cannot, therefore, be realised easily if needed to meet future contingencies.

The programme related investments fund amounts to £4.3 million (2020 - £1.3 million). The fund is represented by freehold properties occupied by other charities:

- ◆ A property used by The Louise Project Limited (formerly known as The Space for its head office and a drop-in centre).

FINANCIAL REPORT FOR THE YEAR (continued)

Financial position (continued)

- ◆ The land and buildings used by Marillac Neurological Care Centre (MNCC). With effect from midnight on 31 March 2021, the Charity donated the net assets (excluding the freehold land and buildings) to a newly established charitable company which continued the activities previously carried out by the Charity from 1 April 2021. The freehold to the land and buildings was retained by the Charity and with effect from 1 April 2021 the properties with a net book value of £3.9 million were reclassified from tangible fixed assets to programme related investments.
- ◆ Four of the Charity's properties (a small residential care home with the other three being houses of multiple occupancy for people with learning disabilities) used by St Joseph's Services, a separately registered charitable company, were classified as programme related investments until they were sold to St Joseph's Services during the year.

Funds of £20.7 million (2020 - £21.9 million) have been set aside in the Sisters' care and retirement fund to provide for the Sisters' holistic needs going into the future.

The value of the fund has been calculated based on actuarial principles to provide for each of the Province's 101 Sisters. Given the increasing age profile of the Sisters and the lack of new vocations, this sum will provide only modest resources to look after the Sisters, many of whom will need increasing support and increasingly expensive residential and nursing care.

Funds of £nil (2020 - £5.3 million) represent the accumulated net income of Marillac Neurological Care Centre, which had been designated by the Trustees for use by Marillac Neurological Care Centre only. Following Marillac Neurological Care Centre becoming independent with effect from 1 April 2021, this designated fund is no longer necessary.

A further £1 million (2020 - £2 million) has been set aside towards the costs of developing new initiatives and those projects newly established, as well as enhancing the properties used by the Charity.

Finally, £2.4 million (2020 - £2.2 million) has been designated for use on specific projects by the Trustees. It is intended that such projects should principally be concerned with the missionary work of the Sisters overseas.

The endowment funds amounting to £254,175 (2020 - £254,175) comprise the Salisbury Fund, established in 1871 by a Deed of Trust, when several properties located in Salisbury were gifted to the Congregation.

Restricted funds comprising monies given specifically for overseas missionary work totalled £319,597 (2020 - £332,048) at the end of the year. Other small restricted funds totalled £nil (2020 - £32,160).

FINANCIAL REPORT FOR THE YEAR (continued)

Financial position (continued)

Funds available to support the work of the Sisters in the future are shown as general funds on the balance sheet and amount to £6.6 million (2020 - £12 million). This figure needs to be considered in the light of annual expenditure of £6.3 million (as adjusted for exceptional expenditure in the year) and the need to meet the challenges posed by the Covid-19 pandemic and its aftermath. The Trustees consider the Charity's free reserves to be adequate but not excessive and in accordance with the above policy.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

The British Province is governed by the Sister Provincial and four Sisters who form the Provincial Council. All are appointed by the Superioress General and General Council in Paris and are accountable to them. The Provincial and Council members are appointed for a period of six years, renewable for a further three-year period if required.

The Trustees are members of the Community and are chosen for their personal qualities, their understanding and experience of the works and ministries of the Province and to ensure a varied skills mix.

At present, the Provincial Secretary, together with the Provincial and Provincial Council members, form the Board of Trustees. The Sister Provincial is always the Chair of Trustees by virtue of her office and she in turn appoints the other Trustees, of which there can be up to seven.

The Trustees are responsible for the policies, activities and assets of the Charity and for compliance with regulations and legislation including the Charities Act. The Trustees meet monthly to review developments with regard to the Charity, its activities and assets, and to make important decisions. Training continues to be provided for the Trustees in order that they are fully updated with current legislation.

The Trustees are incorporated under the provisions of Section 251 of the Charities Act 2011 as "The Incorporated Trustees of the Daughters of Charity of St Vincent de Paul".

The names of the Trustees at the date on which this report was approved are set out as part of the reference and administrative details on page 1 of this Annual Report and Accounts and brief biographical details on each of the Trustees are given below:

Sister Moira Bain (resigned 24 January 2022)

Sister Moira Bain entered the Daughters of Charity of St Vincent de Paul in 1968. Her early ministry was child care and she worked in various residential school settings and children's homes. A short period of three years was spent in Romania overseeing five children's homes for children who were HIV positive. She also has experience in Parish ministry and trained in Pastoral Leadership. She was instrumental in setting up and managing an organisation offering pastoral care to families of prisoners.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

Sister Ellen Flynn

Sister Ellen Flynn has been a member of the Daughters of Charity of St Vincent de Paul since 1972, and formerly worked as the CEO of The Passage for nine years, helping homeless people in Central London. During that time she developed skills in charity management, governance, fundraising and project development as well as networking across London in all sectors of business and society. Prior to this, Sister Ellen has a background in education, initially working with disadvantaged young people in inner city schools, and later in adult formation including group facilitation, liturgy, music and management with the Christian Church. Sister Ellen was named Provincial of the Province of Great Britain in September 2015.

Sister Kathleen Fox (resigned 24 January 2022)

Sister Kathleen Fox has been a member of the Daughters of Charity of St Vincent de Paul for over 40 years. She trained as a nurse for people with learning disabilities, and then as a general nurse. She worked for many years in St Joseph's, Rosewell and, with the introduction of the Community Care Act in 1992, was part of the team in the re-provisioning of the Service. She completed further training and holds degrees in Advanced Nursing and Healthcare Chaplaincy. Sister Kathleen also worked for a number of years in a hospice and has trained in palliative care.

Sister Kay Harte

Sister Kay Harte entered the Daughters of Charity of St Vincent de Paul in 1967 and is currently working in the offices as Secretary to the Provincial. After training as a rehabilitation worker for the visually impaired and interpreter for deaf/blind people, she worked in managerial positions in Glasgow and Liverpool. Prior to moving to Provincial House, she was manager of a community care home for elderly Sisters.

Sister Sarah King-Turner

Sister Sarah King-Turner entered the Daughters of Charity of St Vincent de Paul in 1980. Her early ministry was in running a day centre for the elderly and then a hostel for students. After training as a Social Worker she had experience working with families and children. Sister went on to set up a new project for homeless young people, the Depaul Trust, followed by several years in Community administration both in London and later in the Community's Mother House in Paris. She was Provincial from 2002-2008.

Sister Mary O'Neill

Sister Mary joined the Daughters of Charity in 1977. Her early ministries were with children with disabilities and with young families. After gaining an M.Sc. in Management of Care, she led the development of a Family Project in Central London. She has been working in Wales for 16 years until December 2021, with asylum seekers who were destitute. She founded a Drop-in Centre and an Accommodation Project, both of which are Registered Charities. Ruth enjoys walking, drawing and writing and loves the countryside and the sea.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

Sister Kathleen Page

Sister Kathleen Page joined the Daughters of Charity in 1986. Her ministry has engaged her in a variety of work with families, homeless people and people with disabilities within the contexts of residential care, community organising and project management. She is trained in community and youth work, social care and pastoral care. Since 2005 she has undertaken pastoral care within a social care setting, most recently within one of the DC Services projects.

Sister Theresa Tighe

Sister Theresa Tighe has been a member of the Daughters of Charity of St Vincent de Paul for many years. Her training is in youth and community work and in pursuing that she provides a short counselling course as a way of supporting young people. Most of her experience has involved working with young people with disabilities and their families. She has also engaged with children and families through parish ministry.

Sister Maureen Tinkler

Sister Maureen Tinkler has been a member of the Daughters of Charity of St Vincent de Paul since 1971 and has lived and worked in numerous social priority areas in Great Britain. She trained as a secondary school teacher in Liverpool and also as a teacher of Hearing Impaired Children. She has been involved in the formation of novices and young Sisters. In the 1990's she served on the Province Leadership Team for nine years and during that time served in hospital chaplaincy. She began the Vincentian Volunteers Gap Year and worked in Youth Ministry in Langbank, Scotland. For 12 years she was the Director of Vincentians in Partnership, an umbrella body for the Vincentian organisations in Great Britain. She is currently the VIVAT Co-ordinator for the Daughter of Charity Services and is a member of the Province Leadership Team.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales and in Scotland requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the group for that period.

In preparing these accounts, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Statement of Trustees' responsibilities (continued)

- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the Accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the Charity's Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Structure and management reporting

Five professional advisers ably support the Trustees, meeting together twice a year. The solicitors, accountant and surveyors, who comprise the Advisory Board, are always available for advice and guidance and especially prior to the making of any major decision.

The British Province comprises 101 Sisters, in 20 houses, of which 14 are situated in England, four in Scotland and one in Wales. These local communities are mostly situated in areas of towns and cities where it is believed that the Sisters can provide the greatest help to deprived and marginalised people. The Mission Statement states:

'We choose to stand at "the cutting edge" with vulnerable and marginalised people and to open our eyes to the global issues of our world today.'

Each of the local communities has a local Superior, appointed by the Provincial. She is responsible, with her Sisters in the community, for the services offered in the local area, for the financial management of the house, the upkeep of the property and the wellbeing of the Sisters. She is accountable to, and supported by, the Provincial and her Council, with whom there is regular communication and meetings. She submits her accounts monthly and budgets annually to the Provincial Treasurer who in turn draws up a three-year financial forecast for the Province, thus establishing a sound base for current and future planning.

Key management

The Trustees consider that they, together with the Business Executive Officer, the Care Home Managers, and the executive team of The Marillac Neurological Care Centre (up until 1 April 2021), comprise the key management of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis.

All Trustees are members of the Congregation and, whilst their living and personal expenses are borne by the Charity, they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or key management.

The pay of the Business Executive Officer, and the three Registered Care Home Managers, are reviewed annually by the Trustees. The remuneration benchmarks used for all key management are based on published pay grades for care and administrative staff, but take into account additional responsibilities to ensure that the remuneration paid is fair and not out of line with that paid for similar roles.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management

The Trustees undertake an annual review of the principal risks and uncertainties that the charity faces categorising the risks between:

- ◆ Governance and management
- ◆ Operational
- ◆ Financial
- ◆ Reputation
- ◆ Laws, regulations, external and environment

Governance and management looks at the skills and training of its members and staff and the good use of its resources.

Operational looks at the risks inherent in the Charity's activities including the operation of its four care establishments – the members engaging in inappropriate activities, the unsuitability of buildings, poor maintenance, shortcomings in the service provided, difficulties with staff, poor health and safety, lack of a disaster recovery policy, etc.

Financial risks include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies, global downturn in markets, and so on.

Reputation looks at possible damage to the Congregation and/or the charity's reputation.

Laws, regulations, external and environment look at the effect of government policies, the consequences of non-compliance with laws and regulations and poor risk assessment in the charity's care establishments.

The Trustees regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures.

This work and the impact of Covid-19 and its aftermath have led to a number of key risks being identified for the Charity which are described below, together with the principal ways in which they are mitigated:

Risk 1. The increasing age profile of the Province

The average age of the Sisters in the Province at the end of 2021 was 81 years. The stark reality is that there are now more Sisters in residential care than there are under the age of 70 years. The risks entailed in this fact are multiple, as not only will the activities and ministries of the Sisters decrease, but the need for financial resources to pay for residential and nursing care costs will inevitably increase.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk Management (continued)

To mitigate the dilution of services for vulnerable people due to this increase in age and few, if any, younger women entering the Congregation, the Trustees created 'The Daughters of Charity of St Vincent de Paul Services', an "umbrella" charitable organisation formed to ensure the sustainability of projects and services started by the Congregation and that the values and ethos on which these services were built, remain strong and true (www.dcsvpservices.org). The Trustees are made up of both lay people and Daughters and have developed a training programme called VIVAT, where Vincentian values are shared with all staff, who in turn are asked to experience these values in the services they offer to others.

The Daughters have also set up Mission Hearts. These are communities where active Sisters are embarking on active mission, supported by local communities where less active Sisters can support those in active mission with support and prayer. There are four Mission Heart communities located round the country.

Regarding the ongoing care of the elderly members of the Congregation, the Trustees, as companions and friends for many years of all the elderly Sisters, desire to provide excellent care for them. The Trustees also know that there is both a moral and legal obligation to do so, as the Sisters do not have resources of their own, as all earnings, pensions and other income have been donated to the Charity under a Deed of Covenant.

Thus there is now a dedicated fund for this need, the value of which has been based on actuarial principles. Also, as previously stated on pages 11 to 14, the Trustees ensure that residential care of a high standard is delivered to those Sisters most in need of it, as well as ensuring that at least another three houses are fully equipped with all necessary aids and facilities to give elderly Sisters not in need of care, but unable to fulfil active ministries, as much independence as possible.

Risk 2. Demand on the Charity's finances

The Trustees are very aware of the continuing demand on its finances, with increases in salaries, the cost of living, gas and oil prices increasing by the day. This together with the reduction in the income now being received from the investments and the reduction in income from donations, partly due to the shortage of disposable income for most people and the age profile of the Sisters mean less sisters now receiving salaries for their work, which is donated to the Charity by deed of covenant.

This demand on the finances will continue into 2022 and beyond, therefore the Trustees have requested, and now reviewed a budget for three years. They also look to the next ten years to ensure all assets are being optimised to ensure any and all deficits can be met. Expenditure is continually reviewed to ensure the Charity has sufficient funds going forward.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk Management (continued)

Risk 3. Protection of children and vulnerable adults

The Trustees recognise the absolute necessity of ensuring the protection and safeguarding of all those whom the Charity serves, especially children and vulnerable adults. All the Sisters in the Province and all members of staff and volunteers, who are in contact with people through their ministry, have an Advanced Disclosure from the Disclosure and Barring Service (DBS) and/or from Disclosure Scotland (PVG). The Trustees are committed to implementing all the policies and procedures of the Catholic Safeguarding Standards Agency, England and Wales (CSSA), the Religious Life Safeguarding Service (RLSS) and the SCSSA (Scottish Catholic Safeguarding Standards Agency). They take responsibility for identifying, preventing, investigating and responding to all allegations or incidents of abuse. In the light of recent experience of the Inquiries below, the Charity has taken independent advice and revised all its policies and practices together with a new training programme.

In England and Wales, Professor Alexis Jay has been appointed by Her Majesty's Government to lead a public inquiry into institutional abuse of children (Independent Inquiry into Child Sexual Abuse). This Inquiry is considered to be the most comprehensive ever commissioned by any government and is expected to run for at least five years. The Trustees have, and will continue to, assist this Inquiry in every possible way as and when requested.

In Scotland, Lady Smith has been appointed to lead a public inquiry (The National Inquiry into Historical Abuse) commissioned by Scottish Ministers under the Inquiries Act 2005.

This Inquiry was set up on 1 October 2015 and was due to report to the Scottish Government Ministers by 1 October 2019 (now extended for as long as it takes) with recommendations to improve the law, policies and practices in Scotland. It has a wide remit and is considering all forms of historic child abuse in Scotland and in other areas to where Scottish children were sent.

The Inquiry hearings in relation to two of the Daughters of Charity's former homes began on 28 November 2017, as anticipated, and ran until 30 January 2018. The transcripts of the Inquiry over that period can be found on the Inquiry website.

The Inquiry's interim report on the case study into the Daughters of Charity's establishments at Smyllum Park in Lanark (Smyllum) and Bellevue House in Rutherglen (Bellevue), was published on 11 October 2018 and is also available on the Inquiry website.

On 11 October 2018, the Daughters of Charity made a public statement in the following terms:

"As Daughters of Charity we wish to thank Lady Smith for her Report.

Lady Smith's findings describe events and practices which are totally out of keeping with the fundamental values which underpin our life and mission and we are committed to giving this Report our utmost attention.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk Management (continued)

Risk 3. Protection of children and vulnerable adults (continued)

We most sincerely offer our heartfelt apology to anyone who suffered any form of abuse whilst in our care. Our respectful desire for the future is to build appropriate relationships with INCAS and others, to effect healing in whatever ways are possible for this generation."

The Daughters of Charity have considered the findings of the Report in detail and considered very carefully what lessons can be learned for the future in the Congregation's dealings with vulnerable people of all ages, and have considered safeguarding policies and procedures to ensure their adequacy, including working with Westminster Roman Catholic Diocese as Safeguarding Regulator.

The Inquiry did not and does not have the ability to make any findings of civil or criminal liability, but was and is only able to make recommendations for the future. In final submissions, the Daughters of Charity indicated to the Inquiry a willingness to listen to any conclusions which the Inquiry felt able to draw, based on the evidence before it, in relation to any instance of abuse which it was considered was established on the balance of probabilities to have taken place. The Daughters of Charity's consideration of the Report, and of safeguarding policies and actions in light of the Report, evidences this willingness to listen and put into practice.

Police Scotland has been involved following the evidence given by the Daughters to the Inquiry. The Daughters of Charity are seeking to engage with Police Scotland as fully and constructively as possible, and to provide information required, consistently and in a manner which is respectful of data protection obligations owed to Sisters, staff and former residents of the various establishments under consideration.

As the Daughters publicly stated at the time of the publication of the report on the case study, as it was then, remains at present, and will remain in the future their respectful desire to build appropriate relationships with Survivor Groups or individual survivors, to effect healing in whatever ways are possible.

The Scottish Government operated with effect from 25 April 2019 an Advance Payment Scheme for those aged over 70, or diagnosed with a terminal illness, who experienced abuse in residential care in childhood. Although applicants need only certify that they experienced abuse, without requiring to provide evidence of this or requiring to have their own word on this tested, it is necessary for applicants to provide evidence that they were resident in a qualifying establishment. The Daughters of Charity are therefore in almost daily contact at present with the Advance Payment Scheme validating applications as relating to former residents in their establishments. The Safeguarding and Archivist staff of the Daughters of Charity are engaging fully with the needs of the Advance Payment Scheme, in order to ensure that we facilitate processing of payments to those entitled to them.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk Management (continued)

Risk 3. Protection of children and vulnerable adults (continued)

During the year, the Scottish Government has passed legislation to establish a Redress Scheme (Redress Scotland). Alongside other providers of care in Scotland (both past and present), the Daughters of Charity of St Vincent de Paul has contributed towards the funding of the payments to be met by the Scheme. Under the Financial Contribution Agreement with the Scottish Ministers, the Charity will contribute a maximum of £10 million to Redress Scotland. £1 million was paid during the year and a further £2 million is payable in 2022 (note 17a). A further £7 million has been provided for, being the maximum amount that will be payable between 2023 and 2026. From 2023, the annual contribution amount is subject to review to assess the amount payable.

In respect to Scotland, at the date of signing this report, the Daughters of Charity have received a number of claims. In the vast majority of these claims, at the time of intimation, social work and medical records had not been recovered by the claimant, and in those cases either the claimant is recovering those to relay to the Daughters of Charity, or the Daughters of Charity's solicitor is securing mandates for recovery of those records and is proactively progressing each of these claims. Through their legal team, the Daughters of Charity continue to receive correspondence from new individuals and continue to address each claim or subject access request proactively from receipt.

In a limited number of the claims received to date, it has been possible to retrieve records and progress investigations so far as possible given the limitations on available evidence. Three such cases have been settled without litigation, with the express approval in advance of the Trustees and after close consideration of legal advice, on the basis of an economic analysis, without admission of liability. None of these claims have, to date, resulted in litigation.

Fundraising policy

The Charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The Charity manages its own fundraising activities and does not employ the services of Professional Fundraisers. The Charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2021, the Charity received no complaints about its fundraising activities (2020 – none).

Concern for the environment

Conscious of the need for a sustainable environment and the responsibility each person and organisation has to care for the environment, the Trustees actively encourage the recycling of waste and reduction in energy consumption throughout the Charity's services and locations.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Public benefit

The Trustees confirm that they have complied with their duty under section 17 of the Charities Act 2011 to have regard to the Charity Commission's guidance on public benefit. The Trustees believe they have demonstrated in detail throughout this report the ways in which the charity has been faithful to this.

Employees, volunteers and members of the Congregation

The Trustees wish to record their recognition of the professionalism and commitment of all their staff and volunteers as well as the individual members of the Congregation. Their loyalty, dedication and positive approach to the service they give is crucial to the services provided to people in need throughout the Province and beyond. This is very much appreciated and never taken for granted.

Signed on behalf of the Trustees:

Ellen T Flynn

Trustee

Approved by the Trustees on:

13th July 2022

Independent auditor's report to the Trustees of Daughters of Charity of St Vincent de Paul Charitable Trust

Opinion

We have audited the accounts of Daughters of Charity of St Vincent de Paul Charitable Trust (the 'Charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the comparative statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the Charity's affairs as at 31 December 2021 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

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.

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

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant frameworks which are directly relevant to specific assertions in the accounts are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and safeguarding regulations.
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- ◆ identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

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

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ carried out substantive testing of expenditure;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimate for the provisions for bad debts and the Redress Scheme were indicative of potential bias; and
- ◆ used data analytics to investigate the rationale behind any significant or unusual transactions.

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

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

- ◆ agreeing accounts disclosures to underlying supporting documentation;
- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

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

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

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

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act, and in accordance with 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 and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

22 July 2022

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

Statement of financial activities Year to 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £	Total funds 2020 £
Income:						
Grants, donations and legacies	1	1,801,294	221,332	—	2,022,626	2,206,001
Investment income and interest receivable	2	694,111	44,340	—	738,451	773,575
Charges for residential, care and support services	3	1,552,055	—	—	1,552,055	5,680,797
Other income						
. Surplus on disposal of tangible fixed assets		211,713	—	—	211,713	107,671
. Surplus on disposal of programme related investments		115,330	—	—	115,330	—
. Rent receivable		28,312	—	—	28,312	36,350
. Miscellaneous income		12,216	—	—	12,216	13,928
Total income		4,415,031	265,672	—	4,680,703	8,818,322
Expenditure:						
Cost of raising funds						
. Investment managers' fees		152,611	10,997	—	163,608	152,444
Expenditure on charitable activities						
. Provision of residential, care and support services	4	1,516,320	51,740	—	1,568,060	6,364,372
. Support of members of the Congregation and their ministry	5	4,399,857	56,693	—	4,456,550	3,991,050
. Charitable grants, donations payable and similar	6	573,758	167,428	—	741,186	392,667
. Contributions to Redress Scotland	7	8,918,000	—	—	8,918,000	—
		15,560,546	286,858	—	15,847,404	10,900,533
Donation of net assets to Marillac Neurological Care Centre (MNCC) (Charity Registration No 1184495)	10	1,451,122	23,425	—	1,474,547	—
Total expenditure		17,011,668	310,283	—	17,321,951	10,900,533
Net expenditure for the year before investment gains (losses)	9	(12,596,637)	(44,611)	—	(12,641,248)	(2,082,211)
Net investment gains (losses)						
. Listed investments		2,565,000	—	—	2,565,000	2,366,879
. Derivatives		(8,461)	—	—	(8,461)	317,608
. Foreign exchange		85,483	—	—	85,483	(170,599)
Net movement in funds for the year		(9,954,615)	(44,611)	—	(9,999,226)	431,677
Reconciliation of funds:						
Balances brought forward at 1 January 2021		55,418,059	364,208	254,175	56,036,442	55,604,765
Balances carried forward at 31 December 2021		45,463,444	319,597	254,175	46,037,216	56,036,442

A full comparative statement of financial activities is provided on page 40.

Statement of financial activities Year to 31 December 2021

With effect from midnight on 31 March 2021, the activities, assets (excluding the freehold land and buildings) and liabilities of The Marillac Neurological Care Centre were donated by the Charity to an independent Charitable Company limited by guarantee and incorporated in England and Wales (Charity Registration Number: 1184495 and Company Registration Number 12085591). The new independent charitable company is a subsidiary of the Daughters of Charity of St Vincent de Paul Services.

Therefore, the income and expenditure in respect to The Marillac Neurological Care Centre relate to discontinued activities within the Daughters of Charity of St Vincent de Paul Charitable Trust.

The income and expenditure figures shown on the previous page split between continuing and discontinued activities are summarised below:

	2021			2020		
	Continuing £	Dis- continued £	Total £	Continuing £	Dis- continued £	Total £
Income	3,041,214	1,639,489	4,680,703	2,717,123	6,101,199	8,818,322
Expenditure (excluding donation to Marillac Neurological Care Centre)	12,801,198	3,046,206	15,847,404	4,464,161	6,436,372	10,900,533

Comparative statement of financial activities Year to 31 December 2020

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
Income:					
Grants, donations and legacies	1	2,012,969	193,032	—	2,206,001
Investment income and interest receivable	2	730,445	43,130	—	773,575
Charges for residential, care and support services	3	5,680,797	—	—	5,680,797
Other income					
. Surplus on disposal of tangible fixed assets		107,671	—	—	107,671
. Rent receivable		36,350	—	—	36,350
. Miscellaneous income		13,928	—	—	13,928
Total income		8,582,160	236,162	—	8,818,322
Expenditure:					
Cost of raising funds					
. Investment managers' fees		142,691	9,753	—	152,444
Expenditure on charitable activities					
. Provision of residential, care and support services	4	6,320,404	43,968	—	6,364,372
. Support of members of the Congregation and their ministry	5	3,959,524	31,526	—	3,991,050
. Charitable grants, donations payable and similar	6	200,403	192,264	—	392,667
Total expenditure		10,623,022	277,511	—	10,900,533
Net expenditure for the year before investment gains (losses)		(2,040,862)	(41,349)	—	(2,082,211)
Net investment gains (losses)					
. Listed investments		2,366,879	—	—	2,366,879
. Derivatives		317,608	—	—	317,608
. Foreign exchange		(170,599)	—	—	(170,599)
Net income (expenditure) for the year	9	473,026	(41,349)	—	431,677
Transfer between funds		227,071	(32,255)	(194,816)	—
Net movement in funds for the year		700,097	(73,604)	(194,816)	431,677
Reconciliation of funds:					
Balances brought forward at 1 January 2020		54,717,962	437,812	448,991	55,604,765
Balances carried forward at 31 December 2020		55,418,059	364,208	254,175	56,036,442

Balance sheet 31 December 2021

	Notes	2021 £	2020 £
Fixed assets:			
Tangible assets	14	10,527,282	15,291,344
Investments	15	40,827,541	37,524,603
		51,354,823	52,815,947
Current assets:			
Debtors	16	555,152	742,264
Short term deposits		1,803,957	1,603,926
Cash at bank and in hand		594,193	1,669,955
		2,953,302	4,016,145
Liabilities:			
Creditors: amounts falling due within one year	17a	(2,288,909)	(679,534)
Net current assets		664,393	3,336,611
Total assets less current liabilities		52,019,216	56,152,558
Creditors: amounts falling due after more than one year	17b	(40,000)	(116,116)
Total net assets before provision for liabilities		51,979,216	56,036,442
Provision for liabilities	7	(5,942,000)	—
Total net assets		46,037,216	56,036,442
The funds of the charity:			
Capital funds			
Permanent endowment funds	18	254,175	254,175
Income funds			
Restricted funds	19	319,597	364,208
Unrestricted funds			
. Tangible fixed assets fund	20	10,527,282	10,771,361
. Programme related investments fund	21	4,298,510	1,264,322
. Designated funds	22	24,066,918	31,354,906
. General fund		6,570,734	12,027,470
		46,037,216	56,036,442

Approved by the Trustees and signed on their behalf by:

Ellen T Flynn

Trustee

Approved by the Trustees on: 13th July 2022

Statement of cash flows Year to 31 December 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(4,190,835)	(2,019,621)
Cash flows from investing activities:			
Investment income received		732,305	758,284
Interest received		6,146	15,291
Proceeds from the disposal of tangible fixed assets		301,479	976,040
Purchase of tangible fixed assets		(86,928)	(158,320)
Proceeds from the disposal of programme related investments		500,000	58,099
Proceeds from the disposal of investments		13,570,138	8,335,736
Net cost of settlement of foreign exchange contracts		78,359	(287,834)
Purchase of investments		(11,069,861)	(9,011,612)
Net cash provided by investing activities		4,031,638	685,684
Cash flows from financing activities:			
Loan repayments received		36,900	—
Capital element of finance lease rentals		(11,385)	(45,540)
Net cash provided by (used in) financing activities		25,515	(45,540)
Change in cash and cash equivalents in the year		(133,682)	(1,379,477)
Cash transferred to Marillac Neurological Care Centre		(536,685)	—
Cash and cash equivalents at 1 January 2021	B	4,230,995	5,610,472
Cash and cash equivalents at 31 December 2021	B	3,560,628	4,230,995

Notes to the statement of cash flows for the year to 31 December 2021.

A Reconciliation of net movement in funds to net cash used in operating activities		
	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	(9,999,226)	431,677
Adjustments for:		
Depreciation charge	259,367	732,910
Donation of net assets to Marillac Neurological Care Centre	1,474,547	—
Non-cash operating assets and liabilities included in donation of net assets to Marillac Neurological Care Centre	(425,134)	—
Net gains on investments, derivatives and foreign exchange	(2,642,022)	(2,513,888)
Investment income receivable	(732,305)	(758,284)
Interest receivable	(6,146)	(15,291)
Surplus on disposal of tangible fixed assets	(211,713)	(107,671)
Surplus on disposal of programme related investments	(115,330)	—
Decrease in debtors	650,212	71,597
Increase in creditors	1,614,915	139,329
Increase in provisions	5,942,000	—
Net cash used in operating activities	(4,190,835)	(2,019,621)

Statement of cash flows Year to 31 December 2021

B Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	594,193	1,669,955
Term deposits (less than three months)	1,803,957	1,603,926
Cash held by investment managers	1,162,478	957,114
Total cash and cash equivalents	3,560,628	4,230,995

C Analysis of changes in net debt

	2020 £	Loan advanced £	Transferred as part of donation to MNCC £	Cash flows £	2021 £
Cash at bank and in hand	1,669,955	—	—	(1,075,762)	594,193
Term deposits	1,603,926	—	—	200,031	1,803,957
Cash held by investment managers	957,114	—	—	205,364	1,162,478
Finance lease obligations	(81,656)	—	70,271	11,385	—
Loan to St Joseph's Services	—	500,000	—	(36,900)	463,100
Balance at 31 December 2021	4,149,339	500,000	70,271	(695,882)	4,023,728

Basis of accounting

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

Basis of preparation

These accounts have been prepared for the year to 31 December 2021 with comparative information given in respect to the year to 31 December 2020.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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

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

Income and expenditure has been analysed between continuing and discontinued activities. The discontinued activities relate to Marillac Neurological Care Centre.

Critical accounting estimates and areas of judgement

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

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

- ◆ assessing the probability of the receipt of legacy income;
- ◆ estimating accrued expenditure;
- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining a depreciation charge;
- ◆ determining the apportionment of expenditure between governance and support costs and between support costs and the various categories of expenditure on charitable activities;
- ◆ estimating the market value of investment land;
- ◆ assessing the recoverability of outstanding debtors for residential and care home fees;
- ◆ estimating the value of any provision in respect to Scottish Redress;

Critical accounting estimates and areas of judgement (continued)

- ◆ determining the value of designated funds needed at the year end, in particular in respect to the assumptions made in determining the value of the Sisters' care and retirement fund; and
- ◆ estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

When making their assessment, the Trustees have also factored into their considerations the fact that with effect from midnight on 31 March 2021, the activities, assets (excluding the freehold land and buildings) and liabilities of Marillac Neurological Care Centre were transferred from the Charity to an independent Charitable Company limited by guarantee and incorporated in England and Wales (Charity Registration Number:1184495 and Company Registration Number 12085591). The new independent charitable company is a subsidiary of the Daughters of Charity of St Vincent de Paul Services. The Trustees also agreed to donate an additional £600,000 to the new charitable company. Full details of the net assets transferred are given in note 10 to these accounts.

The Trustees also acknowledge and recognise the residual impact of the Covid-19 pandemic on the Charity and the effect of the current macroeconomic and geopolitical climate. The Charity's income may continue to be affected as investment markets react and show greater volatility.

The Trustees continue to communicate with their investment managers and, whilst there are concerns over the volatility in world stock markets, they acknowledge also that the Charity is a long term investor. As such, the Charity will be able to wait for markets to stabilise over time whilst the Trustees keep a watching brief.

Undoubtedly there will be challenges ahead but the Trustees do not expect material concerns to arise over the Charity's financial position or going concern. The Trustees have concluded that the Charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

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

Income comprises donations and legacies, investment income and interest receivable, charges for residential, care and support services and other income including the surplus on the disposal of tangible fixed assets and programme related investments.

Income recognition (continued)

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

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

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

Entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the Charity.

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

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

Income derived from the levying of charges for residential, care and support services is measured at the fair value of the consideration received or receivable, excluding discounts and rebates.

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

Funding from the Coronavirus Job Retention Scheme is credited to the statement of financial activities when the Charity becomes entitled to the monies and when the amount receivable has been quantified.

Income recognition (continued)

Other income is measured at fair value and accounted for on an accruals basis.

Expenditure recognition

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This relates to investment management fees only.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Charity through the provision of its charitable activities. Such costs include direct and indirect expenditure on the provision of residential, care and support services, direct and indirect costs in respect to the support of members of the Congregation and enabling their ministry, and the provision of charitable grants and donations.

Expenditure incurred in the provision of residential care and support services comprises all costs of providing nursing care for physically disabled persons at Marillac Neurological Care Centre.

Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

- ◆ Contributions to Scottish Redress represent the estimate of amounts that will be payable to the Scheme over the period to 2026 (see note 7). The amounts payable between 2022 and 2026 have been discounted to present value using a discount rate of 5% per annum, the expected average yield from investments earned by the Charity.
- ◆ Donation of assets to Marillac Neurological Care Centre, an independent Charitable Company limited by guarantee and incorporated in England and Wales (Charity Registration Number: 1184495 and Company Registration Number 12085591) (see note 10).

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

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

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Governance costs are included as a specific category within support costs.

Support costs are allocated to expenditure on charitable activities on the basis described in note 8 to these accounts.

Tangible fixed assets

All assets costing more than £2,500 and with an expected useful life exceeding one year are capitalised.

♦ ***Voluntary-aided schools***

The freehold of the land and buildings legally owned by the Charity and occupied rent free on behalf of the Trustees of the governing bodies of Catholic voluntary-aided schools, which are separate charities and publicly funded, are valued at £nil. The Trustees consider that no meaningful value can be attributed to these assets, since they are not used directly by the Charity, do not generate income and cannot be disposed of in the open market or put to alternative use while such occupation, which may be indefinite, continues.

♦ ***Other freehold land and buildings***

With the exception of one property, all land and buildings located in England and Wales and purchased prior to 1 January 1993 are included in the accounts at a valuation determined as at that date (the date on which the land and buildings were first incorporated into a set of statutory accounts). The valuations, which were determined by the Trustees with professional assistance and based on market values as at 1 January 1993, were used in the absence of reliable cost figures being available due (in part) to the fact that many of the properties had been purchased many years earlier and cost figures could not be determined without considerable research - the cost of which, in the opinion of the Trustees, would not be an appropriate or effective use of the Charity's resources. As permitted by FRS 102, with effect from 1 January 2014 the values assigned to these properties are now deemed their cost.

One property situated in England was not incorporated into the statutory accounts until 1 January 1997 and, for similar reasons as set out above, it is included in the accounts at a valuation determined by the Trustees with professional assistance as at 1 January 1997 based on market value as at that date. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to this property is now deemed its cost.

All other freehold land and buildings situated in England and Wales have been purchased subsequent to 1 January 1993 and are included in the accounts at cost.

Tangible fixed assets (continued)

◆ ***Other freehold land and buildings (continued)***

All land and buildings located in Scotland and purchased prior to 1 January 1996 are included in the accounts at a valuation determined as at that date (the date on which the land and buildings were first incorporated into a set of statutory accounts). The valuations, which were determined by the Trustees with professional assistance and based on market values as at 1 January 1996, were used in the absence of reliable cost figures being available due (in part) to the fact that many of the properties had been purchased many years earlier and cost figures could not be determined without considerable research - the cost of which, in the opinion of the Trustees, would not be an appropriate or effective use of the Charity's resources. As permitted by FRS 102, with effect from 1 January 2014, the value assigned to these properties is now deemed their cost. All freehold land and buildings situated in Scotland and purchased subsequent to 1 January 1996 are included in the accounts at cost.

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

Specialised buildings are defined as those comprising the Charity's care homes, health care establishments and large residential convents. Depreciation is provided at between 2% to 4% per annum on a straight-line basis to write the buildings off over their estimated useful economic life to the Charity.

◆ ***Long leasehold property***

Long leasehold property comprising both specialised and non-specialised buildings is shown on the balance sheet at a valuation determined by the Trustees with professional assistance as at 1 January 1993 (the date on which it was first incorporated into a set of statutory accounts). The valuations were used in the absence of reliable cost figures being available due (in part) to the fact that many of the leasehold properties had been purchased many years earlier and cost figures could not be determined without considerable research - the cost of which, in the opinion of the Trustees, would not be an appropriate or effective use of the Charity's resources. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to these leasehold properties is now deemed their cost.

Long leasehold property is not depreciated until the period of the lease remaining is 50 years or less at which point it is depreciated on a straight line basis over the remaining period of the lease. All leasehold property is maintained to standards which ensure that its residual value is not less than its book value. Therefore, depreciation on such property with more than 50 years of the lease remaining is deemed immaterial.

Tangible fixed assets (continued)

♦ ***Furniture, plant and computer equipment***

Expenditure on the purchase and replacement of furniture, plant and computer equipment is capitalised and depreciated on a straight line basis over the estimated life of each asset, as follows:

Plant	- 10 years
Furniture and plant	- 5 years
Computer equipment	- 4 years

♦ ***Motor vehicles***

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

Fixed asset investments

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

Management of the Charity's investment portfolio includes the use of derivatives and foreign exchange contracts including forward contracts. These are a form of complex financial instrument. They are recognised initially at their transaction value and subsequently measured at their fair value as at the balance sheet date, using the prevailing exchange rate at that date. Changes in fair value are credited (or debited) to the statement of financial activities in the year in which they arise.

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

Land held for investment is included in the accounts at the estimated current market value of the land based on disposal for development and the likelihood of residential planning consent being granted. The valuation has been determined by the Trustees after consultation with their professional property advisers.

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

Programme related investments

Programme related investments comprise properties owned by the Charity but occupied by St Joseph's Services, Rosewell, The Louise Project Limited or Marillac Neurological Care Centre.

St Joseph's Services occupies the properties at a peppercorn rent. St Joseph's Services is a charitable company registered with the Office of the Scottish Charity Regulator. The work carried out by St Joseph's Services is consistent with the charitable objects of the Charity and as such the properties were classified as programme related investments. They were stated at their book value at the date on which the properties were reclassified by the Charity from tangible fixed assets (i.e. functional properties) to programme related investments. In 2021, these properties were sold to St Joseph's Services.

The Louise Project Limited occupies the property at a reduced market value rent. The Louise Project Limited (the Project) is a charitable company registered with the Office of the Scottish Charity Regulator. The work carried out by the Project is consistent with the charitable objects of the Charity and as such the property is classified as a programme related investment. It is stated at book value as at 1 April 2017, the date on which the activities of the Project were transferred from the Charity and the date, therefore, on which the properties were reclassified by the Charity from tangible fixed assets (i.e. functional properties) to programme related investments.

Marillac Neurological Care Centre (MNCC) occupies the property at a reduced market value rent. MNCC is a charitable company registered with the Charity Commission. The work carried out by MNCC is consistent with the charitable objects of the Charity and as such the property is classified as a programme related investment. It is stated at book value as at 31 March 2021, the date on which the activities of MNCC were transferred from the Charity and the date, therefore, on which the properties were reclassified by the Charity from tangible fixed assets (i.e. functional properties) to programme related investments.

No depreciation is charged on programme related investments. Impairment provisions, if any, are charged to the statement of financial activities when and if they arise and are classified as charitable expenditure.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Fund structure

The endowment funds comprise monies which must be held indefinitely as capital. The income therefrom is credited directly to unrestricted or restricted funds in accordance with the terms of the relevant endowment.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

The tangible fixed assets fund represents the net book value of the tangible fixed assets, after deducting the finance lease obligations in respect to furniture and equipment, used for the support of the Sisters and their ministry.

The programme related investments fund represents the book value of those properties classified as programme related investments i.e. those properties occupied by other organisations at a peppercorn rent or reduced market value rent but used for purposes consistent with the charitable objectives of the Charity.

The general fund comprises those monies which may be used towards meeting the charitable objectives of the Charity and which may be applied at the discretion of the Trustees.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Trustees.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

Lease arrangements that transfer substantially all the risks and rewards of ownership to the lessee are treated as finance leases. Assets held under finance leases are capitalised within tangible fixed assets and depreciated over the shorter of the lease term and useful life of the asset. A liability is recognised for the present value of the minimum lease payments within current and long term liabilities as appropriate. Rental payments are apportioned between capital and interest expense.

Foreign currencies

Income received, and costs incurred overseas, are translated into sterling at the rate of exchange in force at the year end. This policy does not comply with FRS 102, Section 30 which requires income and expenditure to be translated using the rate of exchange on the transaction date and amounts payable or receivable to be retranslated at the reporting date but has been adopted to avoid over-complexity. The amounts involved are not material, and the Trustees have therefore concluded that this departure does not prevent the accounts from presenting a true and fair view of the Charity's financial position, financial performance and cash flows in the year ended 31 December 2021.

Pension costs

Employer's contributions in respect of the Charity's Group Pension Plan, a defined contribution scheme, are charged to unrestricted funds in the statement of financial activities in the year in which they are payable to the scheme.

All eligible members of staff (not already contributing to an eligible scheme) continue to be auto-enrolled in a workplace pension scheme. Employer contributions to the scheme are charged to the statement of financial activities in the year in which they are payable to the scheme.

Services provided by members of the Congregation

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

1 Grants, donations and legacies

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £
Salaries and pensions of individual religious	1,740,570	—	—	1,740,570
Legacies	15,481	—	—	15,481
Donations for the Congregation's overseas missions	—	121,634	—	121,634
Other donations	31,055	105	—	31,160
Coronavirus Job Retention Scheme funding	14,188	—	—	14,188
Other Covid-19 Government and local authority grants	—	99,593	—	99,593
2021 Total funds	1,801,294	221,332	—	2,022,626

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
Salaries and pensions of individual religious	1,803,142	—	—	1,803,142
Legacies	93,949	—	—	93,949
Donations for the Congregation's overseas missions	—	77,008	—	77,008
Other donations	24,701	13,887	—	38,588
Coronavirus Job Retention Scheme funding	91,177	—	—	91,177
Other Covid-19 Government and local authority grants	—	102,137	—	102,137
2020 Total funds	2,012,969	193,032	—	2,206,001

2 Investment income and interest receivable

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £
Income from listed investments				
. Government Bonds	59,547	1,925	—	61,472
. Non-Government Bonds	65,909	5,990	—	71,899
. UK Equities and Equity Trusts	153,501	12,548	—	166,049
. Global Equities	164,811	19,517	—	184,328
. UK property and Unit Trusts	37,948	—	—	37,948
. Alternative Investments	105,542	4,312	—	109,854
	587,258	44,292	—	631,550
Income from programme related investments	100,755	—	—	100,755
Interest receivable				
. Interest on loans	4,431	—	—	4,431
. Monies held by investment managers	1,472	21	—	1,493
. Bank interest	195	27	—	222
	6,098	48	—	6,146
2021 Total funds	694,111	44,340	—	738,451

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
Income from listed investments				
. Government Bonds	66,035	2,221	—	68,256
. Non-Government Bonds	76,545	6,454	—	82,999
. UK Equities and Equity Trusts	131,892	10,067	—	141,959
. Global Equities	227,981	21,437	—	249,418
. UK property and Unit Trusts	40,165	—	—	40,165
. Alternative Investments	57,227	2,213	—	59,440
	599,845	42,392	—	642,237
Income from programme related investments	116,047	—	—	116,047
Interest receivable				
. Monies held by investment managers	7,196	169	—	7,365
. Bank interest	7,357	569	—	7,926
	14,553	738	—	15,291
2020 Total funds	730,445	43,130	—	773,575

3 Charges for residential, care and support services

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £
2021 Total funds:				
Nursing home charges	1,552,055	—	—	1,552,055
	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
2020 Total funds:				
Nursing home charges	5,680,797	—	—	5,680,797

Nursing home charges relate to income receivable by Marillac Neurological Care Centre, the activities of which were transferred to an independent charitable company with effect from midnight on 31 March 2021 (see note 10).

4 Provision of residential, care and support services

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £
Staff costs	1,152,501	50,752	—	1,203,253
Premises	172,400	988	—	173,388
Provisions	26,099	—	—	26,099
Welfare of residents	66,343	—	—	66,343
Other costs	72,973	—	—	72,973
Support costs (note 8)	26,004	—	—	26,004
2021 Total funds	1,516,320	51,740	—	1,568,060
	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
Staff costs	4,538,734	31,227	—	4,569,961
Premises	1,117,659	5,409	—	1,123,068
Provisions	118,542	—	—	118,542
Welfare of residents	281,440	5,419	—	286,859
Other costs	197,097	1,913	—	199,010
Support costs (note 8)	66,932	—	—	66,932
2020 Total funds	6,320,404	43,968	—	6,364,372

5 Support of members of the Congregation and their ministry

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £
Sisters' living and personal expenses	858,088	5,996	—	864,084
Premises	1,032,212	9,130	—	1,041,342
Staff costs	1,806,526	41,567	—	1,848,093
Spiritual renewal	68,069	—	—	68,069
Other costs	91,466	—	—	91,466
Support costs (note 8)	543,496	—	—	543,496
2021 Total funds	4,399,857	56,693	—	4,456,550

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
Sisters' living and personal expenses	786,470	7,567	—	794,037
Premises	907,813	5,280	—	913,093
Staff costs	1,764,199	18,679	—	1,782,878
Spiritual renewal	127,403	—	—	127,403
Other costs	85,304	—	—	85,304
Support costs (note 8)	288,335	—	—	288,335
2020 Total funds	3,959,524	31,526	—	3,991,050

6 Charitable grants and donations payable

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £
Donations to the Congregation's overseas missions:				
. Ethiopia	10,000	122,743	—	132,743
. Haiti	—	1,610	—	1,610
. Bethlehem	—	5,000	—	5,000
. Kenya	—	1,670	—	1,670
. Vietnam	—	10,678	—	10,678
. Syria	—	2,027	—	2,027
. India	—	23,400	—	23,400
. Yemen and Beirut	—	300	—	300
The Vincentian Volunteers	5,000	—	—	5,000
Marillac Neurological Care Centre	600,000	—	—	600,000
Centenary Artwork Marillac Neurological Care Centre	4,986	—	—	4,986
Home4U	32,000	—	—	32,000
The Louise Project	2,850	—	—	2,850
Vincentian Care Plus	(20,000)	—	—	(20,000)
Out There	(66,000)	—	—	(66,000)
Other donations	4,922	—	—	4,922
2021 Total funds	573,758	167,428	—	741,186

6 Charitable grants and donations payable (continued)

Other donations' comprise amounts of £1,000 or less donated to other organisations with objects consistent with those of the Charity.

The "negative" amount of £20,000 (2020 - £80,000) in respect to Vincentian Care Plus (VCP) relates to the voluntary repayment of monies donated to VCP in prior years (see note 24).

The negative amount of £66,000 (2020 - £nil) in respect of Out There relates to unutilised grant provided in prior years and now cancelled as it is no longer required.

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
Donations to the Congregation's overseas missions:				
. Ethiopia	—	165,982	—	165,982
. Haiti	—	783	—	783
. Bethlehem	—	954	—	954
. Kenya	—	4,767	—	4,767
. Vietnam	—	10,258	—	10,258
. Syria	—	3,470	—	3,470
. Eritrea	—	6,050	—	6,050
The Vincentian Volunteers	5,000	—	—	5,000
Holy Cross Abbey	10,000	—	—	10,000
St Vincent's Family Project	183,000	—	—	183,000
St Joseph's Services	59,000	—	—	59,000
The Passage	1,000	—	—	1,000
De Paul International	20,000	—	—	20,000
Diocese of Middlesbrough	1,000	—	—	1,000
Vincentian Care Plus	(80,000)	—	—	(80,000)
Other donations	1,403	—	—	1,403
2020 Total funds	200,403	192,264	—	392,667

7 Contribution to Redress Scotland

The National Inquiry into Historical Abuse commissioned by Scottish Ministers under the Inquiries Act 2005 in Scotland has held hearings in relation to two of the Congregation's former homes in Scotland. The Scottish Government has passed legislation to establish a Redress Scheme (Redress Scotland). Alongside other providers of care in Scotland (both past and present), the Daughters of Charity of St Vincent de Paul Charitable Trust has contributed towards the funding of the payments to be met by the Scheme. Under the Financial Contribution Agreement with the Scottish Ministers, the Charity will contribute a maximum of £10 million to Redress Scotland. £1 million was paid during the year and a further £2 million (discounted to £1,976,000) is payable in 2022 (note 17a). A further £7 million (discounted to £5,942,000) has been provided for, being the maximum amount that will be payable between 2023 and 2026. From 2023, the annual contribution amount is subject to review to assess the amount payable.

8 Support costs

	Provision of residential, care and support services £	Support of members of the Congregation and their ministry £	Total funds 2021 £	Provision of residential, care and support services £	Support of members of the Congregation and their ministry £	Total funds 2020 £
Legal and professional fees	19,127	353,165	372,292	15,202	184,088	199,290
Central administration	—	41,661	41,661	28,242	37,462	65,704
Bank charges	3,007	6,471	9,478	12,398	6,353	18,751
Governance (see below)	3,870	142,199	146,069	11,090	60,432	71,522
Total funds	26,004	543,496	569,500	66,932	288,335	355,267

The above expenses have been analysed in detail and individual invoices, or groups of invoices, have been allocated as appropriate to either the provision of residential, care and support services or support of members of the Congregation and their ministry.

Governance costs included above comprised:

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £
Auditor's remuneration	29,130	—	—	29,130
Legal and professional	114,746	—	—	114,746
Central administration	2,193	—	—	2,193
2021 Total funds	146,069	—	—	146,069

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
Auditor's remuneration	32,820	—	—	32,820
Legal and professional	36,730	—	—	36,730
Central administration	1,972	—	—	1,972
2020 Total funds	71,522	—	—	71,522

During the year, the charity incurred professional fees of £57,847 (2020 - £31,279) in respect to its participation in the Scottish National Inquiry into Historical Abuse. The Inquiry hearings in relation to two of the homes previously owned and operated by the Daughters of Charity of St Vincent de Paul began on 28 November 2017.

General solicitors' fees are apportioned to governance costs on the basis of the estimated time solicitors spend working on matters pertaining to the governance of the Charity.

General administrative costs are apportioned to governance costs on the basis of the time staff spent working on governance issues.

9 Net expenditure for the year before investment gains (losses)

This is stated after charging (crediting):

	Total 2021 £	Total 2020 £
Staff costs (note 11)	3,051,346	6,352,839
Auditor's remuneration		
. Statutory audit services – current year	25,260	21,600
. Non-statutory audit services	3,870	11,220
Depreciation (note 14)	259,367	732,910
Surplus on disposal of tangible fixed assets	(211,713)	(107,671)

10 Donation of net assets to Marillac Neurological Care Centre

With effect from midnight on 31 March 2021, the activities, assets (excluding the freehold land and buildings) and liabilities of Marillac Neurological Care Centre were donated to the Charity to an independent Charitable Company limited by guarantee and incorporated in England and Wales (Charity Registration Number:1184495 and Company Registration Number 12085591). The new independent charitable company is a subsidiary of the Daughters of Charity of St Vincent de Paul Services.

The assets and liabilities donated as at that date comprised the following:

	31 March 2021 £
Tangible fixed assets	
. Cost	1,129,433
. Depreciation	(546,434)
	582,999
Debtors	727,970
Cash at bank and in hand	536,685
Creditors: amounts falling due within one year	(348,376)
Creditors: amounts falling due after one year	(24,731)
	1,474,547

The assets and liabilities were represented by the following funds:

	31 March 2021 £
Restricted funds	23,425
General funds	938,394
Tangible fixed assets fund	517,728
	1,474,547

In addition, the Trustees agreed to donate an additional £600,000 to the new charitable company (note 6).

11 Staff costs and remuneration of key management personnel

	2021 £	2020 £
Staff costs during the year were as follows:		
Wages and salaries	2,636,449	5,347,325
Social security costs	197,280	422,190
Other pension costs	67,019	152,434
Apprenticeship levy	2,869	10,961
	2,903,617	5,932,910
Agency staff	147,729	419,929
	3,051,346	6,352,839

Payments to agency staff during the year reflect the difficulties in recruiting permanent nursing and care staff.

Staff costs per function were as follows:

	2021 £	2020 £
Provision of residential, care and support services	1,203,253	4,569,961
Support of members of the Congregation and their ministry	1,848,093	1,782,878
	3,051,346	6,352,839

The following number of employees earned £60,000 per annum or more (including taxable benefits but excluding employer's pension contributions):

	2021	2020
£70,000 - £80,000	1	1
£120,000 - £130,000	—	1

The average number of employees during the year, analysed by function, was:

	2021	2020
Provision of residential, care and support services	41	178
Support of members of the Congregation and their ministry	107	106
	148	284

The number of employees based on full time equivalents, analysed by function, was:

	2021	2020
Provision of residential, care and support services	33	165
Support of members of the Congregation and their ministry	80	78
	113	243

The key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis comprise the Trustees, the Business Executive Officer and the Care Home Managers. It also includes the Executive team of Marillac Neurological Care Centre up until 31 March 2021. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £264,887 (2020 - £464,273).

12 Trustees' expenses and remuneration and transactions with Trustees

The Charity's Trustees are all members of the Congregation and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Congregation, are borne by the Charity. No Trustee received any remuneration or reimbursement of expenses in connection with their duties as Trustees or members of key management (2020 - none).

As members of the Congregation, none of the Trustees have resources of their own as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the Trustees to the Charity was £79,255 (2020 - £69,225).

13 Taxation

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

14 Tangible fixed assets

	Freehold land and buildings			Furniture, plant and computer equipment	Motor vehicles	Total
	Sisters' living accommodation £	Special needs accommodation £	Long leasehold land and buildings £	£	£	£
Cost or valuation						
At 1 January 2021	5,912,059	16,385,082	128,596	725,626	400,465	23,551,828
Additions	—	8,146	—	38,587	40,195	86,928
Transferred to programme related investments (note 15)	—	(8,502,514)	—	—	—	(8,502,514)
Disposals and eliminations	—	(567,213)	(85,973)	(638,605)	(82,938)	(1,374,729)
At 31 December 2021	5,912,059	7,323,501	42,623	125,608	357,722	13,761,513
At deemed cost based on valuation in 1993	805,000	—	—	—	—	805,000
At deemed cost based on valuation in 1996	200,000	—	—	—	—	200,000
At cost	4,907,059	7,323,501	42,623	125,608	357,722	12,756,513
	5,912,059	7,323,501	42,623	125,608	357,722	13,761,513
Depreciation						
At 1 January 2021	—	7,442,648	—	459,662	358,174	8,260,484
Charge for the year	—	183,541	—	45,788	30,038	259,367
Transferred to programme related investments (note 15)	—	(4,583,656)	—	—	—	(4,583,656)
On disposals and eliminations	—	(184,898)	—	(437,921)	(79,145)	(701,964)
At 31 December 2021	—	2,857,635	—	67,529	309,067	3,234,231
Net book values						
At 31 December 2021	5,912,059	4,465,866	42,623	58,079	48,655	10,527,282
At 31 December 2020	5,912,059	8,942,434	128,596	265,964	42,291	15,291,344

14 Tangible fixed assets (continued)

Under previous Generally Accepted Accounting Practice, a number of freehold and long leasehold properties were held at book values based on Trustees' valuations made in 1993, 1996 and 1997 based on open market value at the date of valuation. As permitted under the transitional provisions of FRS 102 (section 35), the Charity has elected to use these valuations as deemed cost.

The remaining properties and other tangible fixed assets are held at cost less accumulated depreciation where applicable.

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

Furniture and equipment with a carrying value of £83,472 and depreciation of £144,178 held under finance leases was donated to Marillac Neurological Care Centre at midnight on 31 March 2021 when it became an independent charity.

Capital commitments

At 31 December 2021 the Charity had no capital commitments (2020 - £nil).

15 Investments

	2021 £	2020 £
Investment land	3,000,000	3,000,000
Listed investments	33,439,906	33,169,819
Foreign exchange contracts	89,125	90,462
Programme Related Investments	4,298,510	1,264,322
	40,827,541	37,524,603

Investment land

The Charity has owned and occupied land at Lanark, Scotland since 1949 and for many years the Sisters operated a hospital on the site. Since the closure of the hospital, the Charity has been exploring how best to utilise the land for the benefit of its charitable objects. Initially, this involved discussions with a property developer about a disposal of the land for residential property development. Unfortunately, the collapse of the housing market and the severe financing restrictions since 2008 have led to interest by developers being extremely limited.

The value of the land was reduced to £3 million in 2019 to reflect its value on the open market as estimated by an independent valuer. This value does not include any premium for development value. The Trustees are of the opinion that there had been no change in the market value of the land as at 31 December 2021.

15 Investments (continued)

Listed investments

	2021 £	2020 £
Listed investments		
Market value at 1 January 2021	32,212,705	28,852,342
Additions	11,069,861	9,011,612
Disposals at opening book value (proceeds £13,570,138, gains £323,042)	(13,247,096)	(8,459,792)
Net gains on revaluation	2,241,958	2,808,543
Market value at 31 December 2021	32,277,428	32,212,705
Cash held by investment managers	1,162,478	957,114
	33,439,906	33,169,819
Cost of listed investments at 31 December 2021	27,362,902	27,470,042

In addition, during the year, the investment manager carried out some trades in derivatives and the resulting realised and unrealised losses amounted to £8,461 (2020 gains - £317,608).

Listed investments held at 31 December 2021 comprised the following:

	2021 £	2020 £
. Government Bonds	2,139,857	2,884,585
. Non-Government Bonds	1,435,517	2,540,817
. UK Equities and Equity Trusts	5,453,832	5,296,545
. Global Equities	15,633,372	17,049,694
. UK Property and Unit Trusts	1,075,564	967,003
. Alternative Investments	4,041,496	3,474,061
. Liquid Assets	2,497,790	—
	32,277,428	32,212,705

At 31 December 2021 listed investments included the following individual holdings, all of which are deemed material holdings in the context of the entire portfolio valuation as at that date:

	2021		2020	
	Market value of holding £	Percentage of portfolio %	Market value of holding £	Percentage of portfolio %
Sarasin Responsible Corp Bond Inc	1,435,517	4.45%	2,540,817	7.89%
ICS-Sterling Liquidity Fund - Acc	2,497,790	7.74%	—	—

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

15 Investments (continued)

Listed investments (continued)

Gains on foreign exchange contracts for the year ended 31 December 2021 consisted of the following:

	2021 £	2020 £
Foreign exchange contracts		
Fair value loss on settlement (settled cost: £3,641; market value: £nil)	(3,641)	(261,060)
Fair value gain on unsettled contracts (unsettled cost: £5,731,190; market value: £5,642,066)	89,124	90,461
Total gains (losses) on foreign exchange contracts	85,483	(170,599)

Nature and extent of risks arising from financial instruments

The aim of investment risk management is to minimise the risk of an overall reduction in the value of the portfolio and to maximise the opportunity for gains.

The Trustees monitor the underlying risks to which the investments are exposed through reviews with the investment managers. The risks to which the investments are exposed include market and credit risk. The exposure to market risk is mitigated by the Charity investing in a diverse portfolio of investments across various markets. Bonds and bond like instruments are exposed to credit risk but exposure to credit risk is minimised by only investing in bonds that are subject to a minimum credit rating.

Liquidity risk represents the risk that the Charity will not be able to meet its financial obligations as they fall due. The Trustees monitor cash flows and take steps to ensure that there are adequate cash resources to meet the Charity's commitments.

Currency risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The fund is exposed to currency risk on financial instruments that are denominated in any currency other than the functional currency of the fund (UK sterling).

Programme related investments

	2021 £	2020 £
Carrying value at 1 January 2021	1,264,323	1,322,422
Transfer from tangible fixed assets at net book value (note 14)	3,918,858	—
Disposals in year	(884,671)	(58,099)
Carrying value at 31 December 2021	4,298,510	1,264,323

During 2019, four properties owned by the Charity but occupied by St Joseph's Services, Rosewell as houses of multiple occupancy for people with learning disabilities, were reclassified as programme related investments in these accounts, having previously been classified as functional freehold properties used for supported living within tangible fixed assets. The programme related investments were transferred from tangible fixed assets at their book value as at 31 December 2019.

15 Investments (continued)

In 2021 these four properties were sold to St Joseph's Services, Rosewell. This sale was agreed after both the Charity and St Joseph's Services had taken independent professional advice and after taking in to consideration the fact that both are registered charities.

With effect midnight on 31 March 2017, the activities carried out by The Space, Govanhill were transferred to The Louise Project Limited, a charity registered in Scotland with the Office of the Scottish Charity Regulator (Charity Registration No. SC047316) and a company limited by guarantee incorporated in Scotland (Company Registration No. SC555365). At that date a property owned by the Charity but occupied by The Louise Project Limited, at a reduced market rent was reclassified as a programme related investment in these accounts, having previously been classified as functional freehold property within tangible fixed assets.

With effect from midnight on 31 March 2021, the activities carried out by the Marillac were transferred to Marillac Neurological Care Centre, (Charity Registration No. 118,4495) and a company limited by guarantee (Company Registration No. 12085591). At that date a property owned by the Charity but occupied by Marillac Neurological Care Centre, at a reduced market rent, was reclassified as a programme related investment in these accounts, having previously been classified as functional freehold property within tangible fixed assets.

16 Debtors

	2021 £	2020 £
Residential and care home fees	7,176	564,236
Prepayments and accrued income	80,886	161,307
Loan to St Joseph's Services (note 24)	463,100	—
Other debtors	3,990	16,721
	555,152	742,264

17a Creditors: amounts falling due within one year

	2021 £	2020 £
Residential, care and support establishment fees in advance	—	22,400
Redress Scotland	1,976,000	—
Expense creditors	51,917	146,690
Social security and other taxes	27,506	101,342
Other creditors	18,670	19,500
Monies administered by the Charity on behalf of individual members of the Daughters of Charity of St Vincent de Paul	61,249	70,868
Money held on behalf of the Ethiopian Province of the Daughters of Charity of St Vincent de Paul	90,767	86,890
Grant payable to St Vincent's Family Project (note 24)	40,000	40,000
Grant payable to Out There (note 24)	—	66,000
Accruals	22,800	80,304
Finance lease obligations (note 26)	—	45,540
	2,288,909	679,534

17a Creditors: amounts falling due within one year (continued)

During the year, the trustees committed to contribute £10,000,000 to Redress Scotland from 2021 to 2026 inclusive. A liability has been recognised, within creditors falling due within one year and provision for liabilities (note 7) discounted to present value using a discount rate of 5% per annum, the expected average yield from investments earned by the Charity. The liability at 31 December 2021 represents contributions which the trustees have committed to paying in the years 2022 to 2026. The notional interest will be debited to the statement of financial activities as the discount is “unwound”.

The contributions payable are as follows:

	Discounted amounts		Gross amounts	
	2021 £	2020 £	2021 £	2020 £
Creditor due within one year	1,976,000	—	2,000,000	—
Provision for liabilities	5,942,000	—	7,000,000	—
	7,918,000	—	9,000,000	—

The movement in liability for the contributions is as follows:

	2021 £	2020 £
Total contributions payable at 1 January 2021	—	—
Contributions committed during the year	8,918,000	—
Contributions paid during the year	(1,000,000)	—
Total contributions payable at 31 December 2021	7,918,000	—

17b Creditors: amounts falling due after more than one year

	2021 £	2020 £
Grant payable to St Vincent's Family Project (note 24)	40,000	80,000
Finance lease obligations (note 26)	—	36,116
	40,000	116,116

18 Permanent endowment funds

The capital of these funds must be preserved, although the income may be used in accordance with the terms of the relevant endowment at the discretion of the Trustees.

	At 1 January 2021 £	Movement in year £	At 31 December 2021 £	At 1 January 2020 £	Movement in year £	At 31 December 2020 £
Salisbury fund	254,175	—	254,175	254,175	—	254,175
Wigmore Street Trust fund	—	—	—	194,816	(194,816)	—
	254,175	—	254,175	448,991	(194,816)	254,175

18 Permanent endowment funds (continued)

The Salisbury fund was established in 1871 by deed of trust when several properties located in Salisbury were gifted to the Daughters of Charity of St Vincent de Paul to be held as an endowment in perpetuity. The properties were vested in the name of the Charity by means of a Scheme of the Charity Commissioners dated 2 June 1965 and a Vesting Order dated 16 May 1997. The properties were sold during the year ended 31 December 1998, following approval from the Charity Commission. The proceeds are to be held as permanent endowment.

The Wigmore Street Trust fund was established on 2 May 1965 by Deed of Trust. On 9 June 2005 the administration of the Trust was transferred from the Westminster Roman Catholic Diocesan Trust to the Daughters of Charity of St Vincent de Paul to be held as an endowment in perpetuity. With effect from 22 September 2020, the restrictions with respect to the expenditure of capital were released, such that any part of the capital can be spent as well as the income, in such manner as the Trustees may in their discretion think fit. As a consequence, during 2020 the balances on the fund were transferred to unrestricted income funds.

19 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purpose.

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	At 31 December 2021 £
Mission funds					
. Ethiopian	324,885	125,620	(133,740)	824	317,589
. Other mission funds	7,163	40,354	(44,685)	(824)	2,008
Other restricted funds	32,160	99,698	(131,858)	—	—
	364,208	265,672	(310,283)	—	319,597

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	At 31 December 2020 £
Mission funds					
. Ethiopian	406,413	94,207	(175,735)	—	324,885
. Other mission funds	7,514	25,931	(26,282)	—	7,163
Other restricted funds	23,885	116,024	(75,494)	(32,255)	32,160
	437,812	236,162	(277,511)	(32,255)	364,208

The mission funds comprise monies donated or granted to the Charity towards the work of members of the Roman Catholic Congregation, the Daughters of Charity of St Vincent de Paul, in overseas missions.

19 Restricted funds (continued)

Transfers from restricted funds to unrestricted funds represent the reimbursement of the unrestricted funds for expenditure.

20 Tangible fixed asset fund

	At 1 January 2021 £	Movements in year £	At 31 December 2021 £	At 1 January 2020 £	Movements in year £	At 31 December 2020 £
Tangible fixed assets fund	10,771,361	(244,079)	10,527,282	11,833,803	(1,062,442)	10,771,361

The tangible fixed assets fund represents the net book value of the Charity's tangible fixed assets used for the support of the Sisters and their ministry (i.e. excluding those applied for use by the residential and care service establishments and The Space, Govanhill). A decision was made to separate this fund from the General Fund in recognition of the fact that the assets are used in the day to day work of the Charity, and the fund value would not be realisable easily if needed to meet future contingencies.

21 Programme related investments fund

Group and charity	At 1 January 2021 £	Movement in year £	At 31 December 2021 £	At 1 January 2020 £	Movement in year £	At 31 December 2020 £
St Joseph's Services property	884,670	(884,670)	—	942,771	(58,101)	884,670
Marillac Neurological Care Services	—	3,918,858	3,918,858	—	—	—
The Louise Project Limited property	379,652	—	379,652	379,652	—	379,652
	1,264,322	3,034,188	4,298,510	1,322,423	(58,101)	1,264,322

The programme related investments fund represents the book value of those properties classified as programme related investments i.e. those properties occupied by St Joseph's Services, Rosewell, The Louise Project Limited and Marillac Neurological Care Centre at a reduced rent but used for purposes consistent with the charitable objectives of the Charity.

22 Designated funds

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

	At 1 January 2021 £	New designations £	Utilised/ released £	At 31 December 2021 £
Sisters' care and retirement fund	21,890,000	—	(1,190,000)	20,700,000
Residential care and support services fund	5,293,415	—	(5,293,415)	—
Development fund	2,000,000	—	(1,000,000)	1,000,000
Project fund	2,171,491	195,427	—	2,366,918
	31,354,906	195,427	(7,483,415)	24,066,918

22 Designated funds (continued)

	At 1 January 2020 £	New designations £	Utilised/ released £	At 31 December 2020 £
Sisters' care and retirement fund	22,463,000	—	(573,000)	21,890,000
Residential care and support services fund	5,636,863	—	(343,448)	5,293,415
Development fund	2,000,000	—	—	2,000,000
Project fund	2,016,309	155,182	—	2,171,491
	32,116,172	155,182	(916,448)	31,354,906

The funds have been designated for the following purposes:

♦ ***Sisters' care and retirement fund***

This fund consists of monies set aside by the Trustees to provide for the future costs of providing nursing and care costs to elderly Sisters and also to provide for Sisters of retirement age who are still active and not in need of care. The value of the fund is based on actuarial calculations which show that it will need to be preserved in order to provide for the Congregation's 106 Sisters within the British Province.

♦ ***Residential, care and support services fund***

This fund represented the net assets (including freehold land and buildings) of the residential and care service establishments operated by the Charity.

♦ ***Development fund***

This fund represents monies set aside for new initiatives and projects newly established as well as buildings developments at the residential, care and support establishments.

♦ ***Project fund***

This fund represents monies set aside for use by particular projects, principally the missionary work of the Sisters overseas.

23 Analysis of net assets between funds

	Tangible fixed assets £	Investments £	Net current assets £	Long term creditors and provisions £	At 31 December 2021 Total net assets £
Capital funds					
Endowment funds	—	—	254,175	—	254,175
Income funds					
Restricted funds			319,597		319,597
Unrestricted funds					
. Tangible fixed assets fund	10,527,282	—	—	—	10,527,282
. Programme related investments fund	—	4,298,510	—	—	4,298,510
. Designated funds	—	24,066,918	—	—	24,066,918
. General fund	—	12,462,113	90,621	(5,982,000)	6,570,734
	10,527,282	40,827,541	664,393	(5,982,000)	46,037,216

23 Analysis of net assets between funds (continued)

	Tangible fixed assets £	Investments £	Net current assets £	Long term creditors and provisions £	At 31 December 2020 Total net assets £
<i>Capital funds</i>					
Endowment funds	—	—	254,175	—	254,175
<i>Income funds</i>					
Restricted funds	—	—	364,208	—	364,208
Unrestricted funds					
. Tangible fixed assets fund	10,771,361	—	—	—	10,771,361
. Programme related investments fund	—	1,264,322	—	—	1,264,322
. Designated funds	4,519,983	26,057,491	813,548	(36,116)	31,354,906
. General fund	—	10,202,790	1,904,680	(80,000)	12,027,470
	<u>15,291,344</u>	<u>37,524,603</u>	<u>3,336,611</u>	<u>(116,116)</u>	<u>56,036,442</u>

The total unrealised gains as at 31 December 2021 constitute movements on revaluation and are as follows:

	2021 £	2020 £
Unrealised gains include above on:		
On listed investments	<u>4,914,528</u>	<u>4,742,663</u>
Reconciliation of movements in unrealised gains:		
At 1 January 2021	<u>4,742,663</u>	2,205,049
In respect to disposals in the year	<u>(2,070,092)</u>	(270,927)
Net gains arising on revaluation	<u>2,241,957</u>	2,808,541
At 31 December 2021	<u>4,914,528</u>	<u>4,742,663</u>

24 Related party transactions with connected organisations

A summary of organisations connected to the Charity and transactions with the Charity are given below:

- ♦ The Daughters of Charity of St Vincent de Paul Charitable Trust (the Charitable Trust) is connected to The Daughters of Charity of St Vincent de Paul Services (DCSVP Services) (Charity Registration No 1149326, Company Registration No. 07638065) by virtue of the fact that its Trustees are also the Trustees of the Charitable Trust.

Gifts in kind amounting to £140,364 (2020 – £140,364) representing facilities and staff costs was donated to DCSVP Services.

- ♦ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to St Vincent's Family Project (Charity Registration No 1142095) by virtue of the fact that three of the Trustees of the Project, who served during the year, were Daughters of Charity of St Vincent de Paul, one of which was also Trustee of the Charitable Trust.

24 Related party transactions with connected organisations (continued)

At 31 December 2020, the Charity had committed to make a grant of £120,000 to the Project payable over three years at £40,000 per annum.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to Vincentian Care Plus (Charity Registration No 1112473, Company Registration No 05321333) by virtue of the fact that Vincentian Care Plus was initiated by the Congregation and the fact that three of the Trustees of Vincentian Care Plus who served during the year were Daughters of Charity of St Vincent de Paul.

During the year the Charitable Trust received £20,000 from Vincentian Care Plus (2020 - £80,000) in gratitude for the donations made by the Charity to help with cash flow. Now that Vincentian Care Plus is beginning to generate a surplus, its Trustees felt it only appropriate to give back some of the funds that had been donated.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to Out There Supporting Families of Prisoners Limited ('Out There') (Charity Registration No 1120342, Company Registration No 6239170) by virtue of the fact that Out There Supporting Families of Prisoners Limited was initiated by the Congregation and the fact that three of the Trustees of Out There Supporting Families of Prisoners Limited who served during the year were Daughters of Charity of St Vincent de Paul, one of which was also a Trustee of the Charitable Trust.

In 2015, a grant of up to £250,000 from the Charitable Trust to Out There was agreed, to be paid in instalments. At 31 December 2021 the maximum remaining grant payable to Out There was £66,000 (2020 - £66,000). However, as this grant was no longer required, the Charitable Trust has credited back to expenditure on donations and grants in the statement of financial activities.

During the year the Charitable Trust paid Out There £3,000 in return for the hire of a room.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to Vincentian Volunteers (Charity Registration No 1161536) by virtue of the fact that Vincentian Volunteers was initiated by the Congregation and the fact that two Sisters sit on the Board, one of whom is also a Trustee of the Charitable Trust, and a Sister is the Director of Vincentian Volunteers.

During the year the Charitable Trust gave a donation of £5,000 (2020 - £5,000) to the Vincentian Volunteers.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to St Joseph's Services (Charity Registration No SC045482 (Scotland), Company Registration No SC500182 (Scotland)) by virtue of the fact St Joseph's Services was initiated by the Congregation. Three Sisters who sit on the Board of the company are Daughters of Charity of St Vincent de Paul, one was also a Trustee of the Charitable Trust.

24 Related party transactions with connected organisations (continued)

In March 2021 four properties were sold to St Joseph's Services, Rosewell. This sale was agreed after both the Charity and St Joseph's Services had taken independent professional advice and after taking in to consideration the fact that both are registered charities. The proceeds from properties sold to St Joseph's Services, Rosewell amounted to £1,000,000. £500,000 was settled by St Joseph's Services as a bank transaction and a loan of £500,000 repayable over a 10 year period, with interest of 1% above the bank of England base rate was advanced by the Charity. £463,100 of this loan was outstanding at 31 December 2021 (2020 - £nil).

Included in programme related investment income is £2,070 (2020 - £20,000) being rent for New Lodge paid by St Joseph's Services to the Charitable Trust.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to The Louise Project (Charity Registration No SC047316 (Scotland), Company Registration No SC555365 (Scotland)) by virtue of the fact The Louise Project was initiated by the Congregation. Two Sisters who sit on the Board of the company are Daughters of Charity of St Vincent de Paul, one was also a Trustee of the Charitable Trust.

Included in programme related investment income is £13,750 (2020 - £15,000) being rent of the property occupied by The Louise Project and paid to the Charitable Trust.

A donation of £2,850 was made to The Louise Project by the Charitable Trust during the year (2020 - none).

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to Marillac Neurological Care Centre (Charity Registration No 1184495 (England and Wales), Company Registration No 12085591 (England and Wales)) by virtue of the fact MNCC was initiated by the Congregation. MNCC became an independent charitable company on 4 July 2019. Two Sisters who sit on the Board of the company are Daughters of Charity of St Vincent de Paul. Assets and liabilities relating to MNCC were transferred to the independent charitable company on 31 March 2021 and a donation of £600,000 was also made during the year. Further detail is given in note 10.

Included in programme related investment income is £54,000 (2020 - £nil) being rent of the property occupied by MNCC and paid to the Charitable Trust.

During the period 1 April to 31 December 2021, the Charitable Trust paid MNCC:

- £8,330 in relation to the community at Warley and £16,665 in relation to the Seton Care Unit at Warley (a unit specifically for the care of older Sisters) in respect of a rental charge for the use of the land and buildings.
- £12,500 in relation to the community at Warley and £20,000 in relation to the Seton Care Unit at Warley in recognition of the provision of catering facilities.
- a grant of £4,986 in relation to centenary artwork.

25 Ultimate control

The Charity, which is constituted as a Trust, was controlled throughout the period by the Daughters of Charity of St Vincent de Paul, British Province by virtue of the fact that the Sister Provincial of the Province appoints the Trustees. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the British Province are vested in the Trustees of the Charity, who undertake all transactions in the course of the Province's charitable activities.

26 Leasing commitments

Operating leases

At 31 December 2021, the Charity had the following future minimum commitments under non-cancellable operating leases in respect to equipment and motor vehicles:

Amounts falling due:	2021 £	2020 £
. Within one year	—	65,209
. After one but within five years	—	167,166
Total	—	232,375

Finance leases

At 31 December 2021, the charity had the following future minimum commitments under finance leases in respect to furniture and equipment:

Amounts falling due:	2021 £	2020 £
. Within one year	—	56,621
. After one but within five years	—	43,185
	—	99,806
Amounts representing interest	—	(18,150)
Total	—	81,656
Summary		
Amounts repayable within one year (note 17a)	—	45,540
Amounts repayable after one year (note 17b)	—	36,116
	—	81,656

27 Contingent liability in respect to alleged historic abuse

As detailed in note 7, the Daughters of Charity of St Vincent de Paul has contributed towards the funding of Redress Scotland, which has been established by Scottish Ministers to fund compensation payments to those who suffered historic abuse.

In addition to the contributions to Redress Scotland, at the date of signing this report, the Charity has received a number of specific claims in respect to alleged historic abuse. The Congregation continues to receive correspondence from new individuals and continues to address each claim or subject access request proactively from receipt. In a limited number of the claims received to date, it has been possible to retrieve records and progress investigations as far as possible given the limitations on available evidence. During the year to 31 December 2021, nine claims were settled without litigation, with the express approval in advance of the Trustees and after close consideration of legal advice, on the basis of an economic analysis, without admission of liability. One claim has so far been settled without litigation in 2022. No provision has been made in these accounts for the future settlement or cost relating to other intimated claims given the inevitable uncertainties that exist whilst investigations are progressed.

THE DAUGHTERS OF CHARITY OF ST VINCENT DE PAUL

England & Wales - Charity number 236803

Accounts

**Daughters of
Charity of St
Vincent de Paul
Charitable
Trust**

Annual Report and Accounts

31 December 2020

Charity Registration Numbers
236803 (England and Wales)
SC039155 (Scotland)

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Reference and administrative details of the Charity, its Trustees and Advisers

Trustees	Sister Moira Bain Sister Ellen T Flynn Sister Kathleen Fox Sister Kay Harte Sister Sarah King-Turner (appointed 5 March 2021) Sister Theresa Tighe Sister Maureen Tinkler (appointed 17 February 2021)
Sister Provincial	Sister Ellen Flynn
Provincial Treasurer	Sister Sarah King-Turner
Principal office	Provincial House The Ridgeway Mill Hill London NW7 1RE
Telephone	020 8959 2257
Facsimile	020 8959 7155
Charity Registration Numbers	236803 (England and Wales) SC039155 (Scotland)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC Bank plc Fenton House 85-89 New London Rd Chelmsford Essex CM2 0PP
Investment Managers	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU

Reference and administrative details of the Charity, its Trustees and Advisers

Solicitors

Womble Bond Dickinson LLP
4 More London Riverside
London
SE1 2AU

Holmes Mckillop
109 Douglas Street
Blythswood Square
Glasgow
G2 4HB

The Trustees present their statutory report together with the accounts of the Daughters of Charity of St Vincent de Paul Charitable Trust (the Charity) for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out on pages 41 to 50 of the attached accounts and comply with the Charity's Trust Deed, applicable laws, applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

INTRODUCTION

The Daughters of Charity of St Vincent de Paul (the Congregation) is an international Roman Catholic Religious Community of Women who have dedicated their lives to the service of poor, vulnerable and marginalised people. It was founded in France where its Generalate has its headquarters and is divided into a number of distinct Provinces in 91 countries, one being the British Province.

The Charity is a Charitable Trust on which the assets of the Congregation in England, Wales and Scotland are held. The Charity is governed by a Trust Deed dated 5 June 1964 and is registered under the Charities Act 2011 - Charity Registration No. 236803 (England and Wales). The Charity is also a registered charity in Scotland, Charity Registration No. SC039155 (Scotland).

MISSION

The object of the Daughters of Charity of St Vincent de Paul Charitable Trust, as set out in its governing document, is for *'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.'* Thus, it supports the charitable and religious works carried out by the members of the British Province of the Congregation.

By caring for the members of the Congregation throughout their lives, the Charity aims to enable and support the Sisters to live out their faith in the spirit of their founders, St Vincent de Paul and St Louise de Marillac, through the service of those most in need in society today.

The service or works of the Sisters of the Congregation are undertaken in the spirit of their founders, St Vincent de Paul and St Louise de Marillac who, in seventeenth century France, instilled into the first members of the Congregation the values of compassion, respect, love, forgiveness, justice and dignity.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The Sisters serve people of all cultures, religions and creeds with particular emphasis on those who are vulnerable in any way or suffering from poverty and injustice. Their 'work' falls into the following five areas:

1. Worship and Prayer
2. Social and Pastoral Work
3. Projects and Services – Marillac Neurological Care Centre (MNCC)
4. Caring for Members of the Congregation
5. Overseas Missionary Work

Each of the above areas is considered in turn over the next few pages.

1. WORSHIP AND PRAYER

Activities and specific objectives

"The apostolic action of the Daughters of Charity draws its strength from contemplation following the example of the Son of God who, intimately united with His Father, often went aside to pray." (Constitution C21a)

Each member of the Congregation is given every opportunity for daily private and communal prayer, times of worship and an annual eight day retreat for the development of her own personal understanding of and relationship with Jesus Christ.

Many opportunities are given to the wider community to join the Sisters during their times of prayer, as well as offering facilities for quiet times of reflection and/or study to people of all faiths and none. Throughout the Province, Sisters lead prayer services and offer spiritual guidance to people in their own homes, in hospitals, as well as in local parish churches. Opportunities to study and reflect on the life and spirit of the founders of the Congregation – St Vincent de Paul and St Louise de Marillac – as well as the Constitutions of the Congregation, are organised each year. Workshops on the Vincentian spirit and values are also offered to all the various organisations (religious and lay) throughout Britain who share this spirit.

The spiritual development and on-going formation of the Sisters is thus given utmost importance, as this is the foundation of all their charitable works and every service they give to people, especially those who are poor.

The Charity is committed to helping as many people as possible to join with the Sisters in living out the call of the Gospel to love God and thy neighbour.

Specific examples of this are as follows:

- Promoting the vision and values set out in the Gospel, including the promotion of human dignity and respect for all peoples and cultures, with special emphasis on those who are poor and vulnerable in our society.

1. WORSHIP AND PRAYER (continued)

Activities and specific objectives (continued)

- Having an open-door policy in many of our establishments, enabling people to come in and spend some quiet time in prayer and reflection.
- Leading short prayer services in the homes of those who are housebound and in residential care.
- Having a recognised office from where medals associated with Mary, the Mother of Jesus, are distributed to individuals and groups. This medal is known throughout the world as the 'Miraculous Medal'.
- Involvement in parish liturgies and celebration of the Sacraments especially with children and those wishing to become members of the Catholic Church.
- Providing opportunities for prayer and reflection for those who have been bereaved.
- Providing a daily structure of times for prayer and reflection as well as annual retreats for the members of the Congregation.
- Organising workshops and meetings on the spirit of the founders and the Constitutions of the Congregation.

The Sisters' personal and common life of prayer and their ever-deepening understanding of the spirituality of St Vincent de Paul and St Louise de Marillac, forms the bedrock from which stems all aspects of their service to people who are vulnerable.

2. SOCIAL AND PASTORAL WORK

Activities and specific objectives

Many members of the Congregation are involved in various forms of social or pastoral work throughout England, Wales and Scotland. This includes chaplaincy in hospitals, support of families and vulnerable children, especially those who are living in poverty, the befriending of elderly people, especially those living alone and in isolation, advocacy and practical help to asylum seekers, refugees and homeless people.

As the members of the Congregation devote their lives to serving people who are in need, many members are involved in various forms of social or pastoral work throughout England, Wales and Scotland in a voluntary capacity. The Mission Statement states:

'We choose to stand at "the cutting edge" with vulnerable and marginalised people and to open our eyes to the global issues of our world today.'

The following are examples of the activities undertaken by individual Sisters:

- **Hospital / hospice chaplaincy work** where Sisters aim to provide comfort and a listening ear to those who are ill and support to their families and hospital staff. They pray with and on behalf of those who are ill as well as giving Holy Communion to those who wish to receive it.

2. SOCIAL AND PASTORAL WORK (continued)

Activities and specific objectives (continued)

- **Visiting of vulnerable elderly people**, the object of which is to befriend, support and care practically for elderly people, especially those living alone and isolated in inner city areas.
- **Advocacy and assistance to asylum seekers and refugees**, the object of which is to support and to give a voice to those trying to survive in an alien culture, far from their homeland and family.
- **Working with people who are homeless**, the aim of which is to uphold their dignity and offer practical help, advice and rehabilitation.
- **Caring for people with disability**. Sisters provide pastoral care for people with a) visual impairment and b) learning disability. This care extends to the families and staff.
- **Parish work**, in which Sisters support local people, both young and elderly in a variety of ways, for example: spending time with those who are frail and lonely, bringing them Holy Communion and helping them to attend church services, and arranging social and catechetical activities for children.
- **Human trafficking awareness raising**, a new initiative in which four Sisters representing different geographical areas in the UK have become involved in small ways with local agencies working for the relief of victims of human trafficking. The Sisters also aim to heighten the awareness of the Province of the tragedy of this poverty which is sadly growing at an alarming rate in every town and city in the UK.

The objectives of the Trustees in this area include:

- To be faithful to the charism of the Congregation by offering service to those most in need in our society.
- To ensure that members of the Congregation receive appropriate training for the ministries in which they are involved.
- To be alert to needs as they appear and to respond when possible.
- To ensure, whenever possible, that Sisters are remunerated for their work by way of salary or stipend. Such income is given directly to the Charity, ensuring that the work of the Charity may continue into the future and develop.

2. SOCIAL AND PASTORAL WORK (continued)

Covid -19 – impact and response

The Covid-19 virus came as a thief in the night; a world-wide pandemic often likened to the Spanish flu of the 1920's. Its effect was to rob people of their livelihoods, children of their education, and thousands of people their access to healthcare; be it of planned surgery or on-going treatments for cancer. For a short period of time there were potential shortages of essential goods in supermarkets causing stock piling. In short, it caused an acute and chronic exacerbation of fear and loneliness, further enhanced by 'lockdown'. From the initial shock of being confined to a state of almost house arrest, people volunteered in their thousands to offer support often in the smallest of ways to vulnerable and elderly people.

The Daughters of Charity of St Vincent de Paul in each of their houses throughout Great Britain made a concerted effort to be part of this 'army of goodness'. The response was unique and focussed to their particular areas, but also global in their prayer for the needs of the world: Their ministry to be solace to the bereaved, listening ears to the lonely and a smiling face beneath a mask delivering essential goods to those most in need. Just simple, small acts of kindness to make a difference.

In Scotland, no longer able to visit and continue face-to-face pastoral care in a local parish in Glasgow, regular telephone ministry has been a key to continuity of care. This telephone ministry and the use of Zoom has been a boom to connectedness, a familiar voice is not a substitute for personal visits but it certainly fills a lonely heart with hope and the assurance of belonging to a Church community that has not forgotten them. One Sister volunteers with the Simon community sorting and packing essential goods in the warehouse. Menial work with the extraordinary reward of gratitude. Chest, Heart and Stroke Scotland called for volunteers for their 'Kindness Caller Scheme' to deliver shopping to people shielding in their own homes and this too has been part of the ministry of the Sisters in Glasgow.



2. SOCIAL AND PASTORAL WORK (continued)

Covid -19 – impact and response (continued)



The Louise Project – The Space, is a subsidiary of the Daughters of Charity of St Vincent de Paul Services (DC Services) and its main focus is service to the Roma community. During lockdown three of the Sisters based in Glasgow have been helping to pack, collect and deliver food parcels and vital goods to the Roma community who would have normally made good use of the community and educational facilities The Space offers. A listening service has also been set-up; a dedicated phone line for help and support operated around the clock.

Over to the east of Scotland, to the south of Edinburgh, nestles the small village of Rosewell, which has been associated with the Daughters of Charity for almost 100 years. St Joseph's is now a subsidiary of DC Services and cares for people in the community with learning disabilities. St Joseph's has a large staff team caring for approximately 80 – 90 clients in shared and individual homes. Two Sisters still contribute to the life of the village and to the pastoral care of the clients.

As Daughters of Charity we are not immune or untouched by the hardships that this pandemic has brought: confinement, remoteness from family, cancellations of hospital appointments etc. One Sister stated that 'part of our role is the acceptance of infirmities/limitations in solidarity with our neighbours and to be present to them for now, at the end of a telephone,' *"to weep with those who weep and to rejoice with those who rejoice!"*

Moving down from Rosewell to the north eastern coast and the City of Hull, our Sisters here have been active in the changing face of their various ministries, from person-to-person to face-to-face meetings on Zoom for Adult Formation. They too have been helping the local Methodist Minister in the packing and preparation of food parcels. As a little extra, some of the community have been baking scones and leaving little parcels through parishioners' letter boxes. These little parcels are as anonymous as the source of the virus, but convey their care for their neighbours in a mouthful of home-made delight!

2. SOCIAL AND PASTORAL WORK (continued)

Covid -19 – impact and response (continued)

Our next hub of activity is in Hulme, Manchester. In the initial stages of the pandemic The Marillac, our nursing facility in Essex for people with Acquired Brain Injury, were looking for laundry bags for the staff, so that they could deposit their nursing scrubs/uniforms after the shift and put them straight into the wash. The Sisters in Hulme set about making these bags and The Marillac was delighted to receive them, every little helped in infection control and to keep the virus contained. The community were involved in preparing food parcels with the St Vincent De Paul Society members, and they also donated gift and food parcels for Christmas to the local school. Life had changed but still went on! The teaching of English to refugees went ahead on zoom, as well as a ministry of pastoral care via the telephone, heralding hope for the future.



Moving east along the M62 to Liverpool. Unable to visit the residents in Christopher Grange, because of the restrictions placed on care homes, the Sisters living there, like the Hulme community, made themselves useful in making laundry bags for the staff in The Marillac. Although not able to visit the units the Sisters were a reminder to staff and residents that they were being cared for in their daily prayers. Pastoral care has taken on a new shape throughout the Province.

The efforts of the three houses in Southport during the pandemic can be expressed as, prayer, prayer and more prayer! The Sisters in St Louise's and Santa Barbara helped with food collections in the local parish for the food parcels and for the local Food Bank. The Parish Priest was also keen that the communities prayed for all bereaved families, and especially the people of the Parish who were bereaved.

Cardiff, our only remaining house in Wales, gave daily support to vulnerable Asylum Seekers, and one Sister continues to work with a team to lobby the Government to move these vulnerable people off the streets into suitable accommodation. This work with people seeking asylum is a unique project and, as day services to this group of people have come to a halt at present, and there is little help available to them, contact is maintained by Zoom and telephone when available!

2. SOCIAL AND PASTORAL WORK (continued)

Covid -19 – impact and response (continued)

The first house encountered in London, about a ten-minute drive from the M1 is The Provincial House. The work here of the Sisters is mainly concerned with the administration of the business of the Province. During the initial phase of the 'lockdown' they hosted two other communities within their bubble, Abbey Wood and Horseferry Road. They, too, were mindful of the needs of the world and brought the various needs to prayer daily. Sisters were still able to access their offices on-site and were able to keep the rest of the Province viable. Zoom became the fulcrum of communication, and connectedness. The Provincial is based here and she must be the world's most experienced at Zoom; keeping the Sisters around the Province in-touch and informed, as well as being eager to let the Sisters know if there were other areas of service to respond to during this time of lockdown. It could be likened to an operations room during the war, directing troops against, in this instance, an unseen enemy.

The Sisters in Farmside, in Pinner, were unable to visit St Vincent's Nursing Home, but continued in the usual manner to have prolonged periods of prayer for the intentions of staff and residents, as well as the intentions of the parish. One Sister kept up telephone contact with the people she usually visited in her parish.

In Central London, The Passage, normally a thriving hub of activity and service to homeless people, found temporary accommodation for most of their clients. The Sisters live on this same site and had an increasing number of homeless people come to their door with varying needs and requests. One young man had been abandoned by his friend and was homeless. He had a sister who lived on the south coast and knew if he could get to where she was living he would get a place. He was polite, gentle and grateful when a bus ticket was bought for him, and food to keep him going; he said he had never encountered such concern and kindness. Homelessness was less evident in the first phase of lockdown but there were some who still seemed to prefer the familiarity of London streets for whatever reason. The Sisters were there as continuity, as a touchstone of familiarity, and as a subtle non-judgemental presence. They prayed daily and intentionally for the needs of the world at the height of the pandemic.



St Irenaeus was once asked that if he knew that the world would end tomorrow what would he do? He replied that he would keep on sweeping the corridor. In other words, he would keep on doing what he had been asked to do. As Daughters of Charity we continue our lives of service through this pandemic, and it may look entirely different to what it did 12 months ago, but we are trying to respond creatively and simply to evolving needs in our Province.

3. PROJECTS AND SERVICES - MARILLAC NEUROLOGICAL CARE CENTRE (MNCC)

MNCC has experienced Covid-19 and the global pandemic first hand. During the year it had cases of Covid in the building and managed and limited the spread effectively.

The pandemic has caused MNCC to follow Public Health England (PHE) and Government advice stringently. This has included the use of PPE and the restriction of workers and visitors. PPE costs have risen at an exponential rate, with some costs going from £8 a roll for aprons to £70 as people have sought to profiteer. The stores and procurement department has worked tirelessly to ensure that MNCC always had a stock of required PPE equipment for the safety of its staff and residents, but also ensured that they sourced items at the lowest available cost.

Whilst the Government and Local Authorities awarded grants to care providers, these were tightly constrained in that no monies could be spent on PPE equipment.

Surprisingly MNCC's occupancy remained strong throughout the pandemic as Commissioners continued to use its services.

Staffing could have been a major issue with the onset of the pandemic but the staff team has worked to an incredibly high level clinically and has attempted to cover shift shortfall. Absences could have been a major factor, but again the staff at MNCC have worked tirelessly and selflessly throughout. A huge thank you has to be said to all the staff at MNCC for their help and dedication throughout this unprecedented period.

Quality of care

The service completes regular audits to ensure that the management of the quality of care remains a focus for all of the staff who work at MNCC.

Care Quality Commission (CQC) compliance and other inspections

There have been no CQC inspections during the year 2020. The Home retains its rating of "Good". Interactions with the CQC with regard to notifications have been positive and well received.

Environmental Health Services awarded the Care Centre a '5 star' rating earlier this year, maintaining its status.

3. PROJECTS AND SERVICES - MARILLAC NEUROLOGICAL CARE CENTRE (MNCC) (continued)

Making our organisation stronger

The Executive Team at MNCC is proving to be effective in making decisions and completing its core job. The Head of Department level has proved supportive and constructive. MNCC has maintained and added to the Executive level staff and has changed some of the Heads of Departments, these changes have been made internally. This has enabled it to evaluate the service needs and recruit accordingly. MNCC is always evaluating the suitability of the senior team in order to deliver the service it promotes. MNCC appointed a new Director of Estates and Health and Safety alongside a new Director of Therapies. These two people will help to refocus the services to deliver the core services safely. MNCC has experience different pressures on the service over the past 12 months due to Covid-19 and the pressures and costs involved. MNCC holds business meetings every Monday to identify potential or actual discharges and identify new assessment and admissions ready to occupy the bed, ensuring that vacant beds are kept to a minimum. This has worked well, even remotely with vacant beds being minimal. These meetings also identified an over reliance on agency staff that could be better controlled by centralising the booking function. This was put in place at the tail end of the year and produced immediate results.

Safeguarding

MNCC has maintained its relationship with the Essex Safeguarding Team and any safeguarding concerns are raised and dealt with appropriately and quickly. All safeguarding alerts received have been communicated to the CQC and all have been resolved throughout the year. All residents were reviewed and the Essex Quality Inspection rated MNCC as good overall. Safeguarding teams and MNCC will keep an open dialogue to ensure that the safety of service users is paramount.

Vincentian Values training

All new staff at MNCC receive training upon commencement on Vincentian Values, which has been specifically requested by existing members of staff keen to ensure that the Values are ever present. This is coupled with prominent displays of Vincentian Saints on their feast days, alongside appropriate opportunities to celebrate and reinforce a Values led service.

The way forward

MNCC will continue to work closely with the Commissioners that it has built up good relationships with.

With effect from midnight on 31 March 2021, the activities, assets (excluding the freehold land and buildings) and liabilities of Marillac Neurological Care Centre were transferred from the Charity to an independent Charitable Company limited by guarantee and incorporated in England and Wales (Charity Registration Number: 1184495 and Company Registration Number 12085591). The new independent charitable company is a subsidiary of the Daughters of Charity of St Vincent de Paul Services.

4. CARING FOR MEMBERS OF THE CONGREGATION

Activities and specific objectives

As the average age of the Sisters increases, the need to provide residential care and support at home for our elderly Sisters grows each year. Thus, several Sisters are involved directly or indirectly in this Ministry and much attention is given to the provision of high quality accommodation. The Sisters operate three residential care homes for their own Sisters, each with its own registered manager and full complement of staff. Some lay people have also taken advantage of a few weeks or months of respite care, as well as a few having a permanent placement in one of these homes.

The Sisters also have a few properties that have been renovated to provide suitable accommodation for elderly Sisters who do not require immediate residential care, but whose mobility is compromised due to age or ill health.

The objectives of the Trustees in this area include:

- To ensure that all elderly members of the Congregation receive a high level of care in every aspect of their lives.
- To enable all members of the Congregation to continue in local houses and ministries for as long as possible.
- To review all local community houses to assess their suitability as homes for elderly or frail Sisters.
- To provide adaptations and aids when deemed necessary.

St Vincent's Home

The past year has been very different, with the effects of Covid-19 dominating everything we do and, as a result, the Sisters and staff have struggled to come to terms with these changes. Fortunately the year has passed quickly and we are now looking forward to more positive times ahead. All the Sisters and most of the staff team have had both their Covid-19 vaccine; this – together with the easing of lockdown - will enable the Sisters to get out more and enjoy welcoming visitors again. We can't wait to welcome the Priests and Sisters from Santa Barbara and St Louise's, and get the St Vincent's spirit back.

Over the last year we have redesigned our garden to be a more accessible and a welcome space for everyone to use and with the addition of a new platform lift, the Sisters will be able to access it easily. We have also designed a café area on the second floor – the Sisters have named this the 'Shangri-La.' This is where they can meet up for a coffee, and get some space away from everything.

The staff team have been remarkable in their efforts to keep Covid-19 out and keep the Sisters safe and well. We have introduced an enhanced housekeeping team who now work from 9am – 7pm seven days a week to ensure the home is kept clean and that any risk of Covid-19 transmission is managed effectively. This has proven invaluable. We have maintained a very stable and experienced team, who, we believe, have grown stronger as a result of Covid-19.

4. CARING FOR MEMBERS OF THE CONGREGATION (continued)

One of the Care team has taken over the activities within the home, this is more person centred and fits around the Sisters' requests. Mornings are taken up with Mass and prayers and Sister M has found ways to bring Mass into the Home via a live stream from many parts of the country. Zoom has become a familiar part of the Sisters' lives and it has enabled them to enjoy plenty of interaction with Mill Hill and the other communities.

We sadly lost Sister A.L. at the grand age of 103, very peacefully, in February this year, so we now have a community of nine and are all looking forward to new Sisters joining us in the future.

Sister M's first year has been very different to how we all expected it to be, but we have made the best of the situation and with dedication and teamwork, have worked through it very well.



As you can see we still managed to have some fun!

St Catherine's

St Catherine's day, month, year is now defined as pre and post Covid-19, the difference being night and day, light and darkness, freedom to restriction. Who would have thought that a virus could be so disruptive and covert as to cause mass disruption to every aspect of life throughout the world? In St Catherine's, as in other care homes, we were kept safe and free from the dreadful virus thanks to the skill and dedication of our staff, who are still as vigilant as ever in trying to keep all safe.

Life has not been normal nor could it be so, but life went on in an entirely different way and celebrations happened as creatively as possible. Even our daily Mass was delivered via the internet, a wonderful new concept of Church, and if desired could be viewed from many places, e.g. Morning Mass from Knock, or Clonard Monastery in Belfast, or even from our own Parish Church whilst all the while sitting in an armchair at home.

4. CARING FOR MEMBERS OF THE CONGREGATION (continued)

One of the Sisters was in hospital and had to quarantine on returning home to St Catherine's and another had a positive Covid-19 test although no symptoms, which meant all were confined to their rooms for 14 days. It was a trying time for all but after this time we had a party to celebrate some small semblance of freedom. Anyone who has ever visited St Catherine's is struck by the absolute cleanliness of the Home. However, despite this spotless environment it now has to be cleaned and cleaned ever more to prevent any kind of bacteria settling anywhere in the house! It is so clean that we would defy any kind of germ to settle here!!!



We have celebrated, perhaps in a more low key way, Jubilees, birthdays and freedom from quarantine parties! We are grateful to the staff for their total dedication and care during a very difficult time. We look forward to the day we can regain our freedom!

*2020 ended with a peaceful time in St Catherine's.
Our lovely lit up garden.*



4. CARING FOR MEMBERS OF THE CONGREGATION (continued)

Seton Care

With the lockdown starting in March 2020, we had to change a lot about Seton Care Home, the biggest difference being in social interaction with other members of the Daughters of Charity.



We celebrated Easter 2020 with the arrival of chicks to hatch. This was an activity greatly enjoyed as some of the Sisters come from farming communities.

Unfortunately, two Sisters passed away close together at the end of April and the start of May followed by the home having to go into isolation due to a positive Covid-19 result. So, we planned a vintage afternoon tea party with staff dressed as maids, bread pudding and cupcakes to celebrate the end of our isolation and the Queen's Birthday.



As 2020 came to an end, the Sisters became used to the 'new normal' and enjoyed the use of Zoom to communicate with family and the community and accessing Mass from all over the world, using tablets to do so.

Our hopes for 2021 are to plan a tea party once we can welcome visitors to join us, as the Sisters enjoy this kind of event. We also have plans in place for visits to the seaside and a sponsored step charity event for the summer.

5. OVERSEAS MISSIONARY WORK

The Community of Daughters of Charity was established in Ethiopia in 1927. At present, the Community has 14 branches in five regional states and seven dioceses. Its mission is to develop the potential of those served and to alleviate poverty through their participation, regardless of their religious beliefs and ethnic background.

The works of the Province of Ethiopia mainly include education; health care; women in Development Programs; home based care for the sick and the elderly; support for persons with disability and refugees; assistance to prisoners through outreach; prevention of human trafficking and rehabilitation of those who have been trafficked; pastoral work in Parishes and support to the youth and children in difficult situations. Moreover, as Daughters of Charity, we have a duty to respond to any new forms of poverty and emergency calls.

5. OVERSEAS MISSIONARY WORK (continued)

Bruh Tesfa Kindergarten Wolaita

The Sisters have used the donations given for school fees to buy stationery, uniform, hygiene materials and food for the very unfortunate ones. This has affected the children's development in a positive manner. It enables them to attend the classes and receive a good education and a great improvement has been shown in their understanding. This has reduced the challenges the parents experience when they cannot afford to send their children to school. It has also reduced parents' challenges to find the fees and other essential needs of their children. The families are very grateful for all the support they get from the donations.



Jimma

The Daughters of Charity, Jimma Social and Developmental Work is aimed ultimately at the reduction of poverty and in creating productive citizens of the area through delivering different services at all levels, especially for the marginalized and poorest members of the community.

The children, especially those who are malnourished, have been supported through feeding (daily meal) and sanitary materials and as a result, their personal hygiene, health, education and their social attitude improved. They actively and happily participate both in classrooms and in the playground

The children appreciate their learning and don't like missing school.

The women, especially those who are very poor, have been supported to engage themselves in different Income Generating Activities like petty trading, vegetable and charcoal selling and baking injera (bread). As a result of their self-dependency, their motivation and their social attitude improved. They are very happy with themselves and they take care of their children. They participate actively in the society.



5. OVERSEAS MISSIONARY WORK (continued)

Jimma (continued)

Unfortunately, due to the political unrest in the North, it has been hard to get any reports from there. Covid-19 has had a negative effect on a lot of the Sisters' work in Ethiopia.

GRANTS AND DONATIONS

Grants, donations and other payments in support of missionary work and ministry are decided by the Trustees in consultation with other members of the Congregation, as appropriate. In the main, the Charity supports the work of the Congregation in overseas countries where there is the most need. Whilst the Trustees give occasional support to English, Scottish and Welsh organisations whose work is within the objects of the Charity, the Charity does not regard itself as a grant-making entity and applications for grants and donations are not invited.

INVESTMENTS

Policy - listed investments

The charity has a portfolio of listed investments with a market value of approximately £33.2 million.

In March 2019, the Trustees appointed Sarasin & Partners LLP as the Charity's sole Investment Managers. This decision was taken following a detailed review assisted by professional investment advisers.

There are no restrictions on the Charity's power to invest.

Investment Objectives

The Charity seeks to produce the best financial return within an acceptable level of risk.

The investment objective for the long-term portfolios of the General and Ethiopian Funds is to generate a return of 3.5% in excess of inflation, as measured by the UK Consumer Price Index (CPI), over rolling 5 year periods, in order to protect the real value of the investment portfolio so that it can fund the future activities of the charity. In this context, long-term is taken to be five years plus. This level of growth ought to allow for income to be withdrawn, whilst allowing for the capital value to keep pace with inflation, after deduction of the investment manager's fees.

The establishment of a General Fund medium term portfolio is under consideration and would be a separate 'pot' of money which might be expected to be withdrawn over the next 5-10 years, in order to meet the current operational deficit requirement of c.£2 million or 7.1% per annum.

Ethical Policy

The policy is required to reflect the following concerns and to exclude direct, and where possible indirect, exposure to:

- any company earning more than 10% of their turnover from sale or production of alcohol, armaments, gambling or pornography;
- any company involved in the production of tobacco;
- any company involved in the production of single-purpose abortifacients, contraceptives, or engaged with scientific research on human fetuses.

INVESTMENTS (continued)

Policy - listed investments (continued)

The Trustees also wish the investment manager to be sensitive to the ethics and religious principles of the Trustees and to try to avoid any investments in contravention of these and to highlight areas of potential sensitivity. Particular concern is attached to issues related to the protection of human life and human rights, as well as discrimination against any sectors of society and the company's overall environmental impact. The Trustees expect the managers to apply Environmental, Social and Governance (ESG) criteria when selecting investments.

Management, Reporting and Monitoring

The Trustees have appointed Sarasin & Partners LLP to manage the investments on a fully discretionary management agreement in line with this investment policy.

The Trustees have appointed an Investment Committee, which includes both Trustees and the Director of Finance, which has responsibility for agreeing strategy and monitoring the investment assets. The investment manager will provide the following information on a quarterly basis: valuation of the investments, transaction report, cash reconciliation, performance analysis and commentary for this Committee to review. Once a year (at a minimum) the investment manager will be required to present in person to the Investment Committee. The Committee will review the information provided by the manager. Their recommendations are required to be ratified by the Trustees.

Policy - investment land

The Charity has owned and occupied land at Lanark, Scotland, since 1949 and for many years the Sisters operated a hospital on the site. Since the closure of the hospital, the Charity has been exploring how best to utilise the land for the benefit of its charitable objects. Initially, this involved discussions with a property developer about a disposal of the land for residential property development. Unfortunately, the collapse of the housing market and the severe financing restrictions since 2008 have prevented a disposal for this purpose.

The land continues to be owned with a view to disposal. As a consequence, in the accounts, the land is classified as investment land. It is the intention of the Trustees of the Charity to continue to seek buyers for this land and hence to maximise its value to the Charity.

Investment performance

During the year the Charity's listed investments achieved an income yield of 2.21% (2019 – 3.09%). The investments increased in value and the capital yield for the year was 9.55% (2019 - increase 7.73%). Throughout the year the Trustees have continued to liaise closely with the Charity's investment advisers and seek their advice.

FINANCIAL REPORT FOR THE YEAR

A summary of the results for the year can be found on page 36 of the attached accounts. Income for the year to 31 December 2020 totalled £8.82 million compared to £9.09 million in 2019. This decrease in income is partly due to legacy income of £93,949 (2019 - £354,480). There was also a decrease in income from listed investments. This fall in income was expected following the change in investment policy and the global pandemic. As the Charity's investments are now on a total return approach, direct income has been sacrificed for capital growth.

FINANCIAL REPORT FOR THE YEAR (continued)

Expenditure has decreased from £11.2 million in 2019 to £10.9 million in 2020. Staff costs have decreased by £93,950 mainly as a result of using less agency staff in the care establishments. Most areas of expenditure have seen reductions, resulting from the national lockdowns that happened during the year and the cautious approach to opening up of houses to outsiders for non-essential maintenance. Motor and travel costs have been effected by the 'stay at home' order and also 'stay local'. Other expenditure not directly affected by the pandemic has been tightly controlled during the year, to prevent even higher deficits as income fell.

Reserves policy

The Trustees have examined the requirement 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, the Charity's continuing commitment to residential and nursing care, the need to care for members of the Congregation and to respond to unforeseen emergencies, the level of free reserves should at least be equivalent to between six and twelve months' expenditure. The Trustees are of the opinion that this provides sufficient flexibility to cover shortfalls in income, adequate working capital to cover core costs, and will allow the Charity to meet its commitments to its residential and care work and to members of the Congregation, and will enable the Charity to cope and respond to unforeseen emergencies.

Financial position

The balance sheet shows total reserves of £56 million (2019 - £55.6 million).

Of this, £10.8 million (2019 - £11.8 million) is represented by tangible fixed assets used for the support of the Sisters and their ministry. A decision was made to separate this fund from the general fund in recognition of the fact that the tangible fixed assets are used in the day to day work of the Charity and the fund value cannot, therefore, be realised easily if needed to meet future contingencies.

The programme related investments fund amounts to £1,264,322 (2019 - £1,322,423). Four of the Charity's properties continue to be used by St Joseph's Services, a separately registered charitable company. One is a small residential care home, with the other three being houses of multiple occupancy for people with learning disabilities. The property used as the head office was sold by the Charity to St Joseph's Services last year.

A further property is used by The Louise Project Limited (formerly known as The Space), now a separately registered charitable company, for its head office and a drop-in centre.

Funds of £21.9 million (2019 - £22.5 million) have been set aside in the Sisters' care and retirement fund to provide for the Sisters' holistic needs going into the future.

FINANCIAL REPORT FOR THE YEAR (continued)

Financial position (continued)

The value of the fund has been calculated based on actuarial principles to provide for each of the Province's 106 Sisters. Given the increasing age profile of the Sisters and the lack of new vocations, this sum will provide only modest resources to look after the Sisters, many of whom will need increasing support and increasingly expensive residential and nursing care.

Funds of £5.3 million (2019 - £5.64 million) represent the accumulated net income of Marillac Neurological Care Centre (including tangible fixed assets of £4.3 million (2019 - £4.9 million), which has been designated by the Trustees for use by Marillac Neurological Care Centre only.

A further £2 million (2019 - £2 million) has been set aside towards the costs of developing new initiatives and those projects newly established, as well as enhancing the properties used by the Charity.

Finally, £2.17 million (2019 - £2 million) has been designated for use on specific projects by the Trustees. It is intended that such projects should principally be concerned with the missionary work of the Sisters overseas.

The endowment funds amounting to £254,175 (2019 - £448,991) comprise the Salisbury Fund, established in 1871 by a Deed of Trust, when several properties located in Salisbury were gifted to the Congregation. The 2019 figures also included the Wigmore Street Trust Fund established in 1965. Administration of this latter fund was transferred to the Charity during the year ended 31 December 2006 from the Westminster Roman Catholic Diocesan Trust. With effect from 22 September 2020, the restriction with respect to the expenditure of capital was released, such that any part of the capital can be spent as well as the income, in such manner as the Trustees may in their discretion think fit. Hence the balance on the fund has been transferred during 2020 to unrestricted income funds.

Restricted funds comprising monies given specifically for overseas missionary work totalled £332,048 (2019 - £413,927) at the end of the year. Other small restricted funds totalled £32,160 (2019 - £23,885).

Funds available to support the work of the Sisters in the future are shown as general funds on the balance sheet and amount to £12 million (2019 - £9.4 million). This figure needs to be considered in the light of annual expenditure of £10.8 million and the need to meet the challenges posed by the Covid-19 pandemic and its aftermath. The Trustees consider the Charity's free reserves to be adequate but not excessive.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

The British Province is governed by the Sister Provincial and four Sisters who form the Provincial Council. All are appointed by the Superioress General and General Council in Paris and are accountable to them. The Provincial and Council members are appointed for a period of six years, renewable for a further three-year period if required.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

The Trustees are members of the Community and are chosen for their personal qualities, their understanding and experience of the works and ministries of the Province and to ensure a varied skills mix.

At present, the Provincial Secretary, together with the Provincial and Provincial Council members, form the Board of Trustees. The Sister Provincial is always the Chair of Trustees by virtue of her office and she in turn appoints the other Trustees, of which there can be up to seven.

The Trustees are responsible for the policies, activities and assets of the Charity and for compliance with regulations and legislation including the Charities Act. The Trustees meet monthly to review developments with regard to the Charity, its activities and assets, and to make important decisions. Training continues to be provided for the Trustees in order that they are fully updated with current legislation.

The Trustees are incorporated under the provisions of Section 251 of the Charities Act 2011 as "The Incorporated Trustees of the Daughters of Charity of St Vincent de Paul".

The names of the Trustees at the date on which this Report was approved are set out as part of the reference and administrative details on page 1 of this Annual Report and Consolidated Accounts and brief biographical details on each of the Trustees are given below:

Sister Moira Bain

Sister Moira Bain entered the Daughters of Charity of St Vincent de Paul in 1968. Her early ministry was child care and she worked in various residential school settings and children's homes. A short period of three years was spent in Romania overseeing five children's homes for children who were HIV positive. She also has experience in Parish ministry and trained in Pastoral Leadership. She was instrumental in setting up and managing an organisation offering pastoral care to families of prisoners.

Sister Ellen Flynn

Sister Ellen Flynn has been a member of the Daughters of Charity of St Vincent de Paul since 1972, and formerly worked as the CEO of The Passage for nine years, helping homeless people in Central London. During that time she developed skills in charity management, governance, fundraising and project development as well as networking across London in all sectors of business and society. Prior to this, Sister Ellen has a background in education, initially working with disadvantaged young people in inner city schools, and later in adult formation including group facilitation, liturgy, music and management with the Christian Church. Sister Ellen was named Provincial of the Province of Great Britain in September 2015.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

Sister Kathleen Fox

Sister Kathleen Fox has been a member of the Daughters of Charity of St Vincent de Paul for over 40 years. She trained as a nurse for people with learning disabilities, and then as a general nurse. She worked for many years in St Joseph's, Rosewell and, with the introduction of the Community Care Act in 1992, was part of the team in the re-provisioning of the Service. She completed further training and holds degrees in Advanced Nursing and Healthcare Chaplaincy. Sister Kathleen also worked for a number of years in a hospice and has trained in palliative care.

Sister Kay Harte

Sister Kay Harte entered the Daughters of Charity of St Vincent de Paul in 1967 and is currently working in the offices as Secretary to the Provincial. After training as a rehabilitation worker for the visually impaired and interpreter for deaf/blind people, she worked in managerial positions in Glasgow and Liverpool. Prior to moving to Provincial House, she was manager of a community care home for elderly Sisters.

Sister Sarah King-Turner

Sister Sarah King-Turner entered the Daughters of Charity of St Vincent de Paul in 1980. Her early ministry was in running a day centre for the elderly and then a hostel for students. After training as a Social Worker she had experience working with families and children. Sister went on to set up a new project for homeless young people, the Depaul Trust, followed by several years in Community administration both in London and later in the Community's Mother House in Paris. She was Provincial from 2002-2008.

Sister Kathleen Kennedy (resigned [date])

Sister Kathleen Kennedy entered the Daughters of Charity of St Vincent de Paul in 1966. She worked in residential child care for fourteen years after which she ran a pre-school group in a primary school setting. She qualified as a teacher with Bachelor of Arts with Qualified Teacher Status (BAQTS) and taught in an inner city primary school for sixteen years. She worked as part of a city wide Evangelisation team in Hull before being appointed to the Provincial Council.

Sister Theresa Tighe

Sister Theresa Tighe has been a member of the Daughters of Charity of St Vincent de Paul for many years. Her training is in youth and community work and in pursuing that she provides a short counselling course as a way of supporting young people. Most of her experience has involved working with young people with disabilities and their families. She has also engaged with children and families through parish ministry.

Sister Maureen Tinkler

Sister Maureen Tinkler has been a member of the Daughters of Charity of St Vincent de Paul since 1971 and has lived and worked in numerous social priority areas in Great Britain. She trained as a secondary school teacher in Liverpool and also as a teacher of Hearing Impaired Children. She has been involved in the formation of novices and young Sisters. In the 1990's she served on the Province Leadership Team for 9 years and during that time served in hospital chaplaincy. She began the Vincentian Volunteers Gap Year and worked

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

in Youth Ministry in Langbank, Scotland. For 12 years she was the Director of Vincentians in Partnership, an umbrella body for the Vincentian organisations in Great Britain. She is currently the VIVAT Co-ordinator for the Daughter of Charity Services and is a member of the Province Leadership Team.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales and in Scotland requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the group for that period.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the Accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the Charity's Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Structure and management reporting

Five professional advisers ably support the Trustees, meeting together twice a year. The solicitors, accountant and surveyors, who comprise the Advisory Board, are always available for advice and guidance and especially prior to the making of any major decision.

The British Province comprises 106 Sisters, in 20 houses, of which 14 are situated in England, four in Scotland and one in Wales. These local communities are mostly situated in areas of towns and cities where it is believed that the Sisters can provide the greatest help to deprived and marginalised people. The Mission Statement states:

'We choose to stand at "the cutting edge" with vulnerable and marginalised people and to open our eyes to the global issues of our world today.'

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Structure and management reporting (continued)

Each of the local communities has a local Superior, appointed by the Provincial. She is responsible, with her Sisters in the community, for the services offered in the local area, for the financial management of the house, the upkeep of the property and the wellbeing of the Sisters. She is accountable to, and supported by, the Provincial and her Council, with whom there is regular communication and meetings. She submits her accounts monthly and budgets annually to the Provincial Treasurer who in turn draws up a three-year financial forecast for the Province, thus establishing a sound base for current and future planning.

Key management

The Trustees consider that they, together with the Finance and Business Director, the Care Home Managers, and the executive team of Marillac Neurological Care Centre, comprise the key management of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis.

All Trustees are members of the Congregation and whilst their living and personal expenses are borne by the Charity they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or key management.

The pay of the Finance and Business Director and the three Registered Care Home Managers is reviewed annually by the Trustees. The pay of the executive team of Marillac Neurological Care Centre is reviewed annually by the Centre's Advisory Committee which makes recommendations to the Trustees, who then consider whether or not to approve the proposal.

Pay is normally increased in accordance with average earnings. In view of the nature of operations of the care home and the national shortage of qualified nurses and care staff, the Trustees benchmark pay rates at Marillac Neurological Care Centre against pay levels in other similar charitable care homes and the National Health Service. The remuneration benchmarks used for all key management are based on published pay grades for nursing, care and administrative staff, but take into account additional responsibilities to ensure that the remuneration paid is fair and not out of line with that paid for similar roles.

Risk management

The Trustees undertake an annual review of the principal risks and uncertainties that the charity faces categorising the risks between:

- Governance and management
- Operational
- Financial
- Reputation
- Laws, regulations, external and environment

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk Management (continued)

Governance and management looks at the skills and training of its members and staff and the good use of its resources.

Operational looks at the risks inherent in the Charity's activities including the operation of its four care establishments – the members engaging in inappropriate activities, the unsuitability of buildings, poor maintenance, shortcomings in the service provided, difficulties with staff, poor health and safety, lack of a disaster recovery policy, etc.

Financial risks include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies, global downturn in markets, and so on.

Reputation looks at possible damage to the Congregation and/or the charity's reputation.

Laws, regulations, external and environment look at the effect of government policies, the consequences of non-compliance with laws and regulations and poor risk assessment in the charity's care establishments.

The Trustees regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures.

This work and the impact of Covid-19 and its aftermath have led to a number of key risks being identified for the Charity which are described below, together with the principal ways in which they are mitigated:

Risk 1. The increasing age profile of the Province

The average age of the Sisters in the Province at the end of 2020 was 81 years. The stark reality is that there are now more Sisters in residential care than there are under the age of 70 years. The risks entailed in this fact are multiple, as not only will the activities and ministries of the Sisters decrease, but the need for financial resources to pay for residential and nursing care costs will inevitably increase.

To mitigate the dilution of services for vulnerable people due to this increase in age and few, if any, younger women entering the Congregation, the Trustees created 'The Daughters of Charity of St Vincent de Paul Services', an "umbrella" charitable organisation formed to ensure the sustainability of projects and services started by the Congregation and that the values and ethos on which these services were built, remain strong and true (www.dcsvpservices.org). The Trustees are made up of both lay people and Daughters and have developed a training programme called VIVAT, where Vincentian values are shared with all staff, who in turn are asked to experience these values in the services they offer to others.

Regarding the ongoing care of the elderly members of the Congregation, the Trustees, as companions and friends for many years of all the elderly Sisters, desire to provide excellent care for them. The Trustees also know that there is both a moral and legal obligation to do so, as the Sisters do not have resources of their own, as all earnings, pensions and other

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk Management (continued)

income have been donated to the Charity under a Deed of Covenant.

Thus there is now a dedicated fund for this need, the value of which has been based on actuarial principles. Also, as previously stated on pages 14 to 16, the Trustees ensure that residential care of a high standard is delivered to those Sisters most in need of it, as well as ensuring that at least another three houses are fully equipped with all necessary aids and facilities to give elderly Sisters not in need of care, but unable to fulfil active ministries, as much independence as possible.

Risk 2. Loss on investments

The Charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The Trustees made a decision to move to a discretionary management arrangement with Sarasin & Partners LLP last year. The new investment managers have worked closely with the Trustees and the Finance and Business Director over the year to ensure the portfolios match with the ethical and other requirements of the investment policy.

The impact of Covid-19 hit the investments hard in March 2020 and the portfolio saw losses that had not been predicted. As a result and to spread some of the risks of the UK market, the investment manager started to move towards a more global approach to investment. Global equities now represent 53% of the portfolio compared to 49% at the end of 2019.

While the full extent of the unfolding economic slowdown is yet to be fully understood, we expect further deterioration of the global economy and hence greater volatility in the value of our investment portfolio. Whilst the Charity is a long term investor, the impact such volatility and the recession may have on investment income is of concern. The Trustees in conjunction with the investment managers will monitor the situation closely over the coming year.

Risk 3. Independence of Marillac Neurological Care Centre (MNCC)

The Trustees are in the process of separating MNCC from the main Charitable Trust. Although MNCC has a well-established executive team, this team will need to be guided through the process of independence, relying on the expertise of the Trustees. The Trustees will ensure the executive team receives the training needed for the governance of a charitable company and provide the support needed for independence.

As a newly formed charitable company, MNCC will require independent Trustees who have expertise in neurological care as well as in finance, legal and governance. Over the last 12 months Trustees have been recruited, initially as a board of advisers, then invited to become Trustees of the new charitable company.

With effect from midnight on 31 March 2021, the activities, assets (excluding the freehold land and buildings) and liabilities of Marillac Neurological Care Centre were transferred from the Charity to an independent Charitable Company limited by guarantee and incorporated in England and Wales (Charity Registration Number: 1184495 and Company Registration Number 12085591). The new independent charitable company is a subsidiary of the Daughters of Charity of St Vincent de Paul Services.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk Management (continued)

Risk 4. Protection of children and vulnerable adults

The Trustees recognise the absolute necessity of ensuring the protection and safeguarding of all those whom the Charity serves, especially children and vulnerable adults. All the Sisters in the Province and all members of staff and volunteers, who are in contact with people through their ministry, have an Advanced Disclosure from the Disclosure and Barring Service (DBS). The Trustees are committed to implementing all the policies and procedures of the Catholic Safeguarding Advisory Council, England and Wales (CSAC) and the National Office for the Protection of Children and Vulnerable Adults in Scotland (NOPCVA). They take responsibility for identifying, preventing, investigating and responding to all allegations or incidents of abuse. In the light of recent experience of the Inquiries below, the Charity has taken independent advice and revised all its policies and practices together with a new training programme.

In England and Wales, Professor Alexis Jay has been appointed by Her Majesty's Government to lead a public inquiry into institutional abuse of children (Independent Inquiry into Child Sexual Abuse). This Inquiry is considered to be the most comprehensive ever commissioned by any government and is expected to run for at least five years. The Trustees have, and will continue to, assist this Inquiry in every possible way as and when requested.

In Scotland, Lady Smith has been appointed to lead a public inquiry (The National Inquiry into Historical Abuse) commissioned by Scottish Ministers under the Inquiries Act 2005.

This Inquiry was set up on 1 October 2015 and was due to report to the Scottish Government Ministers by 1 October 2019 (now extended for as long as it takes) with recommendations to improve the law, policies and practices in Scotland. It has a wide remit and is considering all forms of historic child abuse in Scotland and in other areas to where Scottish children were sent.

The Inquiry hearings in relation to two of the Daughters of Charity's former homes began on 28 November 2017, as anticipated, and ran until 30 January 2018. The transcripts of the Inquiry over that period can be found on the Inquiry website.

The Inquiry's interim report on the case study into the Daughters of Charity's establishments at Smyllum Park in Lanark (Smyllum) and Bellevue House in Rutherglen (Bellevue), was published on 11 October 2018 and is also available on the Inquiry website.

On 11 October 2018, the Daughters of Charity made a public statement in the following terms:

"As Daughters of Charity we wish to thank Lady Smith for her Report.

Lady Smith's findings describe events and practices which are totally out of keeping with the fundamental values which underpin our life and mission and we are committed to giving this Report our utmost attention.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk Management (continued)

Risk 4. Protection of children and vulnerable adults (continued)

We most sincerely offer our heartfelt apology to anyone who suffered any form of abuse whilst in our care. Our respectful desire for the future is to build appropriate relationships with INCAS and others, to effect healing in whatever ways are possible for this generation."

The Daughters of Charity have considered the findings of the Report in detail and considered very carefully what lessons can be learned for the future in the Congregation's dealings with vulnerable people of all ages, and have considered safeguarding policies and procedures to ensure their adequacy, including working with Westminster Roman Catholic Diocese as Safeguarding Regulator.

The Inquiry did not and does not have the ability to make any findings of civil or criminal liability, but was and is only able to make recommendations for the future. In final submissions, the Daughters of Charity indicated to the Inquiry a willingness to listen to any conclusions which the Inquiry felt able to draw, based on the evidence before it, in relation to any instance of abuse which it was considered was established on the balance of probabilities to have taken place. The Daughters of Charity's consideration of the Report, and of safeguarding policies and actions in light of the Report, evidences this willingness to listen and put into practice.

Police Scotland has been involved following the evidence given by the Daughters to the Inquiry. The Daughters of Charity are seeking to engage with Police Scotland as fully and constructively as possible, and to provide information required, consistently and in a manner which is respectful of data protection obligations owed to Sisters, staff and former residents of the various establishments under consideration.

As the Daughters publicly stated at the time of the publication of the report on the case study, as it was then, remains at present, and will remain in the future their respectful desire to build appropriate relationships with Survivor Groups or individual survivors, to effect healing in whatever ways are possible.

The Scottish Government has, with effect from 25 April 2019, operated an Advance Payment Scheme for those aged over 70, or diagnosed with a terminal illness, who experienced abuse in residential care in childhood. Although applicants need only certify that they experienced abuse, without requiring to provide evidence of this or requiring to have their own word on this tested, it is necessary for applicants to provide evidence that they were resident in a qualifying establishment. The Daughters of Charity are therefore in almost daily contact at present with the Advance Payment Scheme validating applications as relating to former residents in their establishments. The Safeguarding and Archivist staff of the Daughters of Charity are engaging fully with the needs of the Advance Payment Scheme, in order to ensure that we facilitate processing of payments to those entitled to them.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk Management (continued)

Risk 4. Protection of children and vulnerable adults (continued)

In respect to Scotland, at the date of signing this report, the Daughters of Charity have received a number of claims. In the vast majority of these claims, at the time of intimation, social work and medical records had not been recovered by the claimant, and in those cases either the claimant is recovering those to relay to the Daughters of Charity, or the Daughters of Charity's solicitor is securing mandates for recovery of those records and is proactively progressing each of these claims. Through their legal team, the Daughters of Charity continue to receive correspondence from new individuals and continue to address each claim or subject access request proactively from receipt.

In a limited number of the claims received to date, it has been possible to retrieve records and progress investigations so far as possible given the limitations on available evidence. Three such cases have been settled without litigation, with the express approval in advance of the Trustees and after close consideration of legal advice, on the basis of an economic analysis, without admission of liability. None of these claims have, to date, resulted in litigation.

Fundraising policy

The Charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The Charity manages its own fundraising activities and does not employ the services of Professional Fundraisers. The Charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2020, the Charity received no complaints about its fundraising activities (2019 – none).

Concern for the environment

Conscious of the need for a sustainable environment and the responsibility each person and organisation has to care for the environment, the Trustees actively encourage the recycling of waste and reduction in energy consumption throughout the Charity's services and locations.

Public benefit

The Trustees confirm that they have complied with their duty under section 17 of the Charities Act 2011 to have regard to the Charity Commission's guidance on public benefit. The Trustees believe they have demonstrated in detail throughout this report the ways in which the charity has been faithful to this.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Employees, volunteers and members of the Congregation

The Trustees wish to record their recognition of the professionalism and commitment of all their staff and volunteers as well as the individual members of the Congregation. Their loyalty, dedication and positive approach to the service they give is crucial to the services provided to people in need throughout the Province and beyond. This is very much appreciated and never taken for granted.

Signed on behalf of the Trustees:



Trustee

Approved by the Trustees on: 15th July 2021

Independent auditor's report to the Trustees of Daughters of Charity of St Vincent de Paul Charitable Trust

Opinion

We have audited the accounts of Daughters of Charity of St Vincent de Paul Charitable Trust (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the comparative statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

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.

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

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the accounts are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and safeguarding regulations.
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- ◆ identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

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

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimate for the provisions for bad debts and the Redress Scheme were indicative of potential bias; and
- ◆ used data analytics to investigate the rationale behind any significant or unusual transactions.

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

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

- ◆ agreeing accounts disclosures to underlying supporting documentation;
- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

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

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act, and in accordance with 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

2 August 2021

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

Statement of financial activities Year to 31 December 2020

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £	Total funds 2019 £
Income:						
Grants, donations and legacies	1	2,012,969	193,032	—	2,206,001	2,516,109
Investment income and interest receivable	2	730,445	43,130	—	773,575	967,674
Charges for residential, care and support services	3	5,680,797	—	—	5,680,797	5,572,035
Other income						
. Surplus on disposal of tangible fixed assets		107,671	—	—	107,671	17,551
. Rent receivable		36,350	—	—	36,350	8,938
. Miscellaneous income		13,928	—	—	13,928	9,526
Total income		8,582,160	236,162	—	8,818,322	9,091,833
Expenditure:						
Cost of raising funds						
. Investment managers' fees		142,691	9,753	—	152,444	93,874
Expenditure on charitable activities						
. Provision of residential, care and support services	4	6,320,404	43,968	—	6,364,372	6,368,803
. Support of members of the Congregation and their ministry	5	3,959,524	31,526	—	3,991,050	4,499,311
. Charitable grants, donations payable and similar	6	200,403	192,264	—	392,667	201,826
Total expenditure		10,623,022	277,511	—	10,900,533	11,163,814
Net expenditure for the year before investment gains (losses)		(2,040,862)	(41,349)	—	(2,082,211)	(2,071,981)
Net investment gains (losses)						
. Listed investments		2,366,879	—	—	2,366,879	3,826,346
. Derivatives		317,608	—	—	317,608	—
. Investment land		—	—	—	—	(1,000,000)
. Foreign exchange (losses) gains		(170,599)	—	—	(170,599)	351,688
Net income (expenditure) for the year	8	473,026	(41,349)	—	431,677	1,106,053
Transfer between funds	18	227,071	(32,255)	(194,816)	—	—
Net movement in funds for the year		700,097	(73,604)	(194,816)	431,677	1,106,053
Reconciliation of funds:						
Balances brought forward at 1 January 2020		54,717,962	437,812	448,991	55,604,765	54,498,712
Balances carried forward at 31 December 2020		55,418,059	364,208	254,175	56,036,442	55,604,765

A full comparative statement of financial activities is provided on page 37.

All activities of the charity comprised continuing operations during the above two financial years.

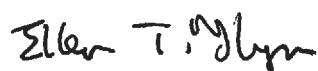
Comparative statement of financial activities Year to 31 December 2019

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2019 £
Income:					
Donations and legacies	1	2,379,627	136,482	—	2,516,109
Investment income and interest receivable	2	919,927	47,747	—	967,674
Charges for residential, care and support services	3	5,572,035	—	—	5,572,035
Other income					
. Surplus on disposal of tangible fixed assets		17,551	—	—	17,551
. Rent receivable		8,938	—	—	8,938
. Miscellaneous income		9,526	—	—	9,526
Total income		8,907,604	184,229	—	9,091,833
Expenditure:					
Cost of raising funds					
. Investment managers' fees		88,028	5,846	—	93,874
Expenditure on charitable activities					
. Provision of residential, care and support services	4	6,346,005	22,798	—	6,368,803
. Support of members of the Congregation and their ministry	5	4,499,311	—	—	4,499,311
. Charitable grants, donations payable and similar	6	115,953	85,873	—	201,826
Total expenditure		11,049,297	114,517	—	11,163,814
Net (expenditure) income for the year before investment gains (losses)		(2,141,693)	69,712	—	(2,071,981)
Net investment gains (losses)					
. Listed investments		3,826,346	—	—	3,826,346
. Investment land		(1,000,000)	—	—	(1,000,000)
. Foreign exchange gains		351,688	—	—	351,688
Net income for the year	8	1,036,341	69,712	—	1,106,053
Transfer between funds	18	20,343	(20,343)	—	—
Net movement in funds for the year		1,056,684	49,369	—	1,106,053
Reconciliation of funds:					
Balances brought forward at 1 January 2019		53,661,278	388,443	448,991	54,498,712
Balances carried forward at 31 December 2019		54,717,962	437,812	448,991	55,604,765

Balance sheet 31 December 2020

	Notes	2020 £	2019 £
Fixed assets:			
Tangible assets	12	15,291,344	16,734,303
Investments	13	37,524,603	35,209,224
		<u>52,815,947</u>	<u>51,943,527</u>
Current assets:			
Debtors	14	742,264	813,861
Short term deposits		1,603,926	1,603,305
Cash at bank and in hand		1,669,955	1,945,933
		<u>4,016,145</u>	<u>4,363,099</u>
Liabilities:			
Creditors: amounts falling due within one year	15a	(679,534)	(620,205)
Net current assets		<u>3,336,611</u>	<u>3,742,894</u>
Total assets less current liabilities		56,152,558	55,686,421
Creditors: amounts falling due after more than one year	15b	(116,116)	(81,656)
Total net assets		<u>56,036,442</u>	<u>55,604,765</u>
The funds of the charity:			
Capital funds			
Permanent endowment funds	16	254,175	448,991
Income funds			
Restricted funds	17	364,208	437,812
Unrestricted funds			
• Tangible fixed assets fund	18	10,771,361	11,833,803
• Programme related investments fund	19	1,264,322	1,322,423
• Designated funds	20	31,354,906	32,116,172
• General fund		12,027,470	9,445,564
		<u>56,036,442</u>	<u>55,604,765</u>

Approved by the Trustees and signed on their behalf by:



Trustee

Approved by the Trustees on:

15th July 2021

Statement of cash flows Year to 31 December 2020

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(2,019,621)	(2,257,678)
Cash flows from investing activities:			
Investment income received		758,284	947,234
Bank interest received		15,291	20,440
Proceeds from the disposal of tangible fixed assets		976,040	337,580
Purchase of tangible fixed assets		(158,320)	(146,928)
Proceeds from the disposal of programme related investments		58,099	333,369
Proceeds from the disposal of investments		8,335,736	33,957,868
Net cost of settlement of foreign exchange contracts		(287,834)	378,462
Purchase of investments		(9,011,612)	(30,734,671)
Net cash provided by investing activities		685,684	5,093,354
Cash flows from financing activities:			
Capital element of finance lease rentals		(45,540)	(45,540)
Net cash used in financing activities		(45,540)	(45,540)
Change in cash and cash equivalents in the year		(1,379,477)	2,790,136
Cash and cash equivalents at 1 January 2020	B	5,610,472	2,820,336
Cash and cash equivalents at 31 December 2020	B	4,230,995	5,610,472

Notes to the statement of cash flows for the year to 31 December 2020.

A Reconciliation of net movement in funds to net cash used in operating activities		
	2020 £	2019 £
Net movement in funds (as per the statement of financial activities)	431,677	1,106,053
Adjustments for:		
Depreciation charge	732,910	771,642
Net gains on investments, derivatives and foreign exchange	(2,513,888)	(3,178,034)
Investment income receivable	(758,284)	(947,234)
Bank interest receivable	(15,291)	(20,440)
(Surplus) deficit on disposal of tangible fixed assets	(107,671)	68,593
Surplus on disposal of programme related investments	—	(86,144)
Decrease in debtors	71,597	73,661
Increase (decrease) in creditors	139,329	(45,775)
Net cash used in operating activities	(2,019,621)	(2,257,678)

Statement of cash flows Year to 31 December 2020

B Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	1,669,955	1,945,933
Term deposits (less than three months)	1,603,926	1,603,305
Cash held by investment managers	957,114	2,061,234
Total cash and cash equivalents	4,230,995	5,610,472

C Analysis of changes in net debt

	2019 £	Cash flows £	2020 £
Cash at bank and in hand	1,945,933	(275,978)	1,669,955
Term deposits	1,603,305	621	1,603,926
Cash held by investment managers	2,061,234	(1,104,120)	957,114
Finance lease obligations	(127,196)	45,540	(81,656)
Balance at 31 December 2020	5,483,276	(1,333,937)	4,149,339

Basis of accounting

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

Basis of preparation

These accounts have been prepared for the year to 31 December 2020 with comparative information given in respect to the year to 31 December 2019.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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

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

Critical accounting estimates and areas of judgement

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

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

- ◆ assessing the probability of the receipt of legacy income;
- ◆ estimating accrued expenditure;
- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining a depreciation charge;
- ◆ estimating the market value of investment land;
- ◆ assessing the recoverability of outstanding debtors for residential and care home fees;
- ◆ determining the apportionment of expenditure between governance and support costs and between support costs and the various categories of expenditure on charitable activities;
- ◆ determining the value of designated funds needed at the year end, in particular in respect to the assumptions made in determining the value of the Sisters' care and retirement fund; and

Critical accounting estimates and areas of judgement (continued)

- ♦ estimating future income and expenditure flows for the purpose of assessing going concern (see below).

In addition to the above, the full impact of the continuing global Covid-19 pandemic is still unknown. Estimates used in the accounts, particularly with respect to the value of investment land (see note 13) are subject to a greater degree of uncertainty and volatility.

Assessment of going concern

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

They have also factored in to their considerations the fact that with effect from midnight on 31 March 2021, the activities, assets (excluding the freehold land and buildings) and liabilities of Marillac Neurological Care Centre were transferred from the Charity to an independent Charitable Company limited by guarantee and incorporated in England and Wales (Charity Registration Number:1184495 and Company Registration Number 12085591). The new independent charitable company is a subsidiary of the Daughters of Charity of St Vincent de Paul Services. In addition, the Trustees agreed to transfer an additional £600,000 to the new charitable company with effect from 1 April 2021. Full details of the net assets transferred are given in note 26 to these accounts.

The Trustees also acknowledge and recognise the potential impact of the continuing Covid-19 pandemic on the Charity. The Covid-19 pandemic has continued to change the shape and nature of the world. It has impacted not only the basic nature of the social interactions but has also had a significant economic impact at every level in ways which have been outside of the Trustees' control.

The full impact of the pandemic on the charity's income and expenditure and financial position following the emergence of the global Covid-19 pandemic is still not fully known. The charity's income will no doubt continue to be affected because of the falls in income from listed investments as the corporate sector, in particular, has reacted to the pandemic by reducing dividend payments. In terms of expenditure, the trustees remain aware of the need to carefully consider cash-flow when planning major projects.

During the current Covid-19 pandemic, the trustees continue to communicate with their investment managers and, whilst there are concerns over fluctuations in world stock markets, they acknowledge also that the charity is a long term investor. As such, the charity will be able to wait for markets to stabilise over time whilst the trustees keep a watching brief.

Undoubtedly there will be challenges ahead but the trustees do not expect material concerns to arise over the charity's financial position or going concern. The trustees have concluded that the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

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

Income comprises donations and legacies, investment income and interest receivable, charges for residential, care and support services and other income including the surplus on the disposal of tangible fixed assets.

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

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

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

Entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the Charity.

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

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

Income derived from the levying of charges for residential, care and support services is measured at the fair value of the consideration received or receivable, excluding discounts and rebates.

Income recognition (continued)

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

Funding from the Coronavirus Job Retention Scheme is credited to the statement of financial activities when the Charity becomes entitled to the monies and when the amount receivable has been quantified.

Other income is measured at fair value and accounted for on an accruals basis.

Expenditure recognition

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This relates to investment management fees only.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Charity through the provision of its charitable activities. Such costs include direct and indirect expenditure on the provision of residential, care and support services, direct and indirect costs in respect to the support of members of the Congregation and enabling their ministry, and the provision of charitable grants and donations.

Expenditure incurred in the provision of residential care and support services comprises all costs of providing nursing care for physically disabled persons at Marillac Neurological Care Centre.

Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

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

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Governance costs are included as a specific category within support costs.

Support costs are allocated to expenditure on charitable activities on the basis described in note 7 to these accounts.

Tangible fixed assets

All assets costing more than £2,500 and with an expected useful life exceeding one year are capitalised.

♦ ***Voluntary-aided schools***

The freehold of the land and buildings legally owned by the Charity and occupied rent free on behalf of the Trustees of the governing bodies of Catholic voluntary-aided schools, which are separate charities and publicly funded, are valued at £nil. The Trustees consider that no meaningful value can be attributed to these assets, since they are not used directly by the Charity, do not generate income and cannot be disposed of in the open market or put to alternative use while such occupation, which may be indefinite, continues.

♦ ***Other freehold land and buildings***

With the exception of one property, all land and buildings located in England and Wales and purchased prior to 1 January 1993 are included in the accounts at a valuation determined as at that date (the date on which the land and buildings were first incorporated into a set of statutory accounts). The valuations, which were determined by the trustees with professional assistance and based on market values as at 1 January 1993, were used in the absence of reliable cost figures being available due (in part) to the fact that many of the properties had been purchased many years earlier and cost figures could not be determined without considerable research - the cost of which, in the opinion of the trustees, would not be an appropriate or effective use of the charity's resources. As permitted by FRS 102, with effect from 1 January 2014 the values assigned to these properties are now deemed their cost.

One property situated in England was not incorporated into the statutory accounts until 1 January 1997 and, for similar reasons as set out above, it is included in the accounts at a valuation determined by the Trustees with professional assistance as at 1 January 1997 based on market value as at that date. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to this property is now deemed its cost.

All other freehold land and buildings situated in England and Wales have been purchased subsequent to 1 January 1993 and are included in the accounts at cost.

Tangible fixed assets (continued)

◆ ***Other freehold land and buildings*** (continued)

All land and buildings located in Scotland and purchased prior to 1 January 1996 are included in the accounts at a valuation determined as at that date (the date on which the land and buildings were first incorporated into a set of statutory accounts). The valuations, which were determined by the Trustees with professional assistance and based on market values as at 1 January 1996, were used in the absence of reliable cost figures being available due (in part) to the fact that many of the properties had been purchased many years earlier and cost figures could not be determined without considerable research - the cost of which, in the opinion of the Trustees, would not be an appropriate or effective use of the Charity's resources. As permitted by FRS 102, with effect from 1 January 2014, the value assigned to these properties is now deemed their cost. All freehold land and buildings situated in Scotland and purchased subsequent to 1 January 1996 are included in the accounts at cost.

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

Specialised buildings are defined as those comprising the Charity's care homes, health care establishments and large residential convents. Depreciation is provided at between 2% to 4% per annum on a straight-line basis to write the buildings off over their estimated useful economic life to the charity.

◆ ***Long leasehold property***

Long leasehold property comprising both specialised and non-specialised buildings is shown on the balance sheet at a valuation determined by the Trustees with professional assistance as at 1 January 1993 (the date on which it was first incorporated into a set of statutory accounts). The valuations were used in the absence of reliable cost figures being available due (in part) to the fact that many of the leasehold properties had been purchased many years earlier and cost figures could not be determined without considerable research - the cost of which, in the opinion of the Trustees, would not be an appropriate or effective use of the Charity's resources. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to these leasehold properties is now deemed their cost.

Long leasehold property is not depreciated until the period of the lease remaining is 50 years or less at which point it is depreciated on a straight line basis over the remaining period of the lease. All leasehold property is maintained to standards which ensure that its residual value is not less than its book value. Therefore, depreciation on such property with more than 50 years of the lease remaining is deemed immaterial.

Tangible fixed assets (continued)

♦ ***Furniture, plant and computer equipment***

Expenditure on the purchase and replacement of furniture, plant and computer equipment is capitalised and depreciated on a straight line basis over the estimated life of each asset, as follows:

Plant	- 10 years
Furniture and plant	- 5 years
Computer equipment	- 4 years

♦ ***Motor vehicles***

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

Fixed asset investments

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

Management of the Charity's investment portfolio includes the use of foreign exchange contracts including forward contracts. These are a form of complex financial instrument. They are recognised initially at their transaction value and subsequently measured at their fair value as at the balance sheet date, using the prevailing exchange rate at that date. Changes in fair value are credited (or debited) to the statement of financial activities in the year in which they arise.

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

Land held for investment is included in the accounts at the estimated current market value of the land based on disposal for development and the likelihood of residential planning consent being granted. The valuation has been determined by the Trustees after consultation with their professional property advisers.

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

Programme related investments

Programme related investments comprise properties owned by the charity but occupied by St Joseph's Services, Rosewell or by The Louise Project Limited.

St Joseph's occupies the properties at a peppercorn rent. St Joseph's is a charitable company registered with the Office of the Scottish Charity Regulator. The work carried out by St Joseph's Services is consistent with the charitable objects of the Charity and as such the properties are classified as programme related investments. They are stated at their book value at the date on which the properties were reclassified by the Charity from tangible fixed assets (i.e. functional properties) to programme related investments. No depreciation is charged on programme related investments. Impairment provisions, if any, are charged to the statement of financial activities when and if they arise and are classified as charitable expenditure.

The Louise Project Limited occupies the property at a reduced market value rent. The Louise Project Limited (the Project) is a charitable company registered with the Office of the Scottish Charity Regulator. The work carried out by the Project is consistent with the charitable objects of the Charity and as such the property is classified as a programme related investment. It is stated at book value as at 1 April 2017, the date on which the activities of the Project were transferred from the Charity and the date, therefore, on which the properties were reclassified by the Charity from tangible fixed assets (i.e. functional properties) to programme related investments. No depreciation is charged on programme related investments. Impairment provisions, if any, are charged to the statement of financial activities when and if they arise and are classified as charitable expenditure.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Fund structure

The endowment funds comprise monies which must be held indefinitely as capital. The income therefrom is credited directly to unrestricted or restricted funds in accordance with the terms of the relevant endowment.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

The tangible fixed assets fund represents the net book value of the tangible fixed assets, after deducting the finance lease obligations in respect to furniture and equipment, used for the support of the Sisters and their ministry.

The programme related investments fund represents the book value of those properties classified as programme related investments i.e. those properties occupied by other organisations at a peppercorn rent or reduced market value rent but used for purposes consistent with the charitable objectives of the Charity.

The general fund comprises those monies which may be used towards meeting the charitable objectives of the Charity and which may be applied at the discretion of the Trustees.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Trustees.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

Lease arrangements that transfer substantially all the risks and rewards of ownership to the lessee are treated as finance leases. Assets held under finance leases are capitalised within tangible fixed assets and depreciated over the shorter of the lease term and useful life of the asset. A liability is recognised for the present value of the minimum lease payments within current and long term liabilities as appropriate. Rental payments are apportioned between capital and interest expense.

Foreign currencies

Income received, and costs incurred overseas, are translated into sterling at the rate of exchange in force at the year end. This policy does not comply with FRS 102, Section 30 which requires income and expenditure to be translated using the rate of exchange on the transaction date and amounts payable or receivable to be retranslated at the reporting date but has been adopted to avoid over-complexity. The amounts involved are not material, and the Trustees have therefore concluded that this departure does not prevent the accounts from presenting a true and fair view of the Charity's financial position, financial performance and cash flows in the year ended 31 December 2020.

Pension costs

Employer's contributions in respect of the charity's Group Pension Plan, a defined contribution scheme, are charged to unrestricted funds in the statement of financial activities in the year in which they are payable to the scheme.

All eligible members of staff (not already contributing to an eligible scheme) continue to be auto-enrolled in a workplace pension scheme. Employer contributions to the scheme are charged to the statement of financial activities in the year in which they are payable to the scheme.

Services provided by members of the Congregation

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

1 Grants, donations and legacies

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
Salaries and pensions of individual religious	1,803,142	—	—	1,803,142
Legacies	93,949	—	—	93,949
Donations for the Congregation's overseas missions	—	77,008	—	77,008
Other donations	24,701	13,887	—	38,588
Coronavirus Job Retention Scheme funding	91,177	—	—	91,177
Other Covid-19 Government and local authority grants	—	102,137	—	102,137
2020 Total funds	2,012,969	193,032	—	2,206,001

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2019 £
Salaries and pensions of individual religious	1,880,339	—	—	1,880,339
Legacies	354,480	—	—	354,480
Donations for the Congregation's overseas missions	—	98,511	—	98,511
Other donations	144,808	37,971	—	182,779
2019 Total funds	2,379,627	136,482	—	2,516,109

2 Investment income and interest receivable

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
Income from listed investments				
. Government Bonds	66,035	2,221	—	68,256
. Non-Government Bonds	76,545	6,454	—	82,999
. UK Equities and Equity Trusts	131,892	10,067	—	141,959
. Global Equities	227,981	21,437	—	249,418
. UK property and Unit Trusts	40,165	—	—	40,165
. Alternative Investments	57,227	2,213	—	59,440
	599,845	42,392	—	642,237
. Income from programme related investments	116,047	—	—	116,047
Interest receivable				
. Monies held by investment managers	7,196	169	—	7,365
. Bank interest	7,357	569	—	7,926
	14,553	738	—	15,291
2020 Total funds	730,445	43,130	—	773,575

2 Investment income and interest receivable (continued)

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2019 £
Income from listed investments				
. Government Bonds	40,104	1,425	—	41,529
. Non-Government Bonds	27,902	3,241	—	31,143
. UK Fixed Interest Unit Trusts	94,450	5,434	—	99,884
. UK Equities and Equity Trusts	285,720	16,001	—	301,721
. Global Equities	152,775	14,364	—	167,139
. UK property and Unit Trusts	154,462	5,371	—	159,833
. Alternative Investments	14,699	155	—	14,854
	<u>770,112</u>	<u>45,991</u>	<u>—</u>	<u>816,103</u>
. Income from programme related investments	<u>131,131</u>	<u>—</u>	<u>—</u>	<u>131,131</u>
Interest receivable				
. Monies held by investment managers	10,959	658	—	11,617
. Bank interest	7,725	1,098	—	8,823
	<u>18,684</u>	<u>1,756</u>	<u>—</u>	<u>20,440</u>
2019 Total funds	<u>919,927</u>	<u>47,747</u>	<u>—</u>	<u>967,674</u>

3 Charges for residential, care and support services

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
2020 Total funds:				
Nursing home charges	<u>5,680,797</u>	<u>—</u>	<u>—</u>	<u>5,680,797</u>

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2019 £
2019 Total funds:				
Nursing home charges	<u>5,572,035</u>	<u>—</u>	<u>—</u>	<u>5,572,035</u>

4 Provision of residential, care and support services

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
Staff costs	4,538,734	31,227	—	4,569,961
Premises	1,117,659	5,409	—	1,123,068
Provisions	118,542	—	—	118,542
Welfare of residents	281,440	5,419	—	286,859
Other costs	197,097	1,913	—	199,010
Support costs (note 7)	66,932	—	—	66,932
2020 Total funds	6,320,404	43,968	—	6,364,372

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2019 £
Staff costs	4,685,434	—	—	4,685,434
Premises	991,036	290	—	991,326
Provisions	147,690	—	—	147,690
Welfare of residents	241,636	3,198	—	244,834
Other costs	208,587	19,310	—	227,897
Support costs (note 7)	71,622	—	—	71,622
2019 Total funds	6,346,005	22,798	—	6,368,803

5 Support of members of the Congregation and their ministry

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
Sisters' living and personal expenses	786,470	7,567	—	794,037
Premises	907,813	5,280	—	913,093
Staff costs	1,764,199	18,679	—	1,782,878
Spiritual renewal	127,403	—	—	127,403
Other costs	85,304	—	—	85,304
Support costs (note 7)	288,335	—	—	288,335
2020 Total funds	3,959,524	31,526	—	3,991,050

5 Support of members of the Congregation and their ministry (continued)

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2019 £
Sisters' living and personal expenses	957,588	—	—	957,588
Premises	1,146,316	—	—	1,146,316
Staff costs	1,761,355	—	—	1,761,355
Spiritual renewal	153,662	—	—	153,662
Other costs	110,918	—	—	110,918
Support costs (note 7)	369,472	—	—	369,472
2019 Total funds	4,499,311	—	—	4,499,311

6 Charitable grants and donations payable

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
Donations to the Congregation's overseas missions:				
. Ethiopia	—	165,982	—	165,982
. Haiti	—	783	—	783
. Bethlehem	—	954	—	954
. Kenya	—	4,767	—	4,767
. Vietnam	—	10,258	—	10,258
. Syria	—	3,470	—	3,470
. Eritrea	—	6,050	—	6,050
The Vincentian Volunteers	5,000	—	—	5,000
Holy Cross Abbey	10,000	—	—	10,000
St Vincent's Family Project	183,000	—	—	183,000
St Joseph's Services	59,000	—	—	59,000
The Passage	1,000	—	—	1,000
De Paul International	20,000	—	—	20,000
Diocese of Middlesbrough	1,000	—	—	1,000
Vincentian Care Plus	(80,000)	—	—	(80,000)
Other donations	1,403	—	—	1,403
2020 Total funds	200,403	192,264	—	392,667

'Other donations' comprise amounts of £1,000 or less donated to other organisations with objects consistent with those of the charity.

The "negative" amount of £80,000 (2019 - £20,000) in respect to Vincentian Care Plus (VCP) relates to the voluntary repayment of monies donated to VCP in prior years (see note 22).

6 Charitable grants and donations payable (continued)

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2019 £
Donations to the Congregation's overseas missions:				
. Ethiopia	—	73,044	—	73,044
. Haiti	—	833	—	833
. Bethlehem	—	786	—	786
. Kenya	—	1,720	—	1,720
. Vietnam	—	7,810	—	7,810
. Syria	—	1,080	—	1,080
. India	—	500	—	500
. Paris	—	100	—	100
The 13 Houses Project, Ethiopia	60,000	—	—	60,000
The Vincentian Volunteers	5,000	—	—	5,000
Holy Cross Abbey	5,000	—	—	5,000
St Vincent's Family Project	25,000	—	—	25,000
The Louise Project	30,000	—	—	30,000
Vincentian Care Plus	(20,000)	—	—	(20,000)
Other donations	10,953	—	—	10,953
2019 Total funds	115,953	85,873	—	201,826

7 Support costs

	Provision of residential, care and support services £	Support of members of the Congregation and their ministry £	Total funds 2020 £	Provision of residential, care and support services £	Support of members of the Congregation and their ministry £	Total funds 2019 £
Legal and professional fees	15,202	184,088	199,290	14,720	223,203	237,923
Central administration	28,242	37,462	65,704	33,917	32,548	66,465
Bank charges	12,398	6,353	18,751	12,365	7,476	19,841
Governance (see below)	11,090	60,432	71,522	10,620	106,245	116,865
Total funds	66,932	288,335	355,267	71,622	369,472	441,094

7 Support costs (continued)

The above expenses have been analysed in detail and individual invoices, or groups of invoices, have been allocated as appropriate to either the provision of residential, care and support services or support of members of the Congregation and their ministry.

Governance costs included above comprised:

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
Auditor's remuneration	32,820	—	—	32,820
Legal and professional	36,730	—	—	36,730
Central administration	1,972	—	—	1,972
2020 Total funds	71,522	—	—	71,522

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2019 £
Auditor's remuneration	34,620	—	—	34,620
Legal and professional	80,532	—	—	80,532
Central administration	1,713	—	—	1,713
2019 Total funds	116,865	—	—	116,865

During the year, the charity incurred professional fees of £31,279 (2019 - £111,810) in respect to its participation in the Scottish National Inquiry into Historical Abuse. The Inquiry hearings in relation to two of the homes previously owned and operated by the Daughters of Charity of St Vincent de Paul began on 28 November 2017.

General solicitors' fees are apportioned to governance costs on the basis of the estimated time solicitors spend working on matters pertaining to the governance of the charity.

General administrative costs are apportioned to governance costs on the basis of the time staff spent working on governance issues.

8 Net income (expenditure) for the year

This is stated after charging (crediting):

	Total 2020 £	Total 2019 £
Staff costs (note 9)	6,352,839	6,446,789
Auditor's remuneration		
. Statutory audit services – current year	21,600	19,200
. Non-statutory audit services	11,220	10,620
. Other advisory services: general consultancy	—	4,800
Depreciation (note 12)	732,910	771,642
Surplus on disposal of tangible fixed assets	(107,671)	(17,551)

9 Staff costs and remuneration of key management personnel

	2020 £	2019 £
Staff costs during the year were as follows:		
Wages and salaries	5,347,325	5,173,088
Social security costs	422,190	402,372
Other pension costs	152,434	139,519
Apprenticeship levy	10,961	8,080
	5,932,910	5,723,059
Agency staff	419,929	723,730
	6,352,839	6,446,789

Payments to agency staff during the year reflect the difficulties in recruiting permanent nursing and care staff.

Staff costs per function were as follows:

	2020 £	2019 £
Provision of residential, care and support services	4,569,961	4,685,434
Support of members of the Congregation and their ministry	1,782,878	1,761,355
	6,352,839	6,446,789

The following number of employees earned £60,000 per annum or more (including taxable benefits but excluding employer's pension contributions):

	2020	2019
£60,000 - £70,000	—	1
£70,000 - £80,000	1	—
£120,000 - £130,000	1	1

The average number of employees during the year, analysed by function, was:

	2020	2019
Provision of residential, care and support services	178	177
Support of members of the Congregation and their ministry	106	108
	284	285

The number of employees based on full time equivalents, analysed by function, was:

	2020	2019
Provision of residential, care and support services	165	157
Support of members of the Congregation and their ministry	78	77
	243	234

The key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis comprise the Trustees, the Finance and Business Director, the Care Home Managers and the Executive team of Marillac Neurological Care Centre. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £464,273 (2019 - £454,904).

10 Trustees' expenses and remuneration and transactions with Trustees

The Charity's Trustees are all members of the Congregation and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Congregation, are borne by the Charity. No Trustee received any remuneration or reimbursement of expenses in connection with their duties as Trustees or members of key management (2019 - none).

As members of the Congregation, none of the Trustees have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the Trustees to the Charity was £69,225 (2019 - £66,854).

11 Taxation

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

12 Tangible fixed assets

	Freehold land and buildings			Furniture, plant and computer equipment	Motor vehicles	Total
	Sisters' living accommo- -dation £	Special needs accommo- -dation £	Long leasehold land and buildings £	£	£	£
Cost or valuation						
At 1 January 2020	6,780,423	16,323,059	128,596	723,636	428,250	24,383,964
Additions	—	62,023	—	81,810	14,487	158,320
Disposals and eliminations	(868,364)	—	—	(79,820)	(42,272)	(990,456)
At 31 December 2020	<u>5,912,059</u>	<u>16,385,082</u>	<u>128,596</u>	<u>725,626</u>	<u>400,465</u>	<u>23,551,828</u>
At deemed cost based on valuation in 1993	805,000	—	—	—	—	805,000
At deemed cost based on valuation in 1996	200,000	—	—	—	—	200,000
At deemed cost based on valuation in 1997	—	3,250,001	—	—	—	3,250,001
At cost	<u>4,907,059</u>	<u>13,135,081</u>	<u>128,596</u>	<u>725,626</u>	<u>400,465</u>	<u>19,296,827</u>
	<u>5,912,059</u>	<u>16,385,082</u>	<u>128,596</u>	<u>725,626</u>	<u>400,465</u>	<u>23,551,828</u>
Depreciation						
At 1 January 2020	—	6,878,700	—	402,613	368,348	7,649,661
Charge for the year	—	563,948	—	136,869	32,093	732,910
On disposals and eliminations	—	—	—	(79,820)	(42,267)	(122,087)
At 31 December 2020	<u>—</u>	<u>7,442,648</u>	<u>—</u>	<u>459,662</u>	<u>358,174</u>	<u>8,260,484</u>
Net book values						
At 31 December 2020	<u>5,912,059</u>	<u>8,942,434</u>	<u>128,596</u>	<u>265,964</u>	<u>42,291</u>	<u>15,291,344</u>
At 31 December 2019	<u>6,780,423</u>	<u>9,444,359</u>	<u>128,596</u>	<u>321,023</u>	<u>59,902</u>	<u>16,734,303</u>

Under previous Generally Accepted Accounting Practice, a number of freehold and long leasehold properties were held at book values based on Trustees' valuations made in 1993, 1996 and 1997 based on open market value at the date of valuation. As permitted under the transitional provisions of FRS 102 (section 35), the Charity has elected to use these valuations as deemed cost.

The remaining properties and other tangible fixed assets are held at cost less accumulated depreciation where applicable.

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

Furniture and equipment with a carrying value of £83,472 (2019 - £129,002) is held under finance leases. The accumulated depreciation on these assets at 31 December 2020 totals £144,178 (2019 - £98,648).

Capital commitments

At 31 December 2020 the charity had no capital commitments (2019 - £nil).

13 Investments

	2020 £	2019 £
Investment land	3,000,000	3,000,000
Listed investments	33,169,819	30,913,576
Foreign exchange contracts	90,462	(26,774)
Programme Related Investments	1,264,322	1,322,422
	37,524,603	35,209,224

Investment land

The Charity has owned and occupied land at Lanark, Scotland since 1949 and for many years the Sisters operated a hospital on the site. Since the closure of the hospital, the Charity has been exploring how best to utilise the land for the benefit of its charitable objects. Initially, this involved discussions with a property developer about a disposal of the land for residential property development. Unfortunately, the collapse of the housing market and the severe financing restrictions since 2008 have led to interest by developers being extremely limited.

The value of the land was reduced in 2019 to reflect its value on the open market as estimated by an independent valuer. An unrealised loss of £1 million was shown in the statement of financial activities for 2019.

Listed investments

	2020 £	2019 £
Listed investments		
Market value at 1 January 2020	28,852,342	28,249,193
Additions	9,011,612	30,734,671
Disposals at opening book value (proceeds £8,018,128, losses £441,664)	(8,459,792)	(32,202,001)
Net gains on revaluation	2,808,543	2,070,479
Market value at 31 December 2020	32,212,705	28,852,342
Cash held by investment managers	957,114	2,061,234
	33,169,819	30,913,576
Cost of listed investments at 31 December 2020	27,470,042	26,647,293

Gains on derivatives of £317,608 (2019 - £nil) are included within the above analysis.

13 Investments (continued)

Listed investments (continued)

Listed investments held at 31 December 2020 comprised the following:

	2020 £	2019 £
. Government Bonds	2,884,585	2,841,741
. Non-Government Bonds	2,540,817	2,153,143
. UK Equities and Equity Trusts	5,296,545	5,531,398
. Global Equities	17,049,694	14,120,249
. UK Property and Unit Trusts	967,003	1,902,741
. Alternative Investments	3,474,061	2,303,070
	32,212,705	28,852,342

At 31 December 2020 listed investments included the following individual holdings, all of which are deemed material holdings in the context of the entire portfolio valuation as at that date:

	2020		2019	
	Market value of holding £	Percentage of portfolio %	Market value of holding £	Percentage of portfolio %
Sarasin Responsible Corp Bond Inc	2,540,817	7.89%	2,153,143	7.46%
The Charity Property Fund	—	—	741,262	2.57%

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

Gains on foreign exchange contracts for the year ended 31 December 2020 consisted of the following:

	2020 £
Foreign exchange contracts	
Fair value loss on settlement (settled cost: £(261,060); market value: (£nil))	(261,060)
Fair value gain on unsettled contracts (unsettled cost: £6,083,531; market value: £(5,993,070))	90,461
Total loss on foreign exchange contracts	(170,599)

Nature and extent of risks arising from financial instruments

The aim of investment risk management is to minimise the risk of an overall reduction in the value of the portfolio and to maximise the opportunity for gains.

13 Investments (continued)

Listed investments (continued)

There were no foreign exchange contracts in the year ended 31 December 2020.

The Trustees monitor the underlying risks to which the investments are exposed through reviews with the investment managers. The risks to which the investments are exposed include market and credit risk. The exposure to market risk is mitigated by the Charity investing in a diverse portfolio of investments across various markets. Bonds and bond like instruments are exposed to credit risk but exposure to credit risk is minimised by only investing in bonds that are subject to a minimum credit rating.

Liquidity risk represents the risk that the Charity will not be able to meet its financial obligations as they fall due. The Trustees monitor cash flows and take steps to ensure that there are adequate cash resources to meet the Charity's commitments.

Currency risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The fund is exposed to currency risk on financial instruments that are denominated in any currency other than the functional currency of the fund (UK sterling).

Programme related investments

	2020 £	2019 £
Carrying value at 1 January 2020	1,322,422	682,003
Transfer from tangible fixed assets (note 12)	—	887,644
Disposals in year	(58,099)	(247,225)
Carrying value at 31 December 2020	1,264,323	1,322,422

With effect from 1 April 2015, the activities of St Joseph's Services, Rosewell were transferred from the Charity to a newly incorporated charitable company registered with the Office of the Scottish Charity Regulator. At that date, two of the properties owned by the Charity but occupied by St Joseph's Services, Rosewell at a peppercorn rent were reclassified as programme related investments in these accounts, having previously been classified as functional freehold properties used for supported living within tangible fixed assets. The programme related investments were transferred from tangible fixed assets at their book value as at 1 April 2015.

In both 2019 and 2020 certain of these properties were sold or gifted to St Joseph's Services, Rosewell. This sales and gifts were agreed after both the Charity and St Joseph's Services had taken independent professional advice and after taking in to consideration the fact that both are registered charities.

13 Investments (continued)

Programme related investments (continued)

During 2019, four properties owned by the Charity but occupied by St Joseph's Services, Rosewell as houses of multiple occupancy for people with learning disabilities, were reclassified as programme related investments in these accounts, having previously been classified as functional freehold properties used for supported living within tangible fixed assets. The programme related investments were transferred from tangible fixed assets at their book value as at 31 December 2019.

With effect from 1 April 2017, the activities carried out by The Space, Govanhill were transferred to The Louise Project Limited, a charity registered in Scotland with the Office of the Scottish Charity Regulator (Charity Registration No. SC047316) and a company limited by guarantee incorporated in Scotland (Company Registration No. SC555365). At that date a property owned by the charity but occupied by The Louise Project Limited, at a reduced market rent was reclassified as a programme related investment in these accounts, having previously been classified as functional freehold property within tangible fixed assets and used for special needs accommodation housing.

14 Debtors

	2020 £	2019 £
Residential and care home fees	564,236	603,699
Prepayments and accrued income	161,307	155,232
Loans	—	45,000
Other debtors	16,721	9,930
	742,264	813,861

The loans in 2019 of £45,000 represented amounts advanced to St Vincent's Family Project, a connected charity. The loan was to cover working capital requirements and was repayable on demand. During 2020 the loan was converted into a donation (see notes 6 and 23).

15a Creditors: amounts falling due within one year

	2020 £	2019 £
Residential, care and support establishment fees in advance	22,400	22,400
Expense creditors	146,690	136,226
Social security and other taxes	101,342	92,234
Other creditors	19,500	28,583
Monies administered by the charity on behalf of individual members of the Daughters of Charity of St Vincent de Paul	70,868	71,718
Money held on behalf of the Ethiopian Province of the Daughters of Charity of St Vincent de Paul	86,890	86,742
Grant payable to St Vincent's Family Project (note 22)	40,000	—
Grant payable to Out There (note 22)	66,000	66,000
Accruals	80,304	70,762
Finance lease obligations (note 24)	45,540	45,540
	679,534	620,205

15b Creditors: amounts falling due after more than one year

	2020 £	2019 £
Grant payable to St Vincent's Family Project (note 22)	80,000	—
Finance lease obligations (note 24)	36,116	81,656
	116,116	81,656

16 Permanent endowment funds

The capital of these funds must be preserved, although the income may be used in accordance with the terms of the relevant endowment at the discretion of the trustees.

	At 1 January 2020 £	Movement in year £	At 31 December 2020 £	At 1 January 2019 £	Movement in year £	At 31 December 2019 £
Salisbury fund	254,175	—	254,175	254,175	—	254,175
Wigmore Street Trust fund	194,816	(194,816)	—	194,816	—	194,816
	448,991	(194,816)	254,175	448,991	—	448,991

The Salisbury fund was established in 1871 by deed of trust when several properties located in Salisbury were gifted to the Daughters of Charity of St Vincent de Paul to be held as an endowment in perpetuity. The properties were vested in the name of the Charity by means of a Scheme of the Charity Commissioners dated 2 June 1965 and a Vesting Order dated 16 May 1997. The properties were sold during the year ended 31 December 1998, following approval from the Charity Commission. The proceeds are to be held as permanent endowment.

The Wigmore Street Trust fund was established on 2 May 1965 by Deed of Trust. On 9 June 2005 the administration of the Trust was transferred from the Westminster Roman Catholic Diocesan Trust to the Daughters of Charity of St Vincent de Paul to be held as an endowment in perpetuity. With effect from 22 September 2020, the restrictions with respect to the expenditure of capital were released, such that any part of the capital can be spent as well as the income, in such manner as the Trustees may in their discretion think fit. As a consequence, during the year the balances on the fund has been transferred to unrestricted income funds.

17 Restricted funds

The income funds of the group and Charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purpose.

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	At 31 December 2020 £
Mission funds					
. Ethiopian	406,413	94,207	(175,735)	—	324,885
. Other mission funds	7,514	25,931	(26,282)	—	7,163
Other restricted funds	23,885	116,024	(75,494)	(32,255)	32,160
	437,812	236,162	(277,511)	(32,255)	364,208

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	At 31 December 2019 £
Mission funds					
. Ethiopian	355,947	129,356	(78,890)	—	406,413
. Other mission funds	3,441	16,902	(12,829)	—	7,514
Other restricted funds	29,055	37,971	(22,798)	(20,343)	23,885
	388,443	184,229	(114,517)	(20,343)	437,812

The mission funds comprise monies donated or granted to the charity towards the work of members of the Roman Catholic Congregation, the Daughters of Charity of St Vincent de Paul, in overseas missions.

Transfers from restricted funds to unrestricted funds represent the reimbursement of the unrestricted funds for expenditure.

18 Tangible fixed asset fund

	At 1 January 2020 £	Movements in year £	At 31 December 2020 £	At 1 January 2019 £	Movements in year £	At 31 December 2019 £
Tangible fixed assets fund	11,833,803	(1,062,442)	10,771,361	13,344,604	(1,510,801)	11,833,803

The tangible fixed assets fund represents the net book value of the Charity's tangible fixed assets used for the support of the Sisters and their ministry (i.e. excluding those applied for use by the residential and care service establishments and The Space, Govanhill). A decision was made to separate this fund from the General Fund in recognition of the fact that the assets are used in the day to day work of the Charity, and the fund value would not be realisable easily if needed to meet future contingencies.

19 Programme related investments fund

Group and charity	At 1 January 2020 £	Movement in year £	At 31 December 2020 £	At 1 January 2019 £	Movement in year £	At 31 December 2019 £
St Joseph's Services property	942,771	(58,101)	884,670	302,351	640,420	942,771
The Louise Project Limited property	379,652	—	379,652	379,652	—	379,652
	1,322,423	(58,101)	1,264,322	682,003	640,420	1,322,423

The programme related investments fund represents the book value of those properties classified as programme related investments i.e. those properties occupied by St Joseph's Services, Rosewell and The Louise Project Limited, at a reduced rent but used for purposes consistent with the charitable objectives of the Charity.

20 Designated funds

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

	At 1 January 2020 £	New designations £	Utilised/ released £	At 31 December 2020 £
Sisters' care and retirement fund	22,463,000	—	(573,000)	21,890,000
Residential care and support services fund	5,636,863	—	(343,448)	5,293,415
Development fund	2,000,000	—	—	2,000,000
Project fund	2,016,309	155,182	—	2,171,491
	32,116,172	155,182	(916,448)	31,354,906

	At 1 January 2019 £	New designations £	Utilised/ released £	At 31 December 2019 £
Sisters' care and retirement fund	22,852,000	—	(389,000)	22,463,000
Residential care and support services fund	6,324,197	—	(687,334)	5,636,863
Development fund	2,000,000	—	—	2,000,000
Project fund	1,743,994	272,315	—	2,016,309
	32,920,191	272,315	(1,076,334)	32,116,172

The funds have been designated for the following purposes:

◆ Sisters' care and retirement fund

This fund consists of monies set aside by the Trustees to provide for the future costs of providing nursing and care costs to elderly Sisters and also to provide for Sisters of retirement age who are still active and not in need of care. The value of the fund is based on actuarial calculations which show that it will need to be preserved in order to provide for the Congregation's 106 Sisters within the British Province.

21 Designated funds (continued)

♦ *Residential, care and support services fund*

This fund represents the net assets (including freehold land and buildings) of the residential and care service establishments operated by the Charity.

♦ *Development fund*

This fund represents monies set aside for new initiatives and projects newly established as well as buildings developments at the residential, care and support establishments.

♦ *Project fund*

This fund represents monies set aside for use by particular projects, principally the missionary work of the Sisters overseas.

22 Analysis of net assets between funds

	Tangible fixed assets £	Investments £	Net current assets £	Creditors: amounts falling due after more than one year £	At 31 December 2020 Total net assets £
Capital funds					
Endowment funds	—	—	254,175	—	254,175
Income funds					
Restricted funds	—	—	364,208	—	364,208
Unrestricted funds					
. Tangible fixed assets fund	10,771,361	—	—	—	10,771,361
. Programme related investments fund	—	1,264,322	—	—	1,264,322
. Designated funds	4,519,983	26,057,491	813,548	(36,116)	31,354,906
. General fund	—	10,202,790	1,904,680	(80,000)	12,027,470
	15,291,344	37,524,603	3,336,611	(116,116)	56,036,442
	Tangible fixed assets £	Investments £	Net current assets £	Creditors: amounts falling due after more than one year £	At 31 December 2019 Total net assets £
Capital funds					
Endowment funds	—	—	448,991	—	448,991
Income funds					
Restricted funds	—	—	437,812	—	437,812
Unrestricted funds					
. Tangible fixed assets fund	11,833,803	—	—	—	11,833,803
. Programme related investments fund	—	1,322,423	—	—	1,322,423
. Designated funds	4,900,500	26,479,309	818,019	(81,656)	32,116,172
. General fund	—	7,407,492	2,038,072	—	9,445,564
	16,734,303	35,209,224	3,742,894	(81,656)	55,604,765

22 Analysis of net assets between funds (continued)

The total unrealised gains as at 31 December 2020 constitute movements on revaluation and are as follows:

	2020 £	2019 £
Unrealised gains include above on:		
On listed investments	4,742,663	2,205,049
Reconciliation of movements in unrealised gains:		
At 1 January 2020	2,205,049	3,178,790
In respect to disposals in the year	(270,927)	(3,044,220)
Net gains arising on revaluation	2,808,543	2,070,479
At 31 December 2020	4,742,663	2,205,049

23 Related party transactions with connected organisations

A summary of organisations connected to the Charity and transactions with the Charity are given below:

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust (the Charitable Trust) is connected to The Daughters of Charity of St Vincent de Paul Services (DCSVP Services) (Charity Registration No 1149326, Company Registration No. 07638065) by virtue of the fact that its Trustees are also the Trustees of the Charitable Trust.

Gifts in kind amounting to £140,364 (2019 – £71,000) representing facilities and staff costs was donated to DCSVP Services.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to St Vincent's Family Project (Charity Registration No 1142095) by virtue of the fact that three of the Trustees of the Project, who served during the year, were Daughters of Charity of St Vincent de Paul, one of which was also Trustee of the Charitable Trust.

During 2019 the Charity advanced an interest free loan of £45,000 to St Vincent's Family Project to assist with cash flow. The loan was repayable on demand and as and when St Vincent's Family Project had sufficient funds. The loan of £45,000 was converted to a donation during 2020 and an additional £18,000 was also donated. At 31 December 2020, the Charity had committed to make a grant of £120,000 to the Project payable over three years at £40,000 per annum.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to Vincentian Care Plus Limited (Charity Registration No 1112473, Company Registration No 05321333) by virtue of the fact that Vincentian Care Plus Limited was initiated by the Congregation and the fact that three of the Trustees of Vincentian Care Plus Limited who served during the year were Daughters of Charity of St Vincent de Paul.

During the year the Charitable Trust received £80,000 from Vincentian Care Plus Limited (2019 - £20,000) in gratitude for the donations made by the Charity to help with cash flow. Now that Vincentian Care Plus is beginning to generate a surplus, its Trustees felt it only appropriate to give back some of the funds that had been donated.

23 Related party transactions with connected organisations (continued)

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to Out There Supporting Families of Prisoners Limited ('Out There') (Charity Registration No 1120342, Company Registration No 6239170) by virtue of the fact that Out There Supporting Families of Prisoners Limited was initiated by the Congregation and the fact that three of the Trustees of Out There Supporting Families of Prisoners Limited who served during the year were Daughters of Charity of St Vincent de Paul, one of which was also a Trustee of the Charitable Trust.

In 2015, a grant of up to £250,000 from the Charitable Trust to Out There was agreed, to be paid in instalments. During the year the Charitable Trust paid £nil to Out There (2019 - £nil). At 31 December 2020 the maximum remaining grant payable to Out There was £66,000 (2019 - £66,000).

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to Vincentian Volunteers (Charity Registration No 1161536) by virtue of the fact that Vincentian Volunteers was initiated by the Congregation and the fact that two Sisters sit on the Board, one of whom is also a Trustee of the Charitable Trust, and a Sister is the Director of Vincentian Volunteers.

During the year the Charitable Trust gave a donation of £5,000 (2019 - £5,000) to the Vincentian Volunteers.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to both Depaul UK (Charity Registration No 802384, Company Registration No 2440093) and Depaul International (Charity Registration No 1107385, Company Registration No 5245818). Depaul UK was initiated by the Congregation. Depaul International is now the parent charity of Depaul UK. There are no Trustees of the Charitable Trust sitting on their Boards of Trustees.

During the year the Trustees donated £20,000 to Depaul International in response to a Covid-19 appeal (2019 – £nil).

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to The Passage 2000 (Company Registration No 3885593) by virtue of the fact that The Passage 2000 was initiated by the Congregation. One Sister who sits on the Board of the company is a Daughters of Charity of St Vincent de Paul.

During the year the Trustees donated £1,000 to the Passage in response to a Covid-19 Appeal (2019 – £nil).

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to St Joseph's Services (Charity Registration No SC045482 (Scotland), Company Registration No SC500182 (Scotland)) by virtue of the fact St Joseph's Services was initiated by the Congregation. Three Sisters who sit on the Board of the company are Daughters of Charity of St Vincent de Paul, one was also a Trustee of the Charitable Trust.

23 Related party transactions with connected organisations (continued)

As explained in note 13, In both 2019 and 2020 certain properties were sold or gifted to St Joseph's Services, Rosewell. This sales and gifts were agreed after both the Charity and St Joseph's Services had taken independent professional advice and after taking in to consideration the fact that both are registered charities. The proceeds from properties sold to St Joseph's Services, Rosewell in 2019 were £333,370 whilst the value of the property donated in 2020 was £59,000.

Included in programme related investment income is £20,000 (2019 - £20,000) being rent for New Lodge paid by St Joseph's Services to the Charitable Trust.

- ◆ The Daughters of Charity of St Vincent de Paul Charitable Trust is connected to The Louise Project (Charity Registration No SC047316 (Scotland), Company Registration No SC555365 (Scotland)) by virtue of the fact The Louise Project was initiated by the Congregation. Two Sisters who sit on the Board of the company are Daughters of Charity of St Vincent de Paul, one was also a Trustee of the Charitable Trust.

Included in programme related investment income is £15,000 (2019 - £15,000) being rent of the property occupied by the Louise Project and paid to the Charitable Trust.

There were no other transactions between the Charitable Trust and the Charity during the year (2019 – none).

24 Ultimate control

The Charity, which is constituted as a Trust, was controlled throughout the period by the Daughters of Charity of St Vincent de Paul, British Province by virtue of the fact that the Sister Provincial of the Province appoints the Trustees. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the British Province are vested in the Trustees of the Charity, who undertake all transactions in the course of the Province's charitable activities.

25 Leasing commitments

Operating leases

At 31 December 2020, the Charity had the following future minimum commitments under non-cancellable operating leases in respect to equipment and motor vehicles:

Amounts falling due:	2020 £	2019 £
. Within one year	65,209	38,800
. After one but within five years	167,166	148,960
Total	232,375	187,760

25 Leasing commitments (continued)

Finance leases

At 31 December 2020, the charity had the following future minimum commitments under finance leases in respect to furniture and equipment:

	2020 £	2019 £
Amounts falling due:		
. Within one year	56,621	56,621
. After one but within five years	43,185	99,806
	99,806	156,427
Amounts representing interest	(18,150)	(29,231)
Total	81,656	127,196
Summary		
Amounts repayable within one year (note 15a)	45,540	45,540
Amounts repayable after one year (note 15b)	36,116	81,656
	81,656	127,196

26 Contingent liability in respect to alleged historic abuse

As explained in the Trustees' Report, The National Inquiry into Historical Abuse commissioned by Scottish Ministers under the Inquiries Act 2005 in Scotland has held hearings in relation to two of the Congregation's former homes in Scotland.

Since the year end, the Scottish Government has passed legislation to establish a Redress Scheme. Alongside other providers of care in Scotland (both past and present), the Daughters of Charity of St Vincent de Paul will be invited to contribute towards the funding of the payments to be met by the Scheme. A decision by the Daughters will be made once there is greater clarity on the Scheme, its operation, approach and financing. However, any such contribution would be made from the assets of the Charity. Key principles regarding the Scheme are still being discussed and so significant uncertainty exists over the amount of any such contribution, although it is likely to be measured at several million pounds.

In addition to possible contributions to the Redress Scheme in Scotland, at the date of signing this report, the charity has received a number of specific claims in respect to alleged historic abuse. The Congregation continues to receive correspondence from new individuals and continues to address each claim or subject access request proactively from receipt. In a limited number of the claims received to date, it has been possible to retrieve records and progress investigations as far as possible given the limitations on available evidence. During the year to 31 December 2020 one such case was settled without litigation, with the express approval in advance of the Trustees and after close consideration of legal advice, on the basis of an economic analysis, without admission of liability.

26 Contingent liability in respect to alleged historic abuse (continued)

While one claim was litigated during the period to 31 December 2020, the matter remains at an early procedural stage where the pursuer has not been required to disclose evidence on value, or make a Statement of Valuation, and there is no date scheduled for evidence to be heard on any of these issues, therefore no provision has been made in these accounts for the future settlement or cost relating to this or other intimated claims given the inevitable uncertainties that exist whilst investigations are progressed.

27 Post balance sheet event

With effect from midnight on 31 March 2021, the activities, assets (excluding the freehold land and buildings) and liabilities of Marillac Neurological Care Centre were transferred from the Charity to an independent Charitable Company limited by guarantee and incorporated in England and Wales (Charity Registration Number:1184495 and Company Registration Number 12085591). The new independent charitable company is a subsidiary of the Daughters of Charity of St Vincent de Paul Services.

The assets and liabilities transferred as at that date comprised the following:

	31 March 2021 £
Tangible fixed assets	
. Cost	1,129,433
. Depreciation	(546,434)
	<u>582,999</u>
Debtors	727,970
Cash at bank and in hand	536,685
Creditors: amounts falling due within one year	(348,376)
Creditors: amounts falling due after one year	(24,731)
	<u>1,474,547</u>

The assets and liabilities were represented by the following funds:

	31 March 2021 £
Restricted funds	23,425
General funds	938,394
Tangible fixed assets fund	517,728
	<u>1,474,547</u>

In addition, the Trustees agreed to transfer an additional £600,000 to the new charitable company with effect from 1 April 2021.