

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

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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 accommodation £	Special needs accommodation £	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 at 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.