

Charity No. 237760

DAUGHTERS OF DIVINE CHARITY

**CONVENT OF THE SACRED HEART
SWAFFHAM**

**TRUSTEES' REPORT
AND
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED
31ST DECEMBER 2020**

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

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DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

Trustees	Maria Cirko (Sr M Jacinta) Annie Maguire (Sr M Catherine) Kathleen Muriel Prentice (Sr M Thomas More) Diana Judith Ridler (Sr M Francis)
Head Office	St Theresas Convent 27 Sandringham Way Hunstanton Norfolk PE36 5DP
Provincial Superior	Danuta Wloczka
Financial Adviser	Mr E J Howard
Charity Registration Number	237760
Independent Examiner	Helena Wilkinson FCA DChA Price Bailey LLP Anglia House, 6 Central Avenue St Andrews Business Park Thorpe St Andrew Norwich NR7 0HR
Solicitors	Ward Gethin Archer 8-12 Tuesday Market Place King's Lynn Norfolk PE30 1JT
Principal Bankers	Barclays Bank PLC 34 Market Place Dereham Norfolk NR19 2AS

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report for the year ended 31 December 2020 under the Charities Act 2011 together with the audited consolidated financial statements of the Charity for the year and confirm that the latter comply with the requirements of the Act, the Trust Deed and the Statement of Recommended Practice - Accounting and Reporting by Charities 2019.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Daughters of Divine Charity is an international religious congregation divided into twelve separate Provinces. The English Province is administered by the Provincial Superior together with a Council consisting of three councillors. The Council is elected by the members of the Province for a term of four years.

Included within The Daughters of Divine Charity are two separate charities: Daughters of Divine Charity, Swaffham, at the Convent of Sacred Heart (referred to in this document as "the Charity"), and Daughters of Divine Charity, Chesterfield, at St Joseph's Convent. Together these charities constitute the English Province. Given the common control exercised by the trustees over both charities, these financial statements consolidate both entities, and together they are referred to as the "group".

The financial statements accompanying this report are the financial statements of the group on which the assets of the Daughters of Divine Charity Swaffham, and of Daughters of Divine Charity Chesterfield, being part of the English Province, are held. The Convent of the Sacred Heart, Swaffham is governed by a Trust Deed dated 20th August 1964 and is registered with the Charity Commission, Charity Registration No. 237760. St Joseph's Convent Chesterfield is governed by a Trust Deed dated 6th July 1965 and is registered with the Charity Commission, Charity Registration No. 527184.

Trustees	Maria Cirko (Sr M Jacinta)
	Annie Maguire (Sr M Catherine)
	Kathleen Muriel Prentice (Sr M Thomas More)
	Diana Judith Ridler (Sr M Francis)

Key Executives	The Provincial Superior	Sr M Danuta FDC
	Financial Adviser	Edwin J Howard

STRUCTURE GOVERNANCE AND MANAGEMENT

Governing Body

The Charity has four Trustees. The Provincial Superior and three members constitute the Provincial Council. The power of appointing new Trustees rests with the Provincial Superior.

Organisational Management

The Provincial Council headed by the Provincial Superior determines the general policy of the group and reviews its overall management and control for which they are legally responsible.

Key management and remuneration policies

Key management consists of the Provincial Superior, the elected Councillors and the Financial Adviser. All other teachers were paid in accordance with the school salary scale. Other staff were paid based on market rate. The Sisters do not receive any remuneration for their work at the charity. The Financial Advisor's fees were agreed by the Sister Provincial.

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

OBJECTIVES AND ACTIVITIES

Both charities' Trust Deeds state that the Trust's principal objectives are the advancement of and support for the charitable work being carried on by the Congregation, the advancement of religious education or such charitable work as the Trustees think fit in support of the Roman Catholic Religion, with the approval of the Provincial Superior.

Policy

In fulfilment of the objectives of the Trust it is the policy of the group to undertake a range of charitable activities. The principal areas in which the group is involved are set out below:

1. Education

The Convent of Sacred Heart Swaffham owns the Freehold Land and Buildings which comprised the Sacred Heart School. The School closed on 31st August 2019 for financial reasons. The school premises have been leased to the Roman Catholic Diocese of East Anglia and education continues on the site as the Sacred Heart Roman Catholic VA School.

St Joseph's Convent Chestfield owns the Freehold Land and Buildings which comprise the St Joseph's Little Scholars Nursery School which it operates as an independent fee paying nursery.

Members of the Congregation work in the School as unpaid teachers and welfare assistants. The English Province relies heavily on Members from Overseas Provinces (e.g. Slovakia) visiting to carry out these functions.

2. Social and Pastoral Care

The Convent of Sacred Heart Swaffham also owns the Freehold Land and Buildings which comprise St Teresa's Convent, Hunstanton.

Members of the Congregation undertake work within the community and local parish, providing family support and giving religious and material support to those in need.

3. Missions

The English Province supports the establishment and running of overseas missions by the Congregation.

The objective, the advancement of the Roman Catholic Religion, permeates all the work of the members of the Congregation.

Public Benefit Statement

The trustees believe they have complied with their duty to have due regard to the guidance on public benefit published by the Commission in exercising their powers or duties.

Achievements and performance

During the year, the Congregation was active in the field of education thanks to the Nursery at Chesterfield. Pupil numbers for the year totalled 41 compared to 40 last year.

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL REVIEW

Total consolidated income for the year was £380,090 (2019: £752,359), all of which was unrestricted. The consolidated results for the year show net income of £41,740 compared to net expenditure of £439,205 in the previous year.

Daughters of Divine Charity Swaffham had income in the year of £173,926, expenditure of £118,002, and net income of £55,924 (see note 2).

Daughters of Divine Charity Chesterfield, which runs the nursery, had income in the year of £277,664, expenditure of £291,848, and net expenditure of £14,184.

Risk Assessment

The Trustees review risks to which the Charity may be exposed. Those applicable to Swaffham site are now minimal as the school is occupied by the Diocese on a 99 year full repairing lease, and the other property at Swaffham has been sold subject to contract since the year end. The risk at Hunstanton is the lack of residents. For Chesterfield, the risk continues to be a shortage of pupils and/or staff.

Investment Performance

The Group and Charity no longer hold cash in investment accounts. However the group and charity do now hold investments and programme related investments, both being in the form of property. The programme related investment relates to the school at Swaffham let to the Diocese.

Going Concern

The Trustees have considered the ability of Daughters of Divine Charity as a Group, including both Swaffham and Chesterfield, to continue as a going concern. The Group has total funds of £3,048,745 at year end, including free reserves of £267,562 and cash of £475,380. The sales of the Swaffham properties are progressing and this will finance the repayment of the long term loan. Pupil levels at Chesterfield have returned to normal and residents have remained in the home at Hunstanton.

Given the above, the Trustees consider that the Group and Charity will continue for at least 12 months from the date of approval of these financial statements, and therefore it is appropriate to prepare these on a going concern basis.

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Reserves

At the end of the year the total consolidated funds of the group were £3,048,745 (2019:£3,007,005). Of this sum £1,292,273 (2019: £1,323,828) represents tangible fixed assets necessary for the charitable activities, £315,163 (2019:£315,163) represents investment property and £1,173,747 (2019:£1,173,747) represents programme related investments. The remaining £267,562 (2019:£194,267) is considered by the Trustees to reflect the true consolidated 'free reserves' position.

The reserves of Daughters of Divine Charity Swaffham totalled £2,138,550 at 31 December 2020 (2019:£2,082,626). Of this, £2,148,109 (2019: £2,166,915) represents fixed assets, leaving net liabilities of the school of £(9,559) (2019:£(84,289)). This includes a long term loan balance of £184,788. (2019:£184,788)

The reserves of Daughters of Divine Charity Chesterfield totalled £910,195 at 31 December 2020 (2019:£924,379). Of this, £633,074 (2019:£645,823) represents fixed assets, leaving free reserves of the school of £277,121 (2019:£278,556).

Reserves are held for the following reasons:

1. To provide a sound financial base to support the future activities of the Charity. A target of three months running costs has been set, which equates to £72,962 for the year ended 31 December 2020 in respect of Chesterfield only. The Swaffham school complex has now been leased to the Roman Catholic Diocese and surplus property is being marketed for sale.
2. To provide for the future care and support of the older members of the Congregation. The Province currently has twelve members but the average age of the Congregation remains high.

The trustees consider the current level of reserves to be adequate given the above policy. Going concern has been considered and is considered appropriate given the sum of free reserves.

Investment powers policy and performance

Under the Order's Trust Deed there are no limitations in the Trustees' powers of investment.

Other investments at 31 December 2019 include property which is held for sale, and programme related investments which is property used by another charitable organisation with similar purposes as Daughters of Divine. This is not considered to add additional risk to the group or charity.

FUTURE PLANS

The Trustees will continue to carefully formulate future policies.

The ongoing development of St Joseph's Little Scholars Nursery School will continue to be the main objective of Daughters of Divine Charity, Chesterfield.

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

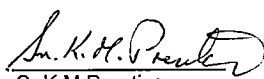
The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

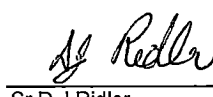
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that 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 financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees on 01 October 2021 and signed as authorised on their behalf by:


Sr K M Prentice
Trustee


Sr D J Ridler
Trustee

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31st December 2020 which are set out on pages 8 to 21.

Responsibilities and basis of report

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

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

Independent examiner's statement


Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants of England and Wales, which is one of the listed bodies.

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

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

An audit dispensation is granted for THE DAUGHTERS OF DIVINE CHARITY (SWAFFHAM, NORFOLK): 237760 under Regulation 34(3)(b) of the Charities (Accounts and Reports) Regulations 2008. This dispensation is for the financial year ended 31 December 2020 only, and allows an independent examination in place of an audit for this year. Therefore an independent examination has taken place instead of an audit (Regulation 31 (f)) and the dispensation was dated 17th June 2021.

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



Helena Wilkinson FCA DChA

PRICE BAILEY LLP
Chartered Accountants

Anglia House
6 Central Avenue
St Andrews Business Park
Thorpe St Andrew
Norwich
NR7 0HR

Date: 13 October 2021

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

INCOME		2020	2019
	Note	£	£
Donations and legacies	3	135,990	47,462
Income from charitable activities	4	243,820	701,311
Investment Income	5	280	3,586
TOTAL INCOME		380,090	752,359
EXPENDITURE			
Expenditure on charitable activities	6	338,350	1,191,564
TOTAL EXPENDITURE		338,350	1,191,564
Net income / (expenditure) for the year, being movement in funds		41,740	(439,205)
Reconciliation of funds:			
Total funds brought forward		3,007,005	3,446,210
Total funds carried forward		3,048,745	3,007,005

All amounts relate to unrestricted funds and continuing activities of the group.

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

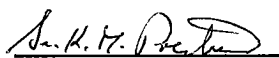
The notes on pages 11 to 21 form part of these financial statements.

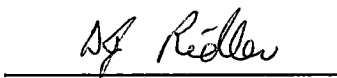
DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

CONSOLIDATED AND CHARITY ONLY BALANCE SHEET FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
FIXED ASSETS					
Tangible Fixed Assets	9	1,292,273	1,323,828	659,199	678,005
Investment Property	10	315,163	315,163	315,163	315,163
Programme Related Investments	10	1,173,747	1,173,747	1,173,747	1,173,747
		<u>2,781,183</u>	<u>2,812,738</u>	<u>2,148,109</u>	<u>2,166,915</u>
CURRENT ASSETS					
Debtors & Prepayments	11	12,046	19,429	5,879	11,248
Cash at Bank & in Hand		475,380	393,474	189,052	116,839
		<u>487,426</u>	<u>412,903</u>	<u>194,931</u>	<u>128,087</u>
LIABILITIES					
Creditors: falling due within 1 year	12	<u>(35,076)</u>	<u>(33,848)</u>	<u>(19,702)</u>	<u>(27,588)</u>
NET CURRENT ASSETS		<u>452,350</u>	<u>379,055</u>	<u>175,229</u>	<u>100,499</u>
LONG TERM LIABILITIES					
Loan Account: falling due after more than 1 year	16	<u>(184,788)</u>	<u>(184,788)</u>	<u>(184,788)</u>	<u>(184,788)</u>
NET ASSETS		<u>3,048,745</u>	<u>3,007,005</u>	<u>2,138,550</u>	<u>2,082,626</u>
TOTAL FUNDS (Unrestricted)		<u>3,048,745</u>	<u>3,007,005</u>	<u>2,138,550</u>	<u>2,082,626</u>

The financial statements on pages 8 to 21 were approved by the Trustees and authorised for issue on 01 October 2021 and are signed on their behalf by:


Sr K M Prentice
Trustee


Sr D J Ridler
Trustee

The notes on pages 11 to 21 form part of these financial statements.

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Group 2020 £	Group 2019 £
Cash flows from operating activities:			
Net cash provided by / (used by) operating activities	17	<u>77,268</u>	<u>(167,291)</u>
Cash flows from investing activities:			
Interest and Dividends		280	3,586
Dividends reinvested in investments		-	(2,538)
Proceeds from Disposal of Fixed Assets		4,358	12,008
Net cash provided by/(used in) investing activities		<u>4,638</u>	<u>13,056</u>
Cash flows from financing activities:			
Daughters of Divine Charity (New York)		-	184,788
Net cash provided by/(used in) financing activities		<u>-</u>	<u>184,788</u>
Change in cash and cash equivalents in the year		<u>81,906</u>	<u>30,553</u>
Cash and cash equivalents at the beginning of the year		393,474	362,921
Cash and cash equivalents at the end of the year		<u>475,380</u>	<u>393,474</u>

The notes on pages 11 to 21 form part of these financial statements.

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1 BASIS OF ACCOUNTING

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

The financial statements have been prepared to give us a "true and fair" view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair view". This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from April 2005 which has since been withdrawn.

Daughters of Divine Charity, Swaffham meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The accounts are presented in Pounds Sterling and are rounded to the nearest Pound.

1.2 GOING CONCERN

The Trustees have considered the ability of Daughters of Divine Charity to continue as a going concern and it has healthy reserves as a group. The parent charity, Daughters of Divine Charity Swaffham, has now closed the school at Swaffham and a Faith School operated by the Roman Catholic Diocese of East Anglia opened in September 2019. Surplus property is being sold. Based on the foregoing, the Trustees consider it appropriate to prepare the financial statements on a going concern basis.

1.3 FUND ACCOUNTING

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Unrestricted funds represent the accumulated surpluses and deficits in the general fund which are available for use at the discretion of the Trustees in furtherance of the charity's objectives.

1.4 GROUP FINANCIAL STATEMENTS

The financial statements consolidate the results of the Daughters of Divine Charity Swaffham, and its controlled entity Daughters of Divine Chesterfield, on a line-by-line basis.

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (continued)

1.5 INCOME

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Where income has related expenditure (as with fundraising or contract income), the income and related expenditure are reported gross in the Statement of Financial Activities.

Donations, grants and gifts are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the charity is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period. Income from Gift Aid tax reclaims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year end are accounted for in income and accrued income in debtors.

Interest on deposit funds held is included when receivable and the amount can be measured reliably by the charity which is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable

Fees receivable are accounted for in the period in which the relevant services are provided. Bursaries or allowances are accounted for separately.

1.6 EXPENDITURE

Expenditure is recognised on an accruals basis as a liability is incurred. Direct charitable expenditure consists of all expenditure directly relating to the objects of the Charity. Certain central costs which cannot be directly apportioned are allocated between direct charitable expenditure and governance costs on the basis of the Trustees' estimate of the time spent on the relevant functions. Supplies of games equipment, books, stationery and sundry materials are written off to the Statement of Financial Activities as soon as the expenditure is incurred.

Grants are made at the discretion of the Trustees.

Governance costs comprise the costs of running the charity including audit, any legal or professional advice and all costs of complying with constitutional and statutory requirements such as the cost of preparing statutory accounts.

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

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (continued)

1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible Fixed assets are stated at cost less depreciation.

Assets donated for use by the charity are recognised as income when receivable and capitalised at their open market value.

Items costing less than £250 are written off as an expense as acquired.

Depreciation is provided at rates calculated to write off the cost fixed assets, less their estimated residual value, over their expected economic useful lives on the following basis:

Land	Nil	
Freehold property	2%	straight line
Fixture & fittings	10%-15%	reducing balance
Motor vehicles	25%	reducing balance

1.8 DEBTORS

Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

1.9 CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 CREDITORS

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Creditors are normally recognised at their settlement amount after allowing for any discounts due.

1.11 PENSIONS

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity contribution is restricted to the contributions disclosed in note 17. The costs of the defined contribution scheme are included with the associated staff costs and allocated therefore to raising funds, charitable activities, support and governance costs and charged to the unrestricted funds of the charity.

1.12 FINANCIAL INSTRUMENTS

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2 FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated statement of financial activities includes the results of Daughters of Divine Charity, Swaffham which operates as the Convent of the Sacred Heart.

The summary financial performance of the Charity alone is:

		2020 £	2019 £
Income	Income from donations and legacies		
	Donations	95,013	225,738
	Sisters pensions & salary donated	24,298	23,928
		<u>119,311</u>	<u>249,666</u>
	Income from charitable activities		
	School fees receivable	8,821	887,412
	Bursaries and other allowances	-	(460,537)
	Retirement home fees receivable	45,708	80,382
		<u>54,529</u>	<u>507,257</u>
	Investment income	<u>86</u>	<u>880</u>
	Total income	173,926	757,803
	Expenditure on charitable activities	<u>(118,002)</u>	<u>(973,330)</u>
	Net income/ (expenditure)	<u>55,924</u>	<u>(215,527)</u>
	Total funds brought forward	2,082,626	2,298,153
	Total funds carried forward (all unrestricted)	<u>2,138,550</u>	<u>2,082,626</u>

3 INCOME FROM DONATIONS AND LEGACIES

	2020 £	2019 £
Donations	24,676	16,834
Legacy donated by the Sisters	79,216	-
Sisters pensions and salary donated	32,098	30,628
	<u>135,990</u>	<u>47,462</u>

4 INCOME FROM CHARITABLE ACTIVITIES

	2020 £	2019 £
Fees receivable	198,112	1,081,466
Bursaries and other allowances	-	(460,537)
Retirement home fees receivable	45,708	80,382
	<u>243,820</u>	<u>701,311</u>

5 INVESTMENT INCOME

	2020 £	2019 £
Bank interest	<u>280</u>	<u>3,586</u>

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

6 EXPENDITURE ON CHARITABLE ACTIVITIES

2020		Staff Costs £	Other £	Depreciation £	Impairment	2020 Total £
Charitable Activities						
School	Direct Running Costs	138,867	59,894	-	-	198,761
	Premises and Equipment	-	10,356	23,609	-	33,965
	Support Costs	-	19,696	1,649	-	21,345
	Note 6a	<u>138,867</u>	<u>89,946</u>	<u>25,258</u>	<u>-</u>	<u>254,071</u>
Home	Direct Running Costs	-	19,579	-	-	19,579
	Premises and Equipment	-	34,526	3,543	-	38,069
	Support Costs	-	4,388	-	-	4,388
	Note 6a	<u>-</u>	<u>58,493</u>	<u>3,543</u>	<u>-</u>	<u>62,036</u>
Province and Communities		-	20,299	-	-	20,299
Missions and Charitable Grants		-	1,944	-	-	1,944
		<u>-</u>	<u>22,243</u>	<u>-</u>	<u>-</u>	<u>22,243</u>
		<u>138,867</u>	<u>170,682</u>	<u>28,801</u>	<u>-</u>	<u>338,350</u>
2019						
		Staff Costs £	Other £	Depreciation £	Impairment	2019 Total £
Charitable Activities						
School	Direct Running Costs	751,607	129,871	-	-	881,478
	Premises and Equipment	35,520	22,540	53,299	-	111,359
	Support Costs	30,242	70,785	19,764	-	120,791
	Note 6a	<u>817,369</u>	<u>223,196</u>	<u>73,063</u>	<u>-</u>	<u>1,113,628</u>
Home	Direct Running Costs	-	19,255	-	-	19,255
	Premises and Equipment	-	15,865	3,547	-	19,412
	Support Costs	-	6,865	-	-	6,865
	Note 6a	<u>-</u>	<u>41,985</u>	<u>3,547</u>	<u>-</u>	<u>45,532</u>
Province and Communities		-	27,306	-	-	27,306
Missions and Charitable Grants		-	5,098	-	-	5,098
		<u>-</u>	<u>32,404</u>	<u>-</u>	<u>-</u>	<u>32,404</u>
		<u>817,369</u>	<u>297,585</u>	<u>76,610</u>	<u>-</u>	<u>1,191,564</u>

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

6A SUPPORT COSTS

	2020	2019
Staff costs	-	30,242
Printing post and stationery	1,532	808
Telephone	4,015	4,682
Motor and travel	14,218	38,106
Legal and professional	830	20,131
Bank Charges	245	272
Governance costs - audit and independent examination fees	4,848	6,990
Depreciation	1,649	2,199
Loss on Disposals	-	17,565
Profit on Disposals	(1,604)	-
Bad debts	-	1,109
Other	-	5,552
	<u>25,733</u>	<u>127,656</u>

Support costs are allocated to the relevant activities based on actual time spent by staff.

7 STAFF COSTS AND KEY MANAGEMENT PERSONNEL

	2020 £	2019 £
Wages and salaries	136,019	659,734
Social security costs	1,256	37,960
Pension costs	1,592	53,913
	<u>138,867</u>	<u>751,607</u>

The average number of employees in the year was:

	No	No
School - teachers	12	31
- other	2	17
	<u>14</u>	<u>48</u>

No employees emoluments exceeded £60,000 during the year (2019: £Nil).

The charity considers that the key management personnel comprise the trustees and the senior management team. As the trustees as Sisters do not receive any remuneration, key management personnel remuneration only includes that of the financial adviser and the nursery manager. The total employee benefits of the key management personnel of the charity were £26,904 (2019: £33,683).

During the year, expenses totalling £7,479 were paid to the four trustees (2019: £8,992 to four trustees) for their living expenses. The trustees received no remuneration or other benefits in connections with their duties as trustees during the current or previous year.

8 NET INCOME

	2020 £	2019 £
Net income is stated after charging:		
Depreciation	17,481	59,045
Profit/(Loss) on Sale of Fixed Assets	1,604	(17,565)
Independent examination fee	3,655	4,795
Other accountancy costs	<u>475</u>	<u>2,195</u>

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

9 TANGIBLE FIXED ASSETS

Group	Group Freehold Land and Buildings £	Group Fixtures and fittings £	Group Motor Vehicles £	Group Total £
Cost				
At start of year	1,871,006	114,962	49,503	2,035,471
Addition	-	-	-	-
Disposals	-	(3,400)	-	(3,400)
At end of year	<u>1,871,006</u>	<u>111,562</u>	<u>49,503</u>	<u>2,032,071</u>
Depreciation				
At start of year	559,259	109,478	42,906	711,643
Charge for the year	26,871	281	1,649	28,801
Eliminated on Disposal	-	(646)	-	(646)
At end of year	<u>586,130</u>	<u>109,113</u>	<u>44,555</u>	<u>739,798</u>
Net book value at the end of the year	<u>1,284,876</u>	<u>2,449</u>	<u>4,948</u>	<u>1,292,273</u>
Net book value at the start of the year	<u>1,311,747</u>	<u>5,484</u>	<u>6,597</u>	<u>1,323,828</u>

The cost of depreciable assets included in freehold land and buildings at 31 December 2020 is £1,343,507 (2019 - £1,343,507).

Charity only	Charity Freehold Land and Buildings £	Charity Fixtures and fittings £	Charity Motor Vehicles £	Charity Total £
Cost				
At start of year	969,421	60,177	35,715	1,065,313
Addition	-	-	-	-
Disposals	-	(3,400)	-	(3,400)
At end of year	<u>969,421</u>	<u>56,777</u>	<u>35,715</u>	<u>1,061,913</u>
Depreciation				
At start of year	299,084	57,266	30,958	387,308
Charge for the year	14,839	24	1,189	16,052
Eliminated on Disposal	-	(646)	-	(646)
At end of year	<u>313,923</u>	<u>56,644</u>	<u>32,147</u>	<u>402,714</u>
Net book value at the end of the year	<u>655,498</u>	<u>133</u>	<u>3,568</u>	<u>659,199</u>
Net book value at the start of the year	<u>670,337</u>	<u>2,911</u>	<u>4,757</u>	<u>678,005</u>

The cost of depreciable assets included in freehold land and buildings at 31 December 2020 is £741,922 (2019 - £741,922).

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

10 FIXED ASSET INVESTMENTS

Investment assets - property

	2020 £	2019 £
Value brought forward at 1 January	315,163	-
Transfer from tangible fixed assets	-	315,163
Value carried forward at 31 December	<u>315,163</u>	<u>315,163</u>

Included in property investments is the Barn located at the Swaffham site. This is no longer used by the charity and is instead held for sale. The property has been sold subject to contract post year end.

Programme related investments - property

	2020 £	2019 £
Value brought forward at 1 January	1,173,747	-
Transfer from tangible fixed assets	-	1,173,747
Value carried forward at 31 December	<u>1,173,747</u>	<u>1,173,747</u>

Included in property programme related investments is the main school land and buildings at the Swaffham site, which have been transferred to the Roman Catholic Diocese of East Anglia under a 99 year lease at peppercorn rent. This property continues to fulfill the purposes of the charity and its charitable use.

Daughters of Divine Charity, St Joseph's Convent, Chesterfield ("Chesterfield")

Due to Chesterfield being under the common control of the trustees of Daughters of Divine Charity Swaffham, the results of Chesterfield have been consolidated into these financial statements. Chesterfield is a registered charity (charity number 527184), registered at the following address: St Joseph's Convent, 42 Newbold Road, Chesterfield, Derbyshire S41 7PL. The principal activity of Chesterfield is that of an independent fee paying nursery. The results of Chesterfield are as follows:

Statement of financial activities		2020	2019
Donations and legacies	2	88,179	7,796
Income from charitable activities	3	189,291	194,054
Investment Income	4	194	2,706
TOTAL INCOME		<u>277,664</u>	<u>204,556</u>
Expenditure on charitable activities	5	291,848	428,234
TOTAL EXPENDITURE		<u>291,848</u>	<u>428,234</u>
Net expenditure for the year being net movement in funds		(14,184)	(223,678)
Total funds brought forward		924,379	1,148,057
Total funds carried forward		<u>910,195</u>	<u>924,379</u>
Balance sheet		2020	2019
Fixed assets		633,074	645,823
Current assets		277,121	278,556
Total unrestricted funds		<u>910,195</u>	<u>924,379</u>

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

11 DEBTORS	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
School Fees	1,032	3,573	-	1,540
Prepayments	11,014	15,856	5,879	9,708
	<u>12,046</u>	<u>19,429</u>	<u>5,879</u>	<u>11,248</u>
12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Accruals	24,706	30,391	19,702	25,481
Deferred income	-	-	-	-
Taxation and social security	1,019	1,044	-	-
Other creditors	9,351	2,413	-	2,107
	<u>35,076</u>	<u>33,848</u>	<u>19,702</u>	<u>27,588</u>
13 DEFERRED INCOME				
	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Deferred income relates to schools fees received in advance.				
Deferred income as at 1 January	-	49,183	-	49,183
Amounts deferred in year	-	-	-	-
Amounts released in year	-	(49,183)	-	(49,183)
Deferred income as at 31 December	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

14 SACRED HEART CONVENT SCHOOL PTA

The Charity operated a parent teacher association (PTA). The purpose of the association was to raise income for the school and carry out the schools charitable objectives.

The following figures represent the results of the PTA for the period:

	2020 £	2019 £
Income (net of direct expenses)		427
Expenditure	-	-
Surplus for the period	<u>-</u>	<u>427</u>
Distribution of Surplus		
School Expenditure		1,005
School Closure Celebrations		2,570
Closing Balance Transferred to School		9,913
Equipment purchased for school	-	-
	<u>-</u>	<u>13,488</u>
Surplus/(Deficit)	<u>-</u>	<u>(13,061)</u>

15 RELATED PARTY TRANSACTIONS

During the year, the trustees donated their pension and salary income totalling £31,763 to the group (2019: £30,628), as well as a legacy of £79,216 (2019: £Nil).

Details of living expenses paid to trustees are detailed in the staff costs note.

There is one transaction between the two charities in the group, a donation of £71,500 (2019: £210,000) by Chesterfield

There were no other related party transactions during the year (2019: Nil).

16 LOAN ACCOUNT

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Daughters of Divine Charity New York	<u>184,788</u>	<u>184,788</u>	<u>184,788</u>	<u>184,788</u>

17 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2020 £	Group 2019 £
Net income/(expenditure)	41,740	(439,205)
Adjustments:		
Depreciation	28,801	59,045
Investment income	(280)	(3,586)
Disposal of Investments	-	265,031
Disposal of Fixed Assets	(1,604)	17,565
Decrease / (Increase) in debtors	7,383	29,055
(Decrease) / Increase in creditors	1,228	(95,196)
Net cash provided used in operating activities	<u>77,268</u>	<u>(167,291)</u>

DAUGHTERS OF DIVINE CHARITY, SWAFFHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

18 NET DEBT NOTE

	1 January 2020	Cashflows	New loans in year	31 Dec 2020
2019				
Cash	393,474	81,906	-	475,380
Loans over 1 year	(184,788)	-	-	(184,788)
Total	<u>208,686</u>	<u>81,906</u>	<u>-</u>	<u>290,592</u>

19 PENSIONS

Non-teaching staff belong to a defined contribution pension scheme. Contributions to the scheme in the year totalled £1,592.(2019: £2,995). £419 (2019 : £248) was due to the scheme at the year end.

20 POST BALANCE SHEET EVENTS

After the year end, the sisters vacated the house and the lower school premises at Swaffham (included in fixed assets at the year end), and the property has been sold subject to contract, for a total of £475,000. This will result in a gain to the charity of around £70,000, which will be recognised in the financial statements once the transaction is complete.