

**Roman Catholic Purposes
In Connection with The
Congregation of the
Sisters of St Clare
In Ireland
(The Sisters of St Clare
Charitable Trust)**

Annual Report and Accounts

31 December 2020

Charity Registration Number
0246649

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Trustees	Sister Anne Kelly Sister Mark Hollywood Sister Margaret McElgunn Sister Maureen O'Dea Sister Kathleen Moore The trustees are incorporated under the Charities Act 2011
Principal address	St Clare's Convent 15 Glyndebourne Gardens Corby Northamptonshire NN18 0QA
Abbess General	Sister Anne Kelly
Charity registration number	0246649
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Yorkshire Bank 6 Market Street Kettering Northamptonshire NN16 OEA National Westminster Bank plc 24 New Town Gardens Kirkby Liverpool L32 8RU National Westminster Bank plc 146 Widnes Road Widnes Cheshire WA8 6BB

Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ King-Davies & Partners Lloyds Bank Chambers 18 Talbot Street Maesteg Bridgend CF34 9BP
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The trustees present their statutory report together with the accounts of the charity for Roman Catholic Purposes in Connection with the Congregation of the Sisters of St Clare in Ireland (also known as The Sisters of St Clare Charitable Trust) for the year ended 31 December 2020.

Under a Uniting Direction issued by the Charity Commission under section 12(1) of the Charities Act 2011, this charity (i.e. Roman Catholic Purposes In Connection With The Congregation of the Sisters of St Clare In Ireland (Charity Registration Number 246649)) is the reporting charity and its related charity, Roman Catholic Purposes In Connection With The Congregation of the Sisters of St Clare In Ireland – The Porthcawl Charity (Charity Registration Number 246649-1) is the linked charity.

The effect of the Uniting Direction for accountancy and reporting purposes is that a single set of accounts is presented for the two charities combined. Under the Uniting Direction, both charities continue to exist as independent entities in all other respects.

The accounts have been prepared in accordance with the accounting policies set out on pages 18 to 21 of the attached accounts and comply with the charities' trust deeds, 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 Congregation of the Sisters of St Clare is an international Roman Catholic Religious Congregation divided into a number of separate regions. The Congregation's Generalate is based in Ireland.

The accounts accompanying this report are the accounts of the charitable trusts on which certain of the assets of the English Region are held and through which its affairs are administered.

Principal aims, activities and policies

Activities and specific objectives

When setting the objectives and planning the work of the charity and its related charity for the year, and when encouraging the work of individual members of the Congregation, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The general objective of the charity and its related charity is to support the advancement of the charitable ministries carried on by the members of the Congregation for the advancement of the Roman Catholic religion.

Principal aims, activities and policies (continued)

Activities and specific objectives (continued)

The activities of the charity and its related charity can be divided into two principal areas:

- ◆ Caring for members of the Congregation
To care for the members throughout their lives with the Congregation.
- ◆ Social and pastoral work
Members of the Congregation in England are involved in various forms of social and pastoral work including outreach to the housebound, care of the elderly, support of the victims of violence, chaplaincy to educational establishments, hospitals, nursing care, counselling, hospice work, support of the bereaved, work with abused and disadvantaged women and with ethnic minority groups. Some of these sisters receive stipends but the majority of their work is done on a voluntary basis.

Protection of children and vulnerable adults

Along with all other organisations who serve in the community, the trustees recognise the absolute necessity of ensuring the protection and safety of all those the charity and its related charity serve. This means that all sisters who are in any kind of ministry in Great Britain have to obtain clearance from the Disclosure and Barring Service. The trustees are committed to implementing all policies and procedures of the Catholic Safeguarding Advisory Service (CSAS).

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The charity 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 the year, the charity received no complaints about its fundraising activities.

Achievements and performance

Review of activities

Throughout 2020 the Covid-19 pandemic has changed the world as we know it. The pandemic has not only affected social interaction but has had a significant economic impact at all levels. These have been outside of the charity's control.

The trustees have considered the long and short term impact of Covid-19 on the charity.

Due to social distancing and the message to "stay at home" the work of the charity has faced challenging times.

Achievements and performance (continued)

Review of activities (continued)

♦ Caring for members of the Congregation

The age profile of the Sisters has meant that they have had to comply with the stringent government advice. Throughout the year the charity has continued to care for members of the Congregation and to assist them in their charitable and religious work.

♦ Social and pastoral work

Covid-19 has meant that the Sisters' normal apostolic activities have had to find new shape and adapt. As a result of the social distancing rules, whilst largely remaining in lockdown, the Sisters have tried to find new ways of working and supporting those with whom they work.

During the year the sisters have been engaged in the following ministries involving children. Priority is given to children who are disadvantaged, which includes not only education, but the provision of food and clothing, when necessary.

- ♦ Provision of education in parish schools and additional, voluntary, out-of-school classes to help lower achievers;
- ♦ Voluntary catechesis for children in non-Catholic Schools; and
- ♦ Youth groups.

In addition, during the year the Sisters have worked with adults in many areas, always trying to promote peace and justice. Examples of the work done include:

- ♦ Instruction of adults in the Catholic faith;
- ♦ Parents' and Young Mothers' groups, including pre-baptism preparation;
- ♦ Support for the dying;
- ♦ Support and counselling for the bereaved;
- ♦ Pastoral care/chaplaincy in schools;
- ♦ Pastoral care/chaplaincy in hospitals and hospices;
- ♦ Counselling work with victims of abuse and alcohol;
- ♦ Ministry to the housebound and the elderly;
- ♦ Provision of spiritual reading materials and videos for parishioners;
- ♦ Working in the local parish, helping parishioners develop their spiritual lives;
- ♦ Community social work; and
- ♦ Spiritual direction and guiding prayer groups.

Financial review of the year

A summary of the year's results can be found on page 15 of the attached accounts.

Income for the year totalled £345,761 (2019 – £140,235). The main recurring source of income continues to be salaries and pensions of individual religious received under Gift Aid or Deed of Covenant which amounted to £121,550 (2019 – £123,363). Contributions from the Congregation's Generalate in Ireland were £214,807 (2019 – £9,360). In the year to 31 December 2020, this amount also included a contribution towards the purchase of a property which totalled £205,807. General donations amounted to £3,192 (2019 – £2,084) and income from other sources amounted to £6,212 (2019 – £5,428).

Expenditure amounted to £144,142 in 2020 (2019 – £143,063) and includes £60,000 (2019 – £54,000) being contributions to the Congregation's Generalate in Ireland. The monies will be used for the support of the sisters including those returning from overseas missions.

Net income and the increase in funds for the year was £201,619 (2019 – net decrease and decrease in funds of £2,828).

The income and expenditure for the year to 31 December 2020 and the year to 31 December 2019 all relates to the reporting charity. The linked charity was dormant throughout both years.

Reserves policy

Following the disposal by the linked charity of the Porthcawl property in 2017 and the transfer of the sisters, the linked charity became dormant and does not require reserves.

The trustees of the reporting charity 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 level of free reserves should be approximately equal to between two- and six-months' ongoing expenditure (excluding donations).

Financial position

As the linked charity is now dormant, the financial position at 31 December 2020 below is in relation to the reporting charity only.

The balance sheet shows reserves of the reporting charity of £421,083 (2019 – £219,464).

£389,443 (2019 – £186,236) of the total reserves represents the value of the tangible fixed assets of the charity and is described on the balance sheet as the charity's tangible fixed assets fund. A decision was made to differentiate these from the general funds and other designated funds in recognition of the fact that the tangible fixed assets are used in the day-to-day work of the charity. The fund value, therefore, cannot be realised with ease or without jeopardising the ongoing work of the reporting charity.

Financial review of the year (continued)

Financial position (continued)

Free reserves available to support the work of the sisters in the future are those shown on the balance sheet as general funds and, at 31 December 2020, equated to £31,640 (2019 – £33,228) for the reporting charity. At the date of the balance sheet, free reserves were within the amount inherent in the policy.

This level of reserves is deemed appropriate, and the trustees are content that the charity is a going concern.

Future plans

The trustees are looking at the future needs of the members supported by the reporting charity to ensure that each member is fully supported in her ministry while able to continue to serve the community.

Whilst acknowledging the challenges presented by Covid-19 (see above), the trustees do not anticipate any significant change to the charity and its other activities during 2020. It is the intention of the trustees to continue to meet the charity's objectives of caring for members of the Congregation and to support the charitable work of the sisters for the foreseeable future.

Structure, governance and management

The Sisters of St Clare Charitable Trust i.e. the reporting charity is governed by a trust deed dated 10 December 1965 and is registered under the Charities Act 2011, Charity Registration No. 0246649.

Organisation

In terms of Canon law, the Congregation is governed by the Abbess General and her General Council. They are elected at a General Chapter or meeting of delegates elected by all the Sisters of the Congregation. Members of the General Council are chosen for their personal qualities, their understanding and experience of the ministries of the sisters throughout the Congregation, and to secure a good skills mix.

In terms of Civil law, the reporting charity is governed by a trust deed dated 10 December 1965 and is registered under the Charities Act 2011, Charity Registration No. 0246649. The trustees are appointed by the members of the Congregation. The trustees who served during the year are shown on page 1.

The trustees are incorporated under the provisions of the Charities Act 2011.

The trustees are ultimately responsible for the policies, activities and assets of the charity and also of the related charity. They meet regularly to review developments with regard to the charities or their activities and make any important decisions. The day-to-day management of the charities' activities and the implementation of policies is delegated to the appropriate members of the Congregation. Management reporting lines are clearly defined, and the trustees receive regular reports and training as considered necessary to enable them to fulfil their responsibilities.

Structure, governance and management (continued)

Key management personnel

The trustees consider that they comprise the key management in charge of directing and controlling, running and operating the charities.

However, as noted above, the day-to-day management is delegated to individual members within each community. All trustees and the individual members of a community are members of the Congregation and, whilst their living and personal expenses are borne by the charities, they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or work as key management.

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 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 its linked charity and of the income and expenditure of the charity and its linked charity for that period. In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the transactions of the charity and its linked charity and disclose with reasonable accuracy at any time the financial position of the charities and enable them to ensure that the accounts comply with the Charities Act 2011 and the related regulations and the provisions of the charities' trust deeds. They are also responsible for safeguarding the assets of the charities and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Structure, governance and management (continued)

Risk management

In addition to acknowledging the challenges presented by the Covid-19 pandemic, the trustees have assessed the major risks to which the charity and its related charity are exposed. The trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational risks faced by the charity and its related charity, they have established effective systems to mitigate those risks.

The trustees are aware that there is both a moral and legal obligation to care for the older members. None of the sisters 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. As the age profile increases, so too does the need to provide care for the sisters. Key elements of the management of this risk are: (a) ensuring that there are sufficient financial resources to finance this care both now and, in the years, ahead by ensuring that funds are available in the future; and (b) ensuring that the sisters are accommodated in properties that are suitable for their needs and also with other members of the Congregation where the sisters receive the necessary care and support.

Signed on behalf of the trustees

Sister Anne Kelly

Trustee

Approved by the trustees on: 4 October 2021

Independent auditor's report to the trustees of The Sisters of St Clare Charitable Trust

Opinion

We have audited the accounts of The Sisters of St Clare Charitable Trust (Charity Registration No 246649) which in accordance with the terms of a Uniting Direction issued by the Charity Commission under section 12(1) of the Charities Act 2011, are combined with those of The Sisters of St Clare Charitable Trust (Charity Registration No 246649-1). The accounts, which are for the year ended 31 December 2020, comprise the 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 charities' affairs as at 31 December 2020 and of their 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.

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 charities 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

Reporting charity

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.

Conclusions relating to going concern (continued)

Reporting charity (continued)

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

Linked charity

At 31 December 2020, the linked charity had no assets and no liabilities. Since that date it has remained dormant and will continue to do so until such time as the trustees decide to apply for it to be removed from the Central Register of Charities maintained by the Charity Commission for England and Wales. This may or may not be within twelve months of the date on which the accounts are authorised for issue. Any such decision will not have any impact on the accounts. Our opinion is not modified in respect to this matter.

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 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 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 each charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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.

How the audit was considered capable of detecting irregularities including fraud

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 identified the laws and regulations applicable to each charity through discussions with trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charities. These included but were not limited to the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of trustees and review of minutes of trustees' meetings.

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

We assessed the susceptibility of the charities' accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ Making enquiries of trustees as to where they considered there was susceptibility to fraud, 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 and reviewed journal entries to identify unusual transactions;
- ◆ Tested the authorisation of expenditure;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind 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 trustees; and
- ◆ Enquiring of 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.

We did not identify any irregularities, including fraud.

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 charities' trustees, as a body, in accordance with section 145 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charities' 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 reporting and linked charity and their 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

8 October 2021

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

Statement of financial activities Year to 31 December 2020

	Notes	Unrestricted funds	
		2020 £	2019 £
Income from:			
Donations	1	339,549	134,807
Other sources	2	6,212	5,428
Total income		345,761	140,235
Expenditure on:			
Charitable expenditure			
. Support of members of the Congregation and their ministry	3	81,631	86,616
. Donations	4	62,511	56,447
Total expenditure		144,142	143,063
Net income (expenditure) and net movement in funds	6	201,619	(2,828)
Reconciliation of funds:			
Balances brought forward at 1 January 2020		219,464	222,292
Balances carried forward at 31 December 2020		421,083	219,464

All recognised gains and losses have been included in the above statement of financial activities and hence a separate statement of total recognised gains and losses has not been prepared.

All activities of the reporting charity derived from continuing operations during the above two financial periods.

Balance sheet 31 December 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	9		389,443		186,236
Current assets					
Cash at bank and in hand		40,840		43,385	
Current liabilities					
Creditors: amounts falling due within one year	10	(9,200)		(10,157)	
Net current assets			31,640		33,228
Total net assets			421,083		219,464
Represented by:					
Funds and reserves					
. Reporting charity unrestricted funds					
.. Tangible fixed assets fund	11		389,443		186,236
.. General fund			31,640		33,228
			421,083		219,464

Approved by the trustees
and signed on their behalf by:

Sister Anne Kelly

Trustee

Approved on: 4 October 2021

Statement of cash flows Year to 31 December 2020

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	204,262	579
Cash flows from investing activities:			
Purchase of tangible fixed assets		(206,807)	(1,672)
Net cash used in investing activities		(206,807)	(1,672)
Change in cash and cash equivalents in the year		(2,545)	(1,093)
Cash and cash equivalents at 1 January 2020	B	43,385	44,478
Cash and cash equivalents at 31 December 2020	B	40,840	43,385

Notes to the statement of cash flows for the year to 31 December 2020

A Reconciliation of net income (expenditure) and movement in funds to net cash provided by operating activities

	2020 £	2019 £
Net income (expenditure) and movement in funds (as per the statement of financial activities)	201,619	(2,828)
Adjustments for:		
Depreciation charge	3,600	4,867
Decrease in creditors	(957)	(1,460)
Net cash provided by operating activities	204,262	579

B Analysis of cash and cash equivalents

	2020 £	2019 £
Total cash and cash equivalents: Cash at bank and in hand	40,840	43,385

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

Basis of preparation

These accounts have been prepared for the year to 31 December 2020 with comparative information provided in respect to the year to 31 December 2019.

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

The accounts combine, on a line-by-line basis, the results of the charity and its linked or related charity (see note 15), made up to the balance sheet date.

The activities of the linked charity, The Sisters of St Clare Charitable Trust (Charity Registration No 246649-1), ceased during 2017 following the sale of the property in Porthcawl. Further information on the cessation of activities by the linked charity is provided in the notes to the accounts. Following the disposal of the linked charity's property in 2017, its net assets were donated to the Generalate of the Congregation. The objectives of the Generalate are consistent with the objectives of the linked charity and the funds will be applied towards the support of the sisters, including those returning from overseas missions.

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) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Both the reporting charity and its linked charity constitute public benefit entities as defined by FRS 102.

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

Critical accounting estimates and areas of judgement

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

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

- ◆ estimating the useful economic life of tangible fixed assets; and
- ◆ estimating the future income and expenditure flows of the charity for the purposes of assessing going concern.

Assessment of going concern

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

Linked charity

At 31 December 2020, the linked charity had no assets and no liabilities. Since 31 December 2017 it has remained dormant and will continue to do so until such time as a decision is made to remove it from the Register of Charities.

Reporting charity

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 of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above.

Income recognition

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

Income comprises donations and miscellaneous income. Miscellaneous income includes income from charitable activities such as contributions from visitors and other sundry income.

Donations, including salaries and pensions of individual religious received under Gift Aid or deed of covenant, are recognised when the charities have confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before either 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 relevant charity, and it is probable that those conditions will be fulfilled in the reporting period.

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

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

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing either 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.

Expenditure recognition (continued)

All expenditure is accounted for on an accruals basis. All expenses are allocated to the applicable expenditure headings. The majority of expenditure is directly attributable and any apportionment between headings is negligible.

Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the relevant charity through the provision of its charitable activities and includes:

Expenditure on the support of members of the Congregation and their ministry. Such expenditure enables the members to carry out the work of the relevant charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty and supporting the other charitable activities of members of the Congregation.

Grants and donations to support the Congregation's own work overseas and to support other charitable organisations with objectives consistent with those of the relevant charity.

All expenditure is stated inclusive of irrecoverable VAT.

Support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charities it is necessary to provide support in the form of financial procedures, provision of office services and equipment and professional fees.

Governance costs comprise the costs involving the public accountability of the relevant charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

All expenditure on support and governance is allocated to the charitable activities of care of members of the community and enabling their ministry as any costs in relation to provision of donations and grants or raising funds is considered to be minimal.

Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

♦ *Freehold land and buildings*

Non-specialised buildings i.e. those designed as, and used wholly or mainly for, private residential accommodation. They are stated in the accounts at historical cost. Such buildings are not depreciated. Their value and conditions are reviewed annually by the trustees, who are satisfied that their residual value is not materially less than their book value.

♦ *Motor vehicles, furniture and equipment*

Motor vehicles are capitalised and depreciated over a five-year period on a straight-line basis in order to write off the cost of each vehicle over its estimated useful life. Equipment is depreciated over ten years on a straight-line basis in order to write off the cost of each asset over its estimated useful life.

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.

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. Creditors are discounted to the present value of the future cash payment where such discounting is material.

Fund structure

Each charity's funds comprise unrestricted income funds which are available for application towards that charity's objectives. Within such funds the trustees have identified those non-liquid funds represented by tangible fixed assets.

Services provided by members of the Congregation

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

1 Income from: Donations and legacies

	2020 £	2019 £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	121,550	123,363
Contributions from the Congregation's Generalate in Ireland (note 15)	214,807	9,360
General donations	3,192	2,084
	339,549	134,807

Contributions from the Congregation's Generalate in 2020 include £205,807 towards the purchase of a freehold property.

2 Income from: Other sources

	2020 £	2019 £
Fuel allowance	300	300
Miscellaneous	5,912	5,128
	6,212	5,428

3 Expenditure on: Support of members of the Congregation and their ministry

	2020 £	2019 £
Premises	18,778	19,790
Sisters' living and personal expenses	44,511	49,491
Education, training and spiritual renewal	3,293	4,725
Support costs		
· General administration and support	5,649	4,710
· Governance costs (note 6)	9,400	7,900
	81,631	86,616

4 Expenditure on: Donations

The charities make donations principally in support of the overseas work of the Congregation of the Sisters of St Clare and other causes which further the Christian faith and alleviate poverty.

The donations paid during the year were as follows:

	2020 £	2019 £
Contributions to the Congregation's Generalate in Ireland (note 16)	60,000	54,000
Donations to institutions	785	656
Donations to individuals	1,726	1,791
	62,511	56,447

Donations to individuals comprise a number of small monetary gifts aimed at relieving poverty by enabling the recipients to purchase food, clothing, etc.

5 Governance costs

	2020 £	2019 £
Audit fees	9,400	7,900

6 Net income (expenditure) and movement in funds

This is stated after charging (crediting):

	2020 £	2019 £
Staff costs (note 7)	2,832	2,022
Auditor's remuneration (including VAT)		
. Statutory audit services		
.. Current year	9,200	8,800
.. Prior year	200	(900)
Depreciation	3,600	4,867

7 Staff costs, key management personnel and trustees' remuneration

The reporting charity incurred staff costs of £2,832 during the year (2019 – £2,022) in respect to one individual (2019 – one).

Staff costs relate to support of members of the Congregation. No employee earned £60,000 per annum or more (including taxable benefits) during the year (2019 – none).

As members of the Congregation, certain of the trustees' living expenses during the year were borne by the charities. No trustee received any remuneration or reimbursement of expenses in connection with their duties as trustees during the year (2019 - £nil).

The members of the individual communities who are responsible for the implementation of the trustees' policies at community level are also members of the Congregation and their living expenses during the year were borne by the charity. The members did not receive any remuneration or reimbursement of expenses in connection with their duties during 2020 or 2019.

8 Taxation

Both the reporting charity and the linked charity are registered charities and, therefore, are not liable to income tax or corporation tax on income derived from their charitable activities, as it falls within the various exemptions available to registered charities.

9 Tangible fixed assets

	Freehold land and buildings: non-specialised £	Motor vehicles £	Furniture and equipment £	Total £
At cost				
At 1 January 2020	180,000	33,378	3,029	216,407
Additions	206,807	—	—	206,807
At	386,807	33,378	3,029	423,214
Depreciation				
At 1 January 2020	—	30,081	90	30,171
Charge in the year	—	3,297	303	3,600
At 31 December 2020	—	33,378	393	33,771
Net book values				
At 31 December 2020	386,807	—	2,636	389,443
At 31 December 2019	180,000	3,297	2,939	186,236

As explained under principal accounting policies, the book value of the non-specialised land and buildings shown above is stated at historical cost. As permitted by FRS 102, both charities have continued to adopt a policy of not revaluing their tangible fixed assets.

It is likely that there are material differences between the open market values of each charity's non-specialised land and buildings and their book values. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of the trustees, is not justified in terms of the benefit to the users of the accounts.

Other tangible fixed assets are stated at cost.

10 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and other creditors	9,200	10,157

11 Tangible fixed assets fund

	2020 £	2019 £
At 1 January	186,236	188,074
Net movement in year	203,207	(1,838)
At 31 December	389,443	186,236

The tangible fixed assets funds represent the net book value of each charity's tangible fixed assets. A decision was made to separate these funds from the general funds of each charity in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of each charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

12 Analysis of net assets between the reporting charity and the linked charity

	2020 £	2019 £
Fund balances at 31 December are represented by:		
Tangible fixed assets	389,443	186,236
Cash at bank and in hand	40,840	43,385
Creditors: amounts falling due within one year	(9,200)	(10,157)
Net current assets	31,640	33,228
Total net assets	421,083	219,464

There are no unrealised gains included in the assets of the reporting or the linked charity.

13 Ultimate control

The charities, both of which are constituted as a trust, were controlled throughout the period by The Congregation of the Sisters of St Clare by virtue of the fact that the Abbess General of the Congregation and her Councillors comprise the trustees. The English Region does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the English Region are vested in the trustees of the charities, who undertake all transactions entered into in the course of the Region's charitable activities.

14 Uniting direction

Following an application to the Charity Commission, the reporting and linked charities were issued with a Uniting Direction under section 12(1) of the Charities Act 2011. Roman Catholic Purposes In Connection With The Congregation of the Sisters of St Clare In Ireland (Charity Registration Number 246649) is the reporting charity and its related charity, Roman Catholic Purposes In Connection With The Congregation of the Sisters of St Clare In Ireland – The Porthcawl Charity (Charity Registration Number 246649-1) is the linked charity.

The effect of the Uniting Direction for accountancy and reporting purposes is that a single set of accounts is presented for the two charities combined. Under the Uniting Direction, both charities continue to exist as independent entities in all other respects.

As previously noted, the linked charity is now dormant and will remain as such until such time as trustees decide to apply to the Charity Commission to have the linked charity removed from the Register of Charities.

15 Connected charity and related party transactions

The reporting charity and the linked charity (note 14) are connected to the Congregation's Generalate (which has charitable status in the Republic of Ireland) as a result of the charities' trustees also being trustees of the Irish charity.

During the year the following transactions took place between the reporting charity and the Irish charity:

	2020 £	2019 £
Transactions during the year		
Settlement of professional fees and expenses by the Generalate on behalf of the charities (note 1)	(9,000)	(9,360)
Contribution received toward property purchase (note 1)	(205,807)	—
Contributions paid (note 4)	60,000	54,000

There were no related party transactions between the linked charity and the Congregation's Generalate.

There were no other related party transactions during the year requiring disclosure (2019 – none).