



**Institute of the Blessed Virgin Mary
(English Province)
Loreto Sisters**

Accounts

**For The Year Ended
31 August 2023**

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS

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INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

CHARITY DETAILS

Trustees

Miss Josette Zammit-Mangion (Retired 19th December 2023)
Miss Kathryn Keigher
Miss Bernadette Boland (Retired 19th December 2023)
Miss Una Coogan
Miss Kathleen Myers (Retired 19th December 2023)
Miss Jen Bromham (Appointed 19th December 2023)
Miss Kathleen Hewitt (Appointed 19th December 2023)
Miss Ewa Irena Bem (Appointed 19th December 2023)

Province Leader

Miss Jen Bromham

Province Consultors

Miss Kathryn Keigher
Miss Ewa Irena Bem

Province Treasurer

Miss Bernadette Turtle (from 1 December 2023)
Miss Kathleen Hewitt (until 30 November 2023)

Finance Manager

Mr Gareth Maloney

Registered office

Loreto Province Offices
28 Hartley Road
Altrincham
Cheshire
WA14 4AY

Charity number

250607

Auditor

MHA Moore and Smalley
Chartered Accountants
& Statutory Auditor
Richard House
Winckley Square
Preston
PR1 3HP

Investment managers

Investec Wealth and Investment Limited	Hedley & Co
2 nd Floor, 3 Hardman Street	13b Winckley Square
Spinningfields	Preston
Manchester	PR1 3JJ
M3 3HF	

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their report and audit consolidated accounts for the year ended 31 August 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the trustees' report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, 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 in the UK and Republic of Ireland published in October 2019.

Charitable Status

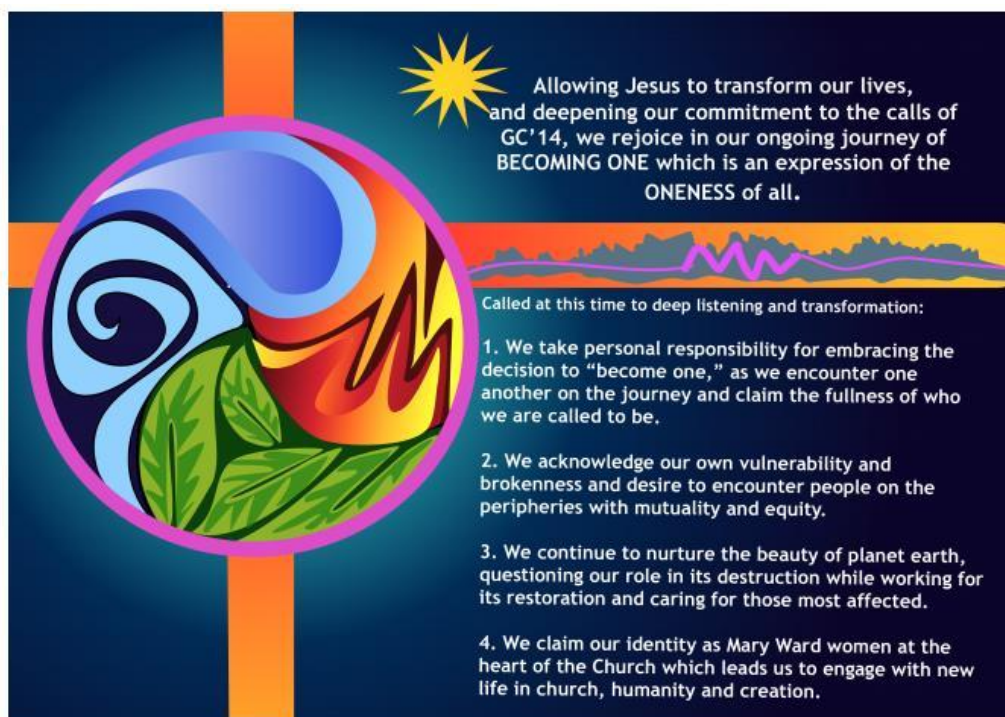
The English Province of the Institute of the Blessed Virgin Mary (IBVM) is part of an International Roman Catholic Religious Congregation of women present in twenty-three countries.

The accounts accompanying this Report are the accounts of a Charitable Trust, registered with the Charity Commission under a Trust Deed dated 2nd March 1965 in which the assets of the English Province of the Institute in the United Kingdom are held. The registered Charity Number is 250607.

Mission

The Institute's Charitable Trust aims to advance the religious and other works carried out by Sisters of the Institute in collaboration with lay co-workers and to care for those Sisters throughout their lives within the Institute. These works meet the public benefit criteria necessary under the Charities Act 2011 and the Institute operates as a public benefit entity.

At our last General Congregation culminating in October 2022, after a process of discernment with our whole Institute, our new focus for mission was expressed in the pictorial representation below.



The reference to 'Becoming One' is an expression of our working towards Canonical Fusion with the Congregation of Jesus (the original foundation by Mary Ward, of which we are currently a Branch).

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The works we undertake are reviewed on a continuous basis to assess their effectiveness in the achievement of our aims and the benefits we have provided to those sectors of the community we set out to help. In conducting this review, we have given due regard to the guidance contained in the Charity Commissioner's General Guidance on Public Benefit.

The ministries carried out by the Sisters of the Institute, both in the United Kingdom and overseas, in furtherance of our aims and the provision of public benefit fall into the following main areas:

- 1. Education**
- 2. Pastoral/Outreach Work**
- 3. Nurturing Religious Faith and Provision of Retreats**
- 4. Overseas Activity**
- 5. Governance, Structure and Management**

We are conscious of the ageing profile of the Province and the effect on our capacity for active ministry and the financial implications which have affected our ministries during this past year and will affect our contingency plans for the future.

1. Education

The main areas of responsibility extend to four schools and a sixth form college in England.

- One Academy for girls - Comprehensive
- One Aided co-educational Comprehensive school
- One Academy for girls – Grammar
- One Independent Preparatory School (Closure end of Summer Term 2023)
- One Sixth Form College supported by the Education Funding Authority

(With the exception of the co-educational comprehensive school, which is under the jurisdiction of the local diocese, the premises for these schools/college belong to the Institute and are made available at no cost).

The work of the Institute in formal education is conducted through the Loreto Education Trust, a charitable company limited by guarantee established in 2012. The Trust has embraced the need to involve lay trustees and lay officers in sustaining into the future the characteristic spirit of the Institute's college and schools. Nine of the 13 trustees are now lay and the Board has appointed a lay person as Education Officer to lead the Loreto English Education Network (LEEN Group) which is accountable to the Loreto Education Trust. One of the IBVM trustees acts as delegate for education. Additionally, at least one Sister continues to serve on both the schools'/college's governing bodies and their various committees.

LET has established strong monitoring and support procedures that assure the Institute Trustees that the education offered to our young people is in accordance with our objects. Because of the extensive training and development work that LET and LEEN have done with staff and governors over the last decade, the Loreto vision of education and the values that shape that vision are now fully embedded in each of our schools and the college. Our vision is that they will be educational communities where each person has the experience of being loved and valued, communities where students enjoy an enriching and liberating education that helps them to grow in the fullness of life and empowers them to be people of courage who are alive to the needs of humanity and the environment and committed to making a better world.

In the current year LET has focused both on supporting the Institute Trustees and the Regional Leadership in ensuring the smooth and timely closure of the Prep school and in continuing to work with the Leadership in developing a sustainable model for the continuing development of the Loreto Education Office. This has resulted in a commitment to funding for three development programmes each of two years and for the funding of the Loreto Education Officer for three years initially, with a review after two.

The schools and college engage in all relevant global concerns, events and fund-raising activities and have forged links with Loreto Schools across the world. Of specific importance at this time is our consciousness of the global climate, and the Institute, schools/college are continuing to put at the forefront the Mary Ward family 7yr Action Plan (2021-2028) in relation to our care for our common home and the living out of an "integral ecology" in response to the Pope's *Laudato Si'* encyclical.

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

At a time when we are yet again surrounded by the horrors of war, cruelty and despicable inhumanity our students are aware more than ever of the need for a just and peaceful world. They continue to put Laudato Si' and Sustainability at the centre of their JPIC work. We continue to focus on the directives of our JPIC Office in Rome and our UN Office in New York. Recently Loreto Altrincham has been awarded the Eco Schools Green Flag award after undertaking a seven-step process in a single year. All this has been achieved through the enthusiasm and hard work of the staff and students involved in promoting a just world by their practical actions and faith in the power of prayer and with the support of our JPIC Sister Representative.

In our Loreto communities in the UK, the Sisters who are no longer able to work actively to promote peace and justice continue to do so through their interest and prayer.

2. Pastoral/Outreach Work

The Trustees continue to make it a priority to reach out to the poor and marginalised in our society. Some Sisters undertake this work in their retirement while two Sisters receive financial remuneration. One Sister works as Vicar for Religious in a Catholic Diocese, along with work in Canon Law and Safeguarding in the Province. Another Sister was successful in her application for Referrals Officer for Adult Victims of Modern Slavery. Other active retired Sisters continue to work as advocates in support of the voiceless to enable them to secure the help they are entitled to, in justice, from the state and other agencies.

Several retired Sisters are involved in community-based programmes and support public institutions in the UK, including childcare and family support, community healthcare, general and mental health, and psychotherapy. One Sister operates as part of interfaith chaplaincy teams in hospital. Additionally, some Sisters work closely in supporting refugees, asylum seekers, migrants and victims of international trafficking. This work involves meeting with, listening to, supporting and signposting clients to the appropriate staff or agencies best suited to address their needs. The work also involves some English teaching and helping with basic needs and providing translation services where needed.



One Sister is in ministry in **Albania (Mary Ward Loreto)** –

VISION: MWL transforms the lives of victims, potential victims and survivors of human trafficking through exceptional capacity-building, unique research and a 'collaborate without borders' mindset".

MISSION: Our mission is to eradicate human trafficking, based on the vision of Mary Ward which inspires people to reach their full potential. MWL will be known, in the local situation, for giving hope through strong advocacy and operational excellence.

CORE MISSION of Mary Ward Loreto is the eradication of human trafficking from Albania, with a specific emphasis on thwarting cases bound for the UK. MWL operates as a non-profit organization, dedicated to combatting this grave issue through a comprehensive three-fold approach encompassing **advocacy, prevention, and support for PV/VoTs** (Potential Victims/Victims of Trafficking).

Advocacy: MWL recognizes the paramount importance of sustaining public awareness and advocacy to shed light on the ongoing prevalence of human trafficking across Albania. This critical element serves to ensure that the gravity of these crimes remains a focal point of public attention, compelling action at various levels.

Prevention: MWL has been committed to effecting change at the systemic level. This involves a multitude of projects executed at the local level to bring about systemic shifts and address the root causes of human trafficking, particularly poverty. By channeling efforts into projects that empower communities and eliminate poverty-driven vulnerabilities, MWL has significantly reduced the susceptibility to trafficking.

Support Services: MWL's strategic planning also highlights its dedication to providing support services as a means to counter human trafficking's adverse effects. Through a well-structured referral system, MWL extended assistance in six Advice and Service Centres in six vulnerable regions to individuals who are vulnerable to trafficking and abuse. Additionally, the foundation has extended specialised aid to returning victims, focusing on their successful reintegration and rehabilitation into society.

Holistic Approach: By recognizing that the causes of human trafficking and exploitation are deeply rooted, MWL aims to unearth and confront these underlying issues through its multifaceted strategy.



INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

One Sister is in ministry in the **Philippines (Institute of Formation Fondacio Asia)** –

Ten students who commenced the Course of Formation with IFFAsia in July 2022 participated in a holistic Program which in addition to their academic formation, introduced them to the areas of both human and spiritual development. Catholic Social Teaching became a living reality when the students experienced living with families, as they engaged in projects amongst the poor and indigenous communities in collaboration with Youth Commissions. Other opportunities exposed them to organizations supporting the homeless and families living in poverty.

As a member of the Formation Team, Sister was responsible for introducing the young people to the Old and New Testament; offering them experiences using different methods of prayer; enabling them to lead prayer and prepare for the weekly Community Mass. As coordinator of the Pastoral Track, she drew on the insights of 'The Joy of the Gospel' by Pope Francis for evangelization, faith and catechesis. She directed a 3-day end of year retreat for the students and team members at the local Jesuit Retreat Centre.

The students graduated with Mass and a Rite of Missioning on May 28th (Pentecost Sunday), in the Good Shepherd Cathedral which was attended by priests representing the students from their respective countries. This was a fitting way to conclude a year of much personal growth and transformation.

Sister continues to accompany a number of IFFA alumni on a monthly basis via video call - in Myanmar, Laos and Cambodia.

One Sister continues working with Revive, teaching English each week to both new arrivals and those who have been in UK several years without access to English. Links in the neighbourhood have been strengthened. Several families have invited refugee children to play with their own children or make monthly contributions to special needs families. Speaking to year 12 students at our local Loreto Grammar School produced lively discussion of the bill before Parliament re sending illegal immigrants to Rwanda and Revive's experience of genuine asylum seekers finding no access to legal means crossing the channel.

Several parishioners welcomed Ukrainian families into their homes and the Sisters also supported 15 Ukrainians along with 12 parishioners who came every week to the Convent for English conversations.

Families from Hong Kong have settled into the area and last year at least 6 adults from Hong Kong sought to become Christians in our parish. One Sister was involved with the parish group who met each week with them.

A few retired Sisters contribute to parish life, as Extraordinary Ministers of Holy Communion, Readers, Catechists, and through their support of parishioners and parish initiatives. At an international level Sisters engage with interest groups especially in the field of music, art and writing. They have a particular focus on highlighting current issues and exploring the spiritual embodied in art. Work is on-going to raise awareness of Mary Ward and the work of the Institute. Many Sisters have established links with the Mary Ward family across the world, and information and visits to significant sites are facilitated.

Our employed lay Archivist and Province Liaison Sister work on our archival material. The Archivist also responds to requests from relatives, past pupils from our schools, and research students.

One Sister continues to work within the Loreto Drawn Together (LDT) initiative. LDT offers a specialist psychoanalytic parent-infant psychotherapy (PIIP) intervention to parents and their babies who are struggling in their new relationship. This service provides in-person sessions in a Well-Being Centre and an online service for parents and their infants. During this year the service has further developed its Art Therapy interventions with emotionally upset under-fives within and for our partner nursery. This work includes 1-2-1 sessions and group sessions. In addition to their individual work, both the PIIP therapists and the Art Therapists offer parent support sessions for distressed and bereaved parents. The therapists engage with the wider network in the area and they are strongly linked with The Health Visiting team and local GPs. The therapists avail of appropriate CPD trainings including Advanced Safeguarding Training and are full members of their respective professional bodies such as the BPC, HCPC and BAAT.

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Our Sisters' work is not just restricted to their chosen ministries. Throughout the year, the Members of the Institute give their time to assist the poor and marginalised wherever that need arises. Many of the Sisters receive no financial reward for the work they undertake and which contributes to the overall achievement of the charity's objectives. The mission also extends through the support of past staff and pupils from within the worldwide Loreto network through personal contact or technology.

3. Nurturing of Religious beliefs and provision of Retreats

Loreto Spirituality Centre continues to adapt, as we strive to meet the needs of today's world. A Manager is employed to see to the day to day running of the Centre and to line manage the staff. Two Sisters work full time in the Centre, and provide a programme of retreats and courses to meet the spiritual needs of our times. Two other Sisters who live elsewhere, are also very much involved, and come to the Centre on a regular basis to work on our retreats.

The events on the programme include silent individually guided retreats, varying in length from a weekend to 30 days, preached retreats and themed retreats. Our Holy Week is specifically aimed at young people and families. The Theology Summer School is also a popular event on the Centre Calendar. The formation of a wider team of IBVM Sisters, plus the manager, enables a more diverse programme to be offered. A weekend retreat named 'Finding Life in an era of Change' was particularly aimed to meet the huge changes that our world is experiencing, and another named 'Space to Grieve' offers support to those recently bereaved. 'Visio Divina', a retreat for those who make use of their Smartphones for taking photographs, encourages them to encounter the Divine in what they see.

The Sisters on the spirituality team also meet regularly with those who ask for on-going spiritual direction, either in person or on zoom, making it possible to reach out beyond geographical boundaries.

The Centre also offers hospitality to groups who wish to run their own events. Several religious congregations held meetings here during the year, as well as individuals and groups of people in caring ministries who are looking for a period of respite. We also welcome groups such as the SPANNED (Supporting People with Additional Needs) group from the Diocese of Nottingham, who come annually for a break with their carers. In addition, we have a limited number of rooms available for those wishing to avail of self-catering facilities.

The conference room was used free of charge, by local Ukrainian refugees for English lessons, but these have now stopped, as the students went on to college to continue their lessons.

To ensure that nobody is excluded for financial reasons, a bursary has been set up to enable the unemployed and low-waged to come for retreats and courses.

In common with many religious orders the Centre faces the dilemma of meeting ever rising costs with a declining income. This shortfall has had to be met from existing funds, but action is being taken to ensure that this utilisation of resources is conducted in a manner which protects the future financial security of the works and membership.

4. Overseas Activity

The Institute globally has the aim to advance the religious and other charitable work in the Developing World. The work of the English Province in the Developing World is carried out mainly through the Teresa Ball International Solidarity Fund, registered charity no. 1080521 and Company no. 3914049, a charity under common control. The mission in Albania is part of the English Province mission.

5. Governance, Structure and Management

In terms of **Canon Law**, the Institute is governed at an international level by the Institute Leader and her Council in Rome. They are elected every eight years at a meeting of representatives of all the Provinces and Regions of the Institute and this last General Congregation in 2022 elected a new Institute Leadership Team. At every General Congregation the focus for the next eight years is mandated to Institute Leadership.

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The term of 3yr '*ad experimentum*' of Governance initiated by the previous Institute Leadership was reviewed when the new Institute Leader and her Consultors visited the English Province. The outcome of the review was a different model and new style of Province Leadership with a Provincial and two Province Consultors and the IBVM in England to return to the status of a Province rather than Region.

In terms of **civil law**, the charity is governed by a Trust Deed dated 2 March 1965 and is registered with the Charity Commission. The Charity Commission number is 250607. There is also a new Scheme approved by the Charity Commission dated 28 July 2003, which amends the governing document.

The governing document provides for ultimate decision making, including the appointment and retirement of trustees, at the sole discretion of the Province Leader. Under the new structure of leadership all canonical and civil governance decision making is conducted by the Leadership Team. The civil law implications of this new structure and the provisions of the governing document are therefore in conflict. To reconcile this conflict, the Leadership Team appoints one of its members to execute Leadership Team decisions on its behalf, as 'Provincial', where compliance with civil law is required.

A Sister is the Province Treasurer, and the Province has a lay Finance Manager working full time. In assessing and supporting the Province, the Leadership Team sits with the Finance and Properties Committee. The pay and remuneration of the Institute's employees, including key management personnel, is reviewed annually by the Finance and Properties Committee which then makes its recommendations to the Trustees.

The names of the Trustees on 31 August 2023 are set out on the attached schedule of legal and administrative details.

The Trustees, Treasurer and Finance Manager regularly attend seminars arranged by CoREW (Conference of Religious in England and Wales), The Association of Provincial Bursars and various professional bodies, including the Annual Catholic Conference, to keep abreast of current legislation and sector developments. As the Institute's main ministry has traditionally been educational all five trustees are currently fully qualified teachers. Some have later trained in other disciplines including pastoral/spiritual ministries and finance.

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/Northern Ireland 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.
- 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; and
- 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 which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts Report) 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.

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Structure and Management Reporting

The Trustees are ultimately responsible for the policies, activities, and assets of the charity. During this year there were five Trustees. The Province structure is composed of a Leadership Team of three, one local leader for our Llandudno community and designated contact persons in each of the other communities. The Leadership Team meets monthly for the care of the Province to review ministries and to discuss forward planning. The finance manager reports quarterly to this meeting on the current financial state of the Province and at other ad hoc intervals at the request of the Leadership Team to provide financial input to decision making.

The Leadership Team sits with the Finance and Properties Committee. The purpose of this committee is to advise the Leadership Team on all matters relating to finance, land and buildings. Once yearly it meets with all the Trustees and the Charity's auditors to confirm that all matters of discussion have been minuted and to assist in the process of approving the Annual Accounts and Trustees' Report. When necessary, the Trustees seek advice and support from the charity's professional advisers including property consultants, investment managers, lawyers and accountants. The day-to-day management of the charity's activities, and the implementation of policies, is delegated to the appropriate members of the Institute and to senior staff.

The day-to-day responsibility for the schools lies with the Headteachers and governors, and members of the Institute are on all the governing bodies. The day-to-day management of both our Loreto Spirituality Centre and Loreto House is carried out by our two lay managers.

Working with other organisations

Through its members the charity works closely with other charities and organisations which include the following:

- Roman Catholic Dioceses
- Jesuit Spirituality Centres in Britain
- Local education authorities
- Educational establishments
- Other Religious Congregations
- Caritas Albania
- Mary Ward Loreto Albania UK
- Caritas England and Wales
- CSSA (Catholic Safeguarding Standards Agency)
- RLSS (Religious Life Safeguarding Service)
- Northwest Religious Orders Safeguarding Network Support Group
- National Health Service
- Fondacio Asia – Philippines
- Salvation Army
- Anawim Arts - Canada

Risk Assessment Statement

The Trustees manage risk by reference to both long established, documented procedures and systems of control and current Charity Commission guidance on best practice. The Trustees believe that all major risks have been identified and reviewed and that systems and procedures are in place to manage these risks. In carrying out their assessment the Trustees have identified five main areas where risks may occur:

- 1: Governance and Management
- 2: Operational
- 3: Financial
- 4: Reputation
- 5: Laws, regulations, external and environment

- 1: **Governance and management** look at the structure of the Institute, and hence the charity, and the skills and training of its members and staff, and the good use of its resources.

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

- 2: **Operational** looks at the risks inherent in the charity's activities including the operation of its schools/college, and Loreto Spirituality Centre; Sisters/Staff engaging in inappropriate activities, the unsuitability of buildings, poor maintenance, shortcomings in the services provided, difficulties with staff, poor health and safety, lack of a disaster recovery policy etc. When acting in their capacity as school governors, the Trustees and Sisters are required to regularly attend training courses and seminars, particularly concerning safeguarding, but also risk assessment generally.
- 3: **Financial** risks include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies etc. Financial risk also extends to the security of the Institute's future income streams, in particular the receipt of pensions and salaries which currently account for 83% of Province Fund income. This aspect of risk is an important factor in the production of the Institute's strategic plan. The Institute manages its financial affairs by reference to an annual budget, performance against which is monitored by the trustees.
- 4: **Reputational** looks at possible damage to the Institute's and/or charity's reputation. We take the issue of safeguarding extremely seriously.

In line with statutory requirements, the Trustees recognise the absolute necessity of ensuring the protection and safety of all those the charity serves. All Sisters who are in any kind of ministry in the United Kingdom obtain Disclosure and Barring Service clearance as do the staff at Loreto House. The Province Safeguarding Lead keeps abreast of Institute and statutory policy and controls the DBS checks on Sisters and employees. The Safeguarding Lead also reports annually to the Leadership Team. Safeguarding is a topic on all Province and Leadership Meetings agendas.

After much delay, the CSSA (Catholic Safeguarding Standards Agency) issued their contract for members which we signed in March 2023. A Sister has taken on the role as Province Safeguarding Representative and Trustee since the previous Safeguarding Trustee has moved to a new leadership role in Rome. The Province Leader, Safeguarding Lead, and those in Spiritual Direction and Trustee and Leadership roles have been accessing the relevant training from the RLSS (Religious Life Safeguarding Service). The RLSS also produced a Policy Template which we adapted and signed. We have also updated our own simple policy documents for the Sisters, to reflect the changes, and have posters available for houses where these are needed. This information will be given with PowerPoint explanation at the next Province Gathering in September 2023.

There have been no safeguarding allegations or concerns.

In March 2023 the Trustees resolved to close the Preparatory School in Altrincham. Although due process was followed and appropriate legal advice taken, a parent group made allegations to the contrary and lodged their complaint with the Charity Commission. As a result, the Trustees were obliged to lodge a Serious Incident Report with the Commission. In June 2023 the Commission recognised the full cooperation of the Institute's Trustees in responding to their resultant enquiries and ruled that the Trustees had made a reasonable decision when judged against the criteria set out in Commission guidance relating to trustee decision making.

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

The work of the Trustees in assessing and minimising exposure to risk is supported by the Province Treasurer and Finance Manager. They are both members of the Association of Provincial Bursars, an association set up over thirty years ago for Bursars of Religious Congregations both Catholic and Anglican, and through this Association they keep up to date with current legislation and developments. Furthermore, they and many of the sisters attend courses in support of their ministry or Institute management. These courses are either run by the professional bodies of which they are members or other appropriate organisations.

The Institute is GDPR compliant and annually reviews its Cyber Security Policy.

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

In conducting their assessment, the Trustees necessarily gave due regard to the declining numbers of Institute members and the rising average age of those who remain. The main sources of income to the Institute are the pensions and salaries of the sisters and as they grow older this income is inevitably declining.

Additionally, the payroll costs currently being incurred will increase as more people are employed to undertake work now being carried out on a voluntary basis by the Sisters. The Trustees have ensured that procedures and controls are in place to protect the property and investment assets of the Institute so that financial resources are available into the future to meet additional funding requirements resulting from this ageing process.

Care for Members of the Institute

Those members of the Institute who earn salaries or receive pensions covenant them to the charity and therefore have no independent means of support. Many also give their services free in their various ministries and continue to do so well beyond retirement age. Hence the work of the charity includes the upkeep of the members so that they will be able to continue in their service to the public.

Additionally, the charity must also care for the elderly members of the Institute who are now themselves in need of care. These Sisters have no resources of their own and have devoted their whole lives to the educational, pastoral, social and other ministries of the Institute, which now has a moral and legal obligation to provide for their care. In common with many religious congregations in the United Kingdom, the age profile of the members of the Institute is increasing as existing members grow older and there are no new vocations. As the age profile increases so too does the need to provide increasingly expensive care for the Sisters, a cost which is borne almost exclusively by the charity since, as members of a religious community, we are not entitled to claim certain benefits from the state e.g. pension credit.

In the past twelve months one Sister has died.

There are 34 Sisters in the English Province, and they live and work in several locations across England, Scotland and Wales. Two Sisters work overseas, one in Albania and one in the Philippines.

The Institute has established Powers of Attorney for all its Sisters to ensure that their wishes continue to be followed should they become incapacitated through ill health and unable to make decisions for themselves.

Over the next decade the Trustees expect the number requiring care to increase. Consequently, the Trustees are carefully considering the impact of this on the work of individual Sisters of the Institute, the property requirements and the financial implications. The aims of the Trustees are as follows:

- To ensure that all Sisters receive the care that they require to provide them with a quality of life we consider to be right.
- To review the charity's properties used as community houses and assess their suitability as homes for the frail elderly. Those identified as being unsuitable will need to be adapted or, if this is not possible, sold and replaced with more appropriate properties.
- To enable all members of the Institute to continue with their ministries and live independently for as long as possible after their official retirement age.

We continue to provide care for our elderly and frail sisters in Loreto House under the direction of our experienced Matron and her dedicated team. Sisters receive around the clock care, tailored to their needs, aimed at enabling independence for as long as possible. Situated as it is, close to our Loreto Spirituality Centre, it enables our elderly sisters to connect with ministry which is central to the mission of the Institute.

Employees, Volunteers and Members of the Institute

The Trustees wish to record their recognition of the professionalism and commitment of all their staff, volunteers and those Sisters of the Institute who are involved with its administration – without their contribution the charity would not be able to function as effectively or fully as it does. Their dedication, enthusiasm and active participation in our ministry is very much appreciated.

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Grants, Donations and Support of Missionary Work and Ministry

Grants, donations and other payments in support of ministry are decided on by the Trustees in consultation with the members of the Institute as appropriate. While the Trustees give occasional support to United Kingdom based organisations and to individuals 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.

Fundraising Policy

The charity has undertaken some small-scale fundraising activities during the year. All fundraising activities have been undertaken in accordance with the applicable regulations. The charity does not work with commercial partners and has received no complaints in relation to its fundraising activities.

Investment Policy

The charity has a portfolio of investments with a market value of £1,757,425 managed by two long established stockbroker firms with much experience in investing funds for charitable organisations – Investec Wealth and Investment Limited and Hedley & Co. Both firms operate within specific guidelines, which are set out and regularly reviewed by the Trustee appointed Investment Committee. The Investment Committee in turn reports twice annually to the trustees. There are no restrictions on the charity's power to invest.

The investment strategy is to achieve a balanced return from income and capital growth by reference to recognised charity sector benchmarks subject to a medium risk portfolio structure. As well as these investments a further £149,806 is held on special deposits to be recalled when needed to meet our contingent liabilities and planned works.

The Charity requires the investment managers to have regard to its ethical screening policy when making investment decisions. In addition to specifically excluding some areas of investment (for example in any companies having significant profits from armaments, gambling or life determination) the policy also requires the managers to avoid investment in companies with continuing issues of exploitation of its workforce or deprivation of human rights, being activities contrary to Christian objectives. The screening process adopted by the Charity is an independent service provided by Ethical Screening Services Ltd but operated by Investec Wealth and Investment Limited. The adoption of this screening process is applied to both investment portfolios.

The investment committee meets several times during the year to review the performance of the portfolio and the continued appropriateness of the charity's investment strategy. The investment managers attend these meetings to present a formal report on an ad hoc basis but at least annually. The Charity has selected the FTSE WMA Balanced Portfolio as the benchmark against which the performance of its investment managers is assessed. Whilst market conditions have continued to be volatile market returns have largely flattened out during the year under review. The performance of our investment portfolios reflects this trend with both managers showing a total return of in or around 4% in line with the benchmark. (2022: minus 13%).

Achievements and Performance

Financial Review

Results for the year

During 2022/23 incoming resources amounted to £2,350,855 (2022: £2,141,977). Of this total, £1,216,773 (2022: £1,168,902) related to fee's receivable at the preparatory school and retreat centre and Legacies received amounted to £103,075 (2022: £189,097). Salaries and pensions of the sisters covenanted to the charity amounted to £815,761 (2022: £614,607), the increase being mostly due to a retirement lump sum of £176,612. Investment income and interest received totalled £77,309 (2022: £81,192). This is a 4.8% decline in investment income (2022: 1.7%).

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Resources expended totalled £3,387,655 (2022: £2,753,956) an increase of 23%. Staff costs at the school and retreat centre still represent a significant proportion (27%) of total expenditure, amounting to £911,762 (2022: £851,760). The preparatory school in Altrincham was closed in July 2023 at a cost of £456,536.

Expenditure on maintaining the members of the Institute and supporting them in their pastoral work and ministry totalled £1,590,572 (2022: £1,483,438), representing an increase of 7.1%. Of this, the running costs and maintenance of buildings were £294,109 (2022: £319,670) and carers' payroll and nursing costs were £545,279 (2022: £525,358). Expenditure on governance and the fees paid to the charity's investment managers amounted to £85,606 (2021: £68,967). Greater awareness of the value of good care, continued pressure on staff availability due to NHS demands and significant increases in the national minimum wage has maintained the upward pressure on payroll costs.

Investment values stabilised in 2023 resulting in a small gain of £6,554 (2022: £323,593 loss).

Net movement of funds for the year was an outflow of £1,030,246 (2022: £935,572).

Funds to carry out the works of the charity come from various sources:

SFA and YPLA in the Sixth Form College
LEA and DfE in the two aided schools
Donations from those who come to the retreat centre
Donations received specifically for the mission in Albania
The salaries and pensions of the members of the Institute
Income from investments

We are not a fundraising charity although parents in the schools do raise some funds for particular projects. Our mission in Albania also seeks funds from individual donors based on generating awareness but does not undertake general advertising campaigns.

The Institute has a commitment to make contributions to the schools and college, particularly regarding the maintenance of their chapels where other sources of funding are not available, and some of the funds on deposit are reserved for this purpose.

Functional property belonging to the Institute has been included on the Balance Sheet at Trustees' valuation in 1996, which was achieved with help from professional advisers. The school's element of this valuation has since been revalued.

Reserves Policy

The reader will see from the information given that the charity carries out a diverse range of activities and is responsible for the care and support of sisters whose average age is increasing and whose needs are changing. The trustees have examined the need for free reserves i.e., those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. For several years the charity has looked to its assets to make good shortfalls of income from expenditure by providing the necessary funding to maintain liquidity. The trustees consider that, given the nature of the charity's work, its commitments and the age profile of its members, this funding requirement will continue into the foreseeable future and therefore it is unlikely that uncommitted reserves will become available.

Financial Position

The group balance sheet shows total reserves of £17,869,508 (2022: £18,899,754). Of this £15,643,592 (2022: £15,425,940) is represented by properties, assets under construction and other tangible fixed assets essential for the support and work of the sisters.

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The Institute has divided its unrestricted assets into two designated funds:

1. Province Fund – to support the Sisters in their work as they give their services voluntarily and to care for them when they are sick and aged. The value of this fund is £10,960,941 (2022: £11,547,896) of which £8,786,441 (2022: £8,588,326) represents tangible fixed assets. The net current assets of the fund are £1,038,392 (2022: £517,789,). As at 31 August 2023 there were no assets under construction (2022: £52,885). Shortfalls of income to meet short term operating requirements continue to be met from investment realisations.
2. Ministry Development Fund – to support our schools, establishments and other charitable donations made for the public benefit within the terms of our governing document. The value of this fund is £6,112,881 (2022: £6,678,016) of which £6,857,151 (2022: £6,837,614) represents tangible fixed assets. The net current assets of the fund are £744,626 in deficit (2022: £159,955 in deficit), the increase being exclusively due to the closure of the preparatory school.

The asset base of the Institute has been its strength for a considerable period of time. Shortfalls of income to meet expenditure are such that asset realisations are an essential part of financial planning. Our investment managers are aware of our cashflow requirements for at least the next 12 month period and our Leadership team regularly reviews property needs not only in terms of ministry but also in regard to the increasing vulnerability of our members. These reviews have recognised that properties within the Llandudno site are now surplus to our needs and marketing them for disposal is at an advanced stage.

Future Plans

The trustees have resolved to modernise their structure by changing the form of their operating document from trust deed to one of Charitable Incorporated Organisation. The new Charity has been registered and plans to convert advanced pending the completion of registered land transfers.

The trustees have further resolved to a merger under a Canonical Fusion with the Congregation of Jesus but plans for this merger remain at an early stage. The Charity is currently continuing to operate as an independent charity, but there is an agreement to work closer together with the Congregation of Jesus and potentially merge in the future.

Whilst the trustees do not anticipate any significant change to the charity's activities over the next two to five years, they are constantly reviewing works of the Institute in the light of a changing world and its own ageing membership. To that end the membership continues to review its ministry works for the next ten years and how they will be achieved and provide public benefit. The Trustees opinion is that the Charity will continue to provide public benefit by continuing to meet the following objectives:

- To continue to be trustees for two Loreto schools and a Loreto sixth form college;
- To continue the development of Loreto ethos at Loreto Chorlton;
- To continue to provide training for its school governors;
- To continue to support other schools;
- To continue to control Loreto Education Trust, a company limited by guarantee and established to manage the operations of the schools and college whilst at the same time continuing the ethos of Mary Ward into the future;
- To continue to develop new projects which deliver public benefit such as the mother and infant project;
- To continue with its pastoral/outreach work at several locations across the country;
- To continue to explore interfaith work and to train new members to degree level in religious studies and theology to prepare them for future ministry in a multi-cultural/multi-faith society;
- To continue the development of its Loreto Spirituality Centre in Llandudno;
- To maintain and increase awareness of the religious tenets of its founder, The Venerable Mary Ward;
- To continue to care for the sisters and enable them to carry out their various ministries where they will continue to reach out to the poor and marginalised and the victims of trafficking;
- To meet the requirements of the various statutory bodies;
- To continue to employ high quality staff and to ensure they are given appropriate and relevant training;

**INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS**

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

- To support the work of the English Province in Albania;
- To monitor the needs of the sisters as they grow older and, if necessary, adapt the charity's plans in respect of property needs and the provision of care to elderly members;
- To continue to encourage new membership.
- To continue the conversion of the Charity to a Charitable Incorporated Organisation, having established the new body during the year.

MHA Moore and Smalley have expressed their willingness to be re-appointed as auditors for the ensuing year.

Compliance

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, 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 in the UK and Republic of Ireland.

This report was approved by the Trustees of the Charity on 10/01/2024 and signed on their behalf by:

Jen Bromham IBVM

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Jen Bromham - Trustee

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the financial statements of The Institute of the Blessed Virgin Mary (English Province) Loreto Sisters (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 August 2023 which comprise the Group Statement of Financial Activities, the Group and Parent Charity Balance Sheet, the Group Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 August 2023, and of the group's incoming resources and application of resources, 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 financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group and parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 financial statements 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.

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2023

Other information (continued)

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 (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the parent charity's financial statements 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 set out on page 8, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent 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 group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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:

- Enquiries with management about any known or suspect instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to future performance of the group;
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness;
- Auditing the risk of fraud in income by way of transactional testing, testing income recognition in accordance with SORP, and testing for completeness of income around the year end.

**INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS**

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

- An evaluation of the company's internal control environment; and
- Reviewing board minutes and resolutions.

Because of the nature of the charities operations, we identified the following areas as those most likely to have a material impact on the financial statements: health and safety and compliance with the UK Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor s to become aware of it or to recognise the non-compliance.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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.

MHA Moore and Smalley

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MHA Moore and Smalley
Chartered Accountants
and Statutory Auditor

Richard House
Winckley Square
Preston
PR1 3HP

16/01/2024
.....

MHA Moore and Smalley is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS**

GROUP STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Restricted Funds £	Unrestricted funds Ministry £	Province £	2023 Total £	2022 Total £
Income from:						
Donations and legacies	4	159,026	-	897,747	1,056,773	889,845
Investments	5	16,562	-	60,747	77,309	81,192
Charitable activities	6	-	1,216,773	-	1,216,773	1,168,902
Other	7	-	-	-	-	2,038
Total income		175,588	1,216,773	958,494	2,350,855	2,141,977
Expenditure on:						
Raising funds	8	2,590	-	23,329	25,919	28,349
Charitable activities	9	67,305	1,781,908	1,512,523	3,361,736	2,725,607
Total expenditure		69,895	1,781,908	1,535,852	3,387,655	2,753,956
Net gain/(loss) on investments	10	16,151	-	(9,597)	6,554	(323,593)
Net (expenditure)		121,844	(565,135)	(586,955)	(1,030,246)	(935,572)
Transfers between funds		-	-	-	-	-
Net movement in funds		121,844	(565,135)	(586,955)	(1,030,246)	(935,572)
Reconciliation of funds:						
Total funds brought forward		673,842	6,678,016	11,547,896	18,899,754	19,835,326
Total funds carried forward		795,686	6,112,881	10,960,941	17,869,508	18,899,754

**INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS**

GROUP BALANCE SHEET

AS AT 31 AUGUST 2023

	Note	Restricted Funds £	Unrestricted funds Ministry £	Province £	2023 Total £	2022 Total £
Fixed assets						
Tangible assets	12	-	6,857,151	8,786,441	15,643,592	15,425,940
Investments	13	770,767	356	1,136,108	1,907,231	3,082,160
		770,767	6,857,507	9,922,549	17,550,823	18,508,100
Current assets						
Debtors	14	1,512	18,762	32,924	53,198	49,266
Cash at bank and in hand	15	27,913	209,154	292,361	529,428	688,452
		29,425	227,916	325,285	582,626	737,718
Creditors: amounts falling due within one year	16	(4,506)	(206,330)	(53,105)	(263,941)	(346,064)
Inter-fund debtors / (creditors)		-	(766,212)	766,212	-	-
Net current assets		24,919	(744,626)	1,038,392	318,685	391,654
Net assets		795,686	6,112,881	10,960,941	17,869,508	18,899,754
Funds						
Restricted funds		795,686	-	-	795,686	673,842
Unrestricted funds:						
Designated - Province fund		-	-	10,960,941	10,960,941	11,547,896
Designated - Ministry fund		-	6,112,881	-	6,112,881	6,678,016
Total funds	18	795,686	6,112,881	10,960,941	17,869,508	18,899,754

Certificate of trustees

These financial statements were approved by the trustees on

10/01/2024

Jen Bromham IBVM

K. Hewitt

J Bromham - Trustee

K Hewitt - Trustee

**INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS**

PARENT CHARITY BALANCE SHEET

AS AT 31 AUGUST 2023

	Note	Restricted Funds £	Unrestricted funds Ministry £	Province £	2023 Total £	2022 Total £
Fixed assets						
Tangible assets	12	-	6,857,151	8,786,441	15,643,592	15,373,055
Investments	13	770,767	356	1,136,108	1,907,231	3,082,160
		770,767	6,857,507	9,922,549	17,550,823	18,455,215
Current assets						
Debtors	14	1,512	18,762	32,924	53,198	48,966
Cash at bank and in hand	15	27,913	209,154	292,361	529,428	682,758
		29,425	227,916	325,285	582,626	731,724
Creditors: amounts falling due within one year	16	(4,506)	(206,330)	(53,105)	(263,941)	(273,426)
Inter-fund debtors / (creditors)		-	(766,212)	766,212	-	-
Net current assets		24,919	(744,626)	1,038,392	318,685	458,298
Net assets		795,686	6,112,881	10,960,941	17,869,508	18,913,513
Funds						
Restricted funds		795,686	-	-	795,686	673,842
Unrestricted funds:						
Designated - Province fund		-	-	10,960,941	10,960,941	11,561,655
Designated - Ministry fund		-	6,112,881	-	6,112,881	6,678,016
Total funds	18	795,686	6,112,881	10,960,941	17,869,508	18,913,513

Certificate of trustees

These financial statements were approved by the trustees on

10/01/2024

Jen Bromham IBVM

.....
J Bromham - Trustee

.....
K Hewitt - Trustee

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS

GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	2023 £	2022 £
Net cash outflow from operating activities	(1,191,368)	(610,628)
Cash flow from investing activities		
Payments to acquire tangible fixed assets	(235,594)	(16,194)
Receipts from sales of tangible fixed assets	14,464	-
Payments to acquire investments	(162,261)	(291,234)
Receipts from sales of investments	1,375,448	858,128
Investment income	71,991	77,930
Net cash flow from investing activities	1,064,048	628,630
Net (decrease) in cash and cash equivalents	(127,320)	18,002
Cash and cash equivalents brought forward	806,554	788,552
Cash and cash equivalents carried forward	679,234	806,554
Consisting of:		
Monies held for investment	149,806	118,102
Cash at bank and in hand	529,428	688,452
	679,234	806,554
Reconciliation of net (expenditure) for the year to net cash flow from operating activities		
Net (expenditure) for the year	(1,030,246)	(935,572)
Investment income received	(71,991)	(77,930)
(Gain)/Loss on disposal of tangible fixed assets	2,763	-
Loss/(Gain) on investments	(6,554)	323,593
Depreciation of tangible assets	717	7,196
Decrease/(Increase) in debtors, net of capital debtors	62,583	20,648
Increase/(Decrease) in creditors, net of capital creditors	(148,640)	51,441
Net cash flow from operating activities	(1,191,368)	(610,628)

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. 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, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The Statement of Financial Activities, Balance Sheet and Statement of Cash Flows consolidate the financial statements of the charity and its subsidiary undertaking, Loreto Developments Limited. Loreto Developments Limited is a company limited by guarantee (company no. 08809375) and its principal activities are that of property development. The trustees of the charity are the directors and guarantors of Loreto Developments Limited.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure together with funds available from investment and property realisations are sufficient for the charity to be able to continue as a going concern.

Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objects of the charity and which have not been designated for other reserves.

Where unrestricted funds have been earmarked for a particular project, they have been designated as a separate fund, but the designation has an administrative purpose only and does not legally restrict the trustees' discretion to apply the fund. The aim and use of each designated fund is set out in the notes to the accounts.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors, which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the accounts.

The accounts comprise:

Restricted funds

- Patrimony Fund
- Loreto College St Albans Appeal Fund
- Loreto Sisters Albania Fund

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Restricted funds (continued)

- Loreto Sisters Drawn Together Fund

Ministry (unrestricted)

- Ministry Development Fund
- Loreto Preparatory School, Altrincham
- Loreto Retreat Centre

Province (unrestricted)

- Province Fund
- Houses

Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Legacies received by members of the Institute are credited to the Patrimony Fund unless the legator indicated a specific bequest.

Covenanted salaries and pensions

Covenanted salaries and pensions are received under deeds of covenant from members of the Institute and are stated inclusive of income tax but net of any deductions for national insurance and occupational pension schemes' contributions.

Resources expended

Expenditure is included on an accruals basis and consists of all expenditure directly relating to the objects of the charity.

Investment management and governance costs include expenditure incurred in the management of the portfolio and for compliance with constitutional and statutory requirements.

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

All expenditure is written off in the year in which it is incurred, including major property renovations, unless the expenditure is deemed to increase the charity's fund value.

Governance costs

Comprises audit fees, legal and professional fees and a contribution to payroll.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the exchange rate ruling at the balance sheet date. All differences are taken to the SOFA.

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable within one year are recorded at transaction price. Balances include funds due to and from two unrestricted designated funds from within the Charity which are separately identified in notes 14 and 16 to the financial statements.

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Pension schemes

Retirement benefits to employees of the Preparatory School are provided by the Teachers' Pension Scheme ('TPS'). This is a defined benefit scheme, contracted out of the State Earnings-Related Pension Scheme, and the assets are held separately from those of the School.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. The TPS is a multi-employer scheme and the School is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each period.

Contributions for other staff are made to their personal pension schemes.

Tangible fixed assets

Land, buildings and fixtures: To date the charity has opted to adopt a policy of not revaluing its tangible fixed assets as permitted under the transitional provisions of FRS 15. On transition to SORP 2015 (FRS 102), similar transitional provisions were adopted to carry these amounts as deemed cost. The book value of the land and buildings was based on a Trustees' valuation made in 1996, based on insurance valuation at a discounted rate, plus cost of acquisitions since 1996.

Whilst this policy still holds true for the charity's community housing assets and property assets still actively managed in direct ministry by the sisters, it is no longer as valid in relation to the college and schools buildings now managed by the respective governors under the terms of supplemental agreements. The school buildings included in the 1996 valuations will now have been extensively renovated and modernised or demolished to create space for more up to date facilities. Any value attributed to buildings in 1996 is now of doubtful provenance. The most important factor for the charity is continued recognition that ownership of the land remains with the trust. It is expected that the schools will continue to occupy the land for some considerable time into the future and therefore any valuation would be little more than a guess. The trustees are therefore of the opinion that these properties should remain on the trust's Balance Sheet at a nominal value to avoid the need to speculate over value and to continue to demonstrate the trust's ownership.

No depreciation has been charged on the remaining land and buildings as the trustees consider that the amount involved would be immaterial after taking into account both the remaining useful life of the properties and their residual value. No depreciation is charged on assets under construction until they are available for use.

The trustees have considered the current market value of the properties and are of the opinion that there has been no impairment to the value shown in the accounts.

Motor vehicles: Depreciation is calculated at 20% on reducing balance.

Computer equipment: Computer equipment is not capitalised, as the trustees believe that values are not material when taking into account estimated useful economic lives.

Investments

Quoted investments are valued at their closing middle market price on the balance sheet date. Realised and unrealised gains (or losses) are reflected in the Statement of Financial Activities in the year in which they occur.

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE) LORETO SISTERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key assumptions, judgements and estimates

Valuation of land and buildings

The Trustees make an annual assessment of the valuation of properties held within the Charity against their current book value and determine whether there is any signs of impairment which may indicate that the valuation is overstated. The Trustees have confirmed that there is no impairment to the valuation of properties held at the balance sheet date.

There have been no other key assumptions concerning future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2 Staff costs and trustees' remuneration

	2023 £	2022 £
Staff costs during the year were as follows:		
Wages and salaries	1,591,456	1,240,168
Social security costs	121,238	105,963
Pension costs	118,116	100,286
	<u>1,828,206</u>	<u>1,446,417</u>

The average number of employees during the year was 61 (2022: 61). The number of employees earning over £60,000 per annum, excluding pension contributions but including redundancy settlements, was as follows:

£100,000-£110,000 – 1 employee (2022: nil)
£90,000-£100,000 – 2 employees (2022: nil)
£80,000-£90,000 – 1 employee (2022: nil)
£70,000- £80,000 – 2 employees (2022: nil)
£60,000-£70,000 – 2 employees (2022: nil)

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

2 Staff costs and trustees' remuneration (continued)

As members of the Institute, the Trustees' living expenses during the year were borne by the Trust, but the Trustees received no remuneration or other benefits in connection with their duties as Trustees during the year.

The Finance Manager, Matron and Centre Manager are considered to be key management personnel. Their aggregate remuneration for the year was as follows:

	2023	2022
	£	£
Aggregate remuneration of key management personnel	232,865	124,060

Following a Trustees' resolution in March 2023, the Charity closed its preparatory school in Altrincham after the summer term in July 2023. Teachers and staff received redundancy and settlement payments based on their length of service and current remuneration. The full cost of these payments is included within staff costs for the year and all amounts due have been met a totalled £336,512.

The institute also reached agreement with its Finance Manager to remain in office beyond his intended retirement date (31st July 2023) until his successor was appointed. Exceptional expenses also include an agreed settlement payment of £29,080.

Pension contributions

The Charity makes contributions to employees defined contribution pension schemes, including the Aviva Pension Trust for Independent Schools, to which a total of £118,116 (2022: £100,286) was contributed in the year.

3 Auditor's remuneration

	2023	2022
	£	£
Amounts payable to the auditor (including VAT) was as follows:		
Audit services	21,960	19,632
Other services	19,409	21,002
	41,369	40,634

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

4 Income from donations and legacies

Current Year

	Restricted Funds £	Unrestricted funds Ministry	Unrestricted funds Province £	Total 2023 £
Donations and gifts	55,951	-	81,986	137,937
Legacies	103,075	-	-	103,075
Covenanted salaries and pensions (see below)	-	-	815,761	815,761
	159,026	-	897,747	1,056,773

Prior Year

	Restricted Funds £	Unrestricted funds Ministry	Unrestricted funds Province £	Total 2022 £
Donations and gifts	82,871	-	3,270	86,141
Legacies	-	-	189,097	189,097
Covenanted salaries and pensions (see below)	-	-	614,607	614,607
	82,871	-	806,974	889,845

Covenanted salaries and pensions represent salaries and pensions of members, including those paid to the Trustees, of the charity payable to the charity under deeds of covenant or gift aid declarations.

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

5 Income from investments

	2023	2022
	£	£
Gilt edged securities	379	-
Other fixed interest	18,613	17,469
Europe fixed interest	-	-
Equities: UK	32,005	40,341
European	8,226	10,938
Global	12,768	9,182
	71,991	77,930
Monies held for investment in the UK		
National Savings	2	-
Monies held by stockbroker	5,065	3,238
Treasury Deposits	251	23
	77,309	81,191
Bank interest	-	1
	77,309	81,192
Represented by:	2023	2022
Restricted	16,562	13,911
Unrestricted – Province	60,747	67,281
Unrestricted – Ministry	-	-
	77,309	81,192

6 Income from charitable activities

	2023	2022
	£	£
Unrestricted – Ministry:		
School fees and retreat centre	1,216,773	1,168,902

Income from charitable activities was entirely unrestricted in the current and prior year.

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

7 Other Income

	2023 £	2022 £
CJRS and Business Rates support grants received	-	2,038
	-	2,038

Other income was entirely unrestricted in both the current and prior year.

8 Expenditure on raising funds

	2023 £	2022 £
Restricted - Patrimony	2,590	3,172
Unrestricted - Province	23,329	25,177
Unrestricted - Ministry	-	-
	25,919	28,349

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

9 Expenditure on charitable activities

	Restricted Funds £	Unrestricted funds Ministry	Unrestricted funds Province £	Total 2023 £
Salaries for the school and retreat centre	-	911,762	-	911,762
Running costs and maintenance of buildings	-	312,445	294,109	606,554
Depreciation of fixed assets	-	-	717	717
Losses on disposal of properties	-	-	-	-
Community expenses	-	-	363,437	363,437
Nursing fees and medical care	-	-	545,279	545,279
Formation and ministry	60,014	78,049	23,196	161,259
Levy paid to the Generalate	-	23,116	-	23,116
Grants and expenditure on supported schools	7,291	456,536	-	463,827
Governance costs - payroll	-	-	36,743	36,743
Governance costs - audit	-	-	22,944	22,944
Support costs	-	-	226,098	226,098
	67,305	1,781,908	1,512,523	3,361,736

	Restricted Funds £	Unrestricted funds Ministry	Unrestricted funds Province £	Total 2022 £
Salaries for the school and retreat centre	-	851,760	-	851,760
Running costs and maintenance of buildings	-	267,470	319,670	587,140
Depreciation of fixed assets	-	-	7,196	7,196
Losses on disposal of properties	-	-	-	-
Community expenses	-	-	384,205	384,205
Nursing fees and medical care	-	-	525,358	525,358
Formation and ministry	80,263	29,489	23,527	133,279
Levy paid to the Generalate	-	35,254	-	35,254
Grants and expenditure on supported schools	7,422	-	-	7,422
Governance costs - payroll	-	-	21,487	21,487
Governance costs - audit	-	-	19,131	19,131
Support costs	-	-	153,375	153,375
	87,685	1,183,973	1,453,949	2,725,607

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

10 Net gain/(loss) on investments

	2023 £	2022 £
Restricted	16,151	(74,838)
Unrestricted – Province	(9,597)	(248,755)
Unrestricted – Ministry	<u>-</u>	<u>-</u>
	6,554	(323,593)

11 Analysis of movement in restricted funds

	Drawn together	Albania	Appeal funds	Patrimony Fund	Total restricted funds
	£	£	£	£	£
Incoming resources					
Other income	13,968	36,211	1,013	-	51,192
Legacies received	-	-	-	103,075	103,075
Loreto College St Albans appeal	-	-	4,759	-	4,759
Investment income	<u>-</u>	<u>-</u>	<u>-</u>	16,562	16,562
Total incoming resources	13,968	36,211	5,772	119,637	175,588
Resources expended					
Raising funds	-	-	-	2,590	2,590
of charitable objects:					
Ministry	11,933	48,081	-	-	60,014
Expenditure on schools	<u>-</u>	<u>-</u>	7,291	<u>-</u>	7,291
Total resources expended	11,933	48,081	7,291	2,590	69,895
Net incoming/(outgoing) resources before transfers	2,035	(11,870)	(1,519)	117,047	105,693
Gain on investments:	<u>-</u>	<u>-</u>	<u>-</u>	16,151	16,151
Net movement in funds for the year	2,035	(11,870)	(1,519)	133,198	121,844
Total funds at 1 September 2022	15,108	11,870	8,847	638,017	673,842
Total funds at 31 August 2023	17,143	-	7,328	771,215	795,686

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

12 Fixed assets

GROUP	Assets under construction	Land and buildings inc. fixtures	Motor vehicles	Total
	£	£	£	£
Cost or deemed cost				
Balance at 1 September 2022	52,885	15,344,271	163,795	15,560,951
Additions	203,862	7,639	24,095	235,596
Disposals	-	(2,763)	(41,187)	(43,950)
Completions/Transfers	(256,747)	256,747	-	-
Balance at 31 August 2023	-	15,605,894	146,703	15,752,597
Depreciation and impairment				
Balance at 1 September 2022	-	-	135,011	135,011
Charge for the year	-	-	9,425	9,425
On disposals	-	-	(35,431)	(35,431)
Balance at 31 August 2022	-	-	109,005	109,005
Net book value				
At 31 August 2023	-	15,605,894	37,698	15,643,592
At 1 September 2022	52,885	15,344,271	28,784	15,425,940
PARENT CHARITY		Land and buildings inc. fixtures	Motor vehicles	Total
		£	£	£
Cost or deemed cost				
Balance at 1 September 2022		15,344,271	163,795	15,508,066
Additions		264,386	24,095	288,481
Disposals		(2,763)	(41,187)	(43,950)
Balance at 31 August 2023		15,605,894	146,703	15,752,597
Depreciation and impairment				
Balance at 1 September 2022		-	135,011	135,011
Charge for the year		-	9,425	9,425
On disposals		-	(35,431)	(35,431)
Balance at 31 August 2023		-	109,005	109,005
Net book value				
At 31 August 2023		15,605,894	37,698	15,643,592
At 1 September 2022		15,344,271	28,784	15,373,055

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

13 Investments

GROUP AND PARENT CHARITY	2023		2022	
	Cost	Market value	Cost	Market value
	£	£	£	£
Gilt edged securities	26,348	25,955	33,086	33,876
Other fixed interest	291,218	242,247	416,545	375,122
Europe fixed interest	16,752	16,698	-	-
Equities: UK	868,044	661,048	1,454,912	1,266,015
European	299,722	307,054	592,947	608,309
Global	459,440	504,423	625,556	680,736
Unit trusts	-	-	-	-
	1,961,524	1,757,425	3,123,046	2,964,058
Monies held for investment in UK:				
National Savings	2,476	2,476	2,474	2,474
Monies held by stockbroker	37,556	37,556	67,175	67,175
Treasury Deposits	109,774	109,774	48,453	48,453
	2,111,330	1,907,231	3,241,148	3,082,160
	Market value 1 September 2022 £	Additions £	(Disposals) £	Investment gains and losses £
				Market value 31 August 2023 £
Quoted investments	2,964,058	162,261	(1,375,448)	6,554
				1,757,425

14 Current assets

	Group		Parent Charity	
	2023 £	2022 £	2023 £	2022 £
Debtors				
Amounts owed by group undertakings	-	-	-	-
Prepayments and accrued income	34,085	25,508	34,085	25,508
Income tax recoverable	972	1,556	972	1,556
Other debtors	784,353	475,261	784,353	474,961
Gross debtors	819,410	502,325	819,410	502,025
Less inter-fund debtors	(766,212)	(453,059)	(766,212)	(453,059)
Total debtors (net of inter-fund debtor)	53,198	49,266	53,198	48,966

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

15 Cash at bank and in hand

	Group		Parent Charity	
	2023	2022	2023	2022
	£	£	£	£
Cash at bank and in hand				
Interest bearing accounts	522,789	686,537	522,789	680,843
Cash balances	6,639	1,915	6,639	1,915
	529,428	688,452	529,428	682,758

16 Liabilities

	Group		Parent Charity	
	2023	2022	2023	2022
	£	£	£	£
Amounts falling due within one year	145,926	-	145,926	-
Creditors	-	227,788	-	89,884
Amounts due to group undertakings	-	-	-	66,515
Deferred income	24,132	53,610	24,132	53,610
Payroll	87,196	17,498	87,196	17,498
Accruals	772,899	500,227	772,899	498,978
Gross liabilities	1,030,153	799,123	1,030,153	726,485
Less inter-fund creditor	(766,212)	(453,059)	(766,212)	(453,059)
Total liabilities (net of inter-fund creditor)	263,941	346,064	263,941	273,426

17 Borrowings and contingencies

During the year ended 31 August 2003, the trustees donated funds to Loreto College, Manchester in order for the College to invest in capital expenditure. These funds were generated by the disposal of a portion of land at the College which was subject to covenants by Manchester City Council. The Council allowed the disposal of the land to take place in exchange for a covenant on the remaining land, such that the City Council would be entitled to a payment of £1,050,000 should the College land and buildings be disposed of during a period of 40 years from the date of sale of the surplus land.

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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Movement in funds

Year ended 31 August 2023

	Balance 1 September 2022 £	Change in investment valuation £	Fund transfers £	Activity in year £	Balance 31 August 2023 £
Restricted funds					
Patrimony	638,017	16,151	-	117,047	771,215
Ministry – Appeal funds	8,847	-	-	(1,519)	7,328
Ministry – Drawn Together	15,108	-	-	2,035	17,143
Ministry – Albania	11,870	-	-	(11,870)	-
	673,842	16,151	-	105,693	795,686
Designated funds					
Ministry					
Functional property	6,837,614	-	-	19,537	6,857,151
Other Ministry funds:					
Investments	357	-	-	(1)	356
General	(159,955)	-	-	(584,671)	(744,626)
	6,678,016	-	-	(565,135)	6,112,881
Province					
Functional property	8,506,658	-	-	242,085	8,748,743
Transport	28,783	-	-	8,915	37,698
Other Province funds:					
Investments	2,441,781	(9,597)	-	(1,296,076)	1,136,108
General	584,433	-	-	453,959	1,038,392
	11,561,655	(9,597)	-	(591,117)	10,960,941
Total funds (parent charity)	18,913,513	6,554	-	(1,050,559)	17,869,508
Province					
Functional property	52,885	-	-	(52,885)	-
Other Province funds:					
General	(66,644)	-	-	66,644	-
	(13,759)	-	-	13,759	-
Total funds (group)	18,899,754	6,554	-	(1,036,800)	17,869,508

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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Movement in funds (continued)

Year ended 31 August 2023

	Balance 1 September 2022 £	Change in investment valuation £	Fund transfers £	Activity in year £	Balance 31 August 2023 £
Restricted	673,842	16,151	-	105,693	795,686
Ministry	6,678,016	-	-	(565,135)	6,112,881
Province total of charity and subsidiary	<u>11,547,896</u>	<u>(9,597)</u>	<u>-</u>	<u>(577,358)</u>	<u>10,960,941</u>
Total funds (group)	18,899,754	6,554	-	(1,036,800)	17,869,508

Restricted funds

- **Patrimony**
This fund comprises the dowers made by individual sisters and any legacies received by sisters during their lifetime. When a sister dies, the dower/legacy is released to the Province Fund.
- **Loreto College St Albans Appeal Fund**
Income consists of donations received to assist in funding the on-going development of the school site. The fund is used to fund the trustees' contribution to small building works.
- **Loreto Sisters Albania Fund**
This fund supports the work of the English Province in Albania.
- **Loreto Sisters Drawn Together Fund**
This fund supports the work of the English Province at Harpenden Childrens' Centre.

Designated Unrestricted funds

- **Province**
To support the sisters and to care for them when they are sick and aged.
- **Ministry**
To support the works of the members in their ministries.

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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Movement in funds (continued)

Year ended 31 August 2022

	Balance 1 September 2021 £	Change in investment valuation £	Fund transfers £	Activity in year £	Balance 31 August 2022 £
Restricted funds					
Patrimony	702,116	(74,838)	-	10,739	638,017
Ministry – Appeal funds	6,400	-	-	2,447	8,847
Ministry – Drawn Together	13,281	-	-	1,827	15,108
Ministry – Albania	20,958	-	-	(9,088)	11,870
	742,755	(74,838)	-	5,925	673,842
Designated funds					
Ministry					
Functional property	6,837,614	-	-	-	6,837,614
Other Ministry funds:					
Investments	357	-	-	-	357
General	(146,922)	-	-	(13,033)	(159,955)
	6,691,049	-	-	(13,033)	6,678,016
Province					
Functional property	8,506,658	-	-	-	8,506,658
Transport	35,979	-	-	(7,196)	28,783
Other Province funds:					
Investments	3,274,957	(248,755)	-	(584,421)	2,441,781
General	596,302	-	-	(11,869)	584,433
	12,413,896	(248,755)	-	(603,486)	11,561,655
Total funds (parent charity)	19,847,700	(323,593)	-	(610,594)	18,913,513
Province					
Functional property	36,691	-	-	16,194	52,885
Other Province funds:					
General	(49,065)	-	-	(17,579)	(66,644)
	(12,374)	-	-	(1,385)	(13,759)
Total funds (group)	19,835,326	(323,593)	-	(611,979)	18,899,754

INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

19 Movement in funds (continued)

Year ended 31 August 2022

	Balance 1 September 2021 £	Change in investment valuation £	Fund transfers £	Activity in year £	Balance 31 August 2022 £
Restricted	742,755	(74,838)	-	5,925	673,842
Ministry	6,691,049	-	-	(13,033)	6,678,016
Province total of charity and subsidiary	<u>12,401,522</u>	<u>(248,755)</u>	<u>-</u>	<u>(604,871)</u>	<u>11,547,896</u>
Total funds (group)	<u>19,835,326</u>	<u>(323,593)</u>	<u>-</u>	<u>(611,979)</u>	<u>18,899,754</u>

20 Analysis of net assets between funds

Group

	Restricted funds £	Unrestricted funds Ministry £	Province £	2023 Total £
Fixed assets	770,767	6,857,507	9,922,549	17,550,823
Current assets	29,425	227,916	325,285	582,626
Creditors: amounts falling due within one year	<u>(4,506)</u>	<u>(206,330)</u>	<u>(53,105)</u>	<u>(263,941)</u>
Inter-fund debtors / (creditors)	-	(766,212)	766,212	-
	<u>795,686</u>	<u>6,112,881</u>	<u>10,960,941</u>	<u>17,869,508</u>

Parent charity

	Restricted Funds £	Unrestricted funds Ministry £	Province £	2023 Total £
Fixed assets	770,767	6,857,507	9,922,549	17,550,823
Current assets	29,425	227,916	325,285	582,626
Creditors: amounts falling due within one year	<u>(4,506)</u>	<u>(206,330)</u>	<u>(53,105)</u>	<u>(263,941)</u>
Inter-fund debtors / (creditors)	-	(766,212)	766,212	-
	<u>795,686</u>	<u>6,112,881</u>	<u>10,960,941</u>	<u>17,869,508</u>

**INSTITUTE OF THE BLESSED VIRGIN MARY (ENGLISH PROVINCE)
LORETO SISTERS**

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

21 Deferred income

	Group £	Charity £
Balance at 1 September 2022	53,610	53,610
Amounts deferred in the year	24,132	24,132
Amounts released to incoming resources	<u>(53,610)</u>	<u>(53,160)</u>
Balance at 31 August 2023	24,132	24,132

Deferred income comprises prep school fees received in advance and retreat centre deposits received in advance.

22 Legacies

Legacies received in the year amounted to £103,075 (2022: £189,097).

23 Related Parties

As noted in the trustees' report, Loreto Education Trust is an associated charity. Loreto Education Trust provides services to Loreto Preparatory School (Altrincham). During the year payments of £nil (2022: £nil) were made to the Trust.

The charity provided the land and buildings for the use of Loreto College (St Albans) and Loreto Grammar School (Altrincham) under supplementary agreements, rent free, throughout the year and previous year.

24 Capital commitments

Capital commitments amounted to NIL (2022: £183,045)

25 Post balance sheet events

There are no post balance sheet events