THE CONGREGATION OF THE DOMINICAN SISTERS OF MALTA

England & Wales · Charity number 250683

Details

Status	Registered
Legal form	Trust
Registered	1969-02-13
Register	View on the Charity Commission register

Contact

Address	Mayfield Convent London Road Hook Hampshire RG27 9LA
Phone	01256762394
Email	sisters@maryfieldhook.fsnet.co.uk
Website	www.maryfieldhook.fsnet.co.uk

Activities

Objects: CHARITABLE PURPOSES WHICH ADVANCE THE RELIGIOUS AND OTHER CHARITABLE WORK CARRIED ON BY THE SOCIETY.

Activities: The aim of the charity is the support of such charitable purposes which advance the religious and other charitable work carried on in the local community at Hook and in England and Wales generally and also overseas by the congregation via the Mother House in Malta . This work included the maintenance of a residential home for the elderly in Hook until August 2021.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Overseas Aid/famine Relief, Accommodation/housing, Religious Activities
- **Who:** Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, The General Public/mankind

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Geography

- **Area of benefit:** NATIONAL
- Australia
- Malta
- Pakistan
- Sri Lanka
- Hampshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£250,338	£589,581	-	-
2023-12-31	£549,907	£379,158	£25,262,319	0
2022-12-31	£88,546	£641,652	-	-
2021-12-31	£353,985	£303,362	-	-
2020-12-31	£635,170	£413,820	£22,929,865	12

Trustees

Name	Role	Appointed
SISTER MARY ANNE CARDONA	Chair	2013-08-29
MARIA DOLORES SCHEMBRI		2017-02-27
SISTER FILOMENIA GRIMA		2013-09-03
SISTER MARIA DOLORES GAUCI		2015-03-04
SISTER MARY ATTARD		2013-09-03
SISTER THERESA SCIORTINO		2017-05-01

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THE CONGREGATION OF THE DOMINICAN SISTERS OF MALTA

England & Wales - Charity number 250683

Accounts

The Congregation of the Dominican Sisters of Malta

Charitable Trust

Charity No 250683

Annual Report and Accounts

31 December 2024

The Congregation of the Dominican Sisters of Malta Charitable Trust

Legal and administrative information

Trustees:

Sister Mary Anne Cardona (Superior)
Sister Mary Attard
Sister Filomema Grima
Sister Maria Dolores Gauci
Sister Theresa Sciortino
Sister Maria Dolores Schembri

Administrative address:

Maryfield Convent
London Road
Hook
RG27 9LA

Charity registration number:

250683

Auditor:

Michael George & Co
Dawes Court House
Dawes Court, High Street
Esher
KT10 9QD

Investment managers:

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Bankers:

Barclays Bank plc
68 Knightsbridge
London
SW1X 7BW

Solicitors:

Wedlake Bell LLP
71 Queen Victoria Street
London
EC4V 4AY

The Congregation of the Dominican Sisters of Malta Charitable Trust

Trustees' report

Year ended 31 December 2024

The Trustees present the statutory report and accounts of the Congregation of the Dominican Sisters of Malta Charitable Trust (the "charity") for the year ended 31 December 2024.

The accounts have been prepared in accordance with the accounting policies set out on pages 14 to 16 and comply with applicable UK Accounting Standards (UK Generally Accepted Accounting Practice). The principles set out in the Statement of Recommended Practice on "Accounting and Reporting by Charities" known as the Charities SORP (FRS102) issued in October 2019 have been followed in the preparation of this report and accounts.

Introduction:

The Dominican Sisters of Malta (the "Congregation") is an international religious congregation founded in 1889 comprising 19 communities of Sisters working in Malta, Italy, England, Sri Lanka, Pakistan and Australia.

This report and accounts are in respect of the charitable trust on which the Congregation has placed the assets of its community at Hook, Hampshire, England and through which its finances are administered. The charity is governed by a Trust Deed dated 11 January 1967 and a Scheme dated 19 June 1997 and is registered under the Charities Act 2011, registration number 250683.

Principal aims and mission:

The aim of the charity is the support of such charitable purposes which advance the religious and other charitable work carried on in England and Wales and elsewhere by the Congregation. This work in particular included the maintenance of a residential home for the elderly in Hook until August 2021 when the home was closed following a fall in the number of Sisters and staff providing care and the additional time taken in carrying out the necessary measures required by Covid-19. Since that time accommodation has been provided for a retired priest in a catholic community and the nursing home has been rented to an independent nursing home provider.

The Congregation's whole life follows the apostolic model so as to respond with the Church to the needs of each age or culture and to take its part in the advent of a world of greater justice by adapting its manner of life and action to the demands of the apostolate.

When setting the objectives and planning the work of the charity for the year and when encouraging the work of individual Sisters, the Trustees have given consideration to the Charity Commission's general guidance on public benefit and in particular to the supplementary guidance on fee charging.

Public benefit

The Trustees confirm that they have had regard to the guidance on public benefit issued by the Charity Commission and consider that the charity fulfils that obligation, initially by reason of it offering care home facilities to all irrespective of gender, race or creed and subsequently by providing a retirement home and accommodation for a retired priest and by its continuing work in its local and, in particular, its worldwide community. This latter public benefit has been supported by a substantial grant this year and it is the intention that such grants will continue to be made in the foreseeable future.

Structure, governance and management:

Governance:

Under the terms of the Trust Deed the Trustees are appointed by the Mother General of the Congregation.

The Congregation itself is directed by the Mother General and her four councillors whose mandate is renewed every six years through a "Chapter of Elections".

Each community is under the direct jurisdiction of the Mother General and her council residing in the Generalate House in Malta. Each house is under the supervision of a local Superior. The community in Hook is one such house.

Governance: (continued)

The names of the Trustees who have served from 1 January 2024 until the date of this report are listed on page 1. All Trustees are members of the Congregation with wide experience and knowledge of the work of the Congregation and its community in Hook.

Structure and management reporting:

The Trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review developments with regard to the charity and its activities and make any important decisions. When necessary, the Trustees seek advice and support from the charity's professional advisers including investment managers, solicitors and accountants. The day-to-day management of the charity's activities and the implementation of policies is delegated to the approporiate members of the Congregation.

Risk management:

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to specific operational areas of the charity, its investments and its finances. The Trustees believe that by monitoring reserve levels, ensuring controls exist over key financial systems and examining the operational and business risks faced by the charity they have established effective systems to mitigate these risks.

Activities, specific objectives and relevant policies:

Care of a retired priest

The community offered secure accommodation to the aged and retired resident priest in a Christian environment until his death in the latter part of the year.

Social and pastoral care:

The community continues to offer local services for the needy including:

visits to the housebound and support for bereaved families;

visits to the sick and residents and friends in hospital;

organising transport where necessary for less mobile residents by dedicated drivers and organising various outings and trips;

assisting the homeless within the charity's means by providing food and material assistance in cases of distress;

assisting local parishioners in attending Church on Sundays.

assisting parishioners at different levels, for example social help, moral and spititual guidance and crisis relief for families;

and to its international community as required from time to time by the Mother General.

Donations:

The Trustees have a strong commitment to support Sisters working abroad, especially in Pakistan and Sri Lanka in previous years. Support is normally chanelled through the Congregation's Mother House, the work of which is also supported generally, and particularly this year as donations totalling £522,122 (2023 - £306,103) have been made. Futher donations of the Sterling equivalent of 410,000 Euros have been made since the year end and It is the intention to make further substantial donations, probably again via the Mother House, to support the pastoral work of the charity for the benefit of the community at large. In addition, small alms can be given to individuals for the relief of hardship and distress.

Support of members of the Congregation:

The Trustees continue to support and assist members of the community at Hook, some of which continue to work beyond normal retirement age.

Investment policy:

The charity has a portfolio of investments with a value at the balance sheet date of £24,373,661 (2023 - £23,692,783). The investments are managed by CCLA and are invested exclusively in COIF Catholic Investment Fund Founder Accumulation Units - Class 2. The manager operates within specific guidelines that are set and regularly reviewed by the Trustees. The strategy is to maximise the total returns within acceptable ethical and risk parameters. There is no restriction on the charity's power to invest.

Reserves policy:

The Trustees have decided that adequate reserves must be maintained for specific purposes which are: (a) to provide sufficient income for the retirement of the Sisters as determined by the periodic actuarial-type review; (b) to provide sufficient funds to maintain the charity's aging buildings to the required standard, and (c) to provide sufficient funds to enable the charity to carry out its work in the community both at home and overseas.

Remuneration policy:

The resident Sisters who are all Trustees, do not receive salaries or wages but are provided with free accommodation plus living and other expenses. There is one other key staff whose salary is set by the Trustees having regard to responsibilities undertaken and market rates for similar part-time engagements.

Achievements and performance:

Care of the elderly:

Until August 2021 the Home provided permanent accommodation for its residents and had acquired an extremely good reputation in the area which was supported by very favourable reports from the Care Quality Commission. The community of qualified Sisters and carers provided 24 hour service to residents who had their own rooms and a chapel with an adjacent church where a full-time priest provided spiritual care.

Lease of care home premises:

Following the decision by the Trustees that the charity could no longer guarantee to provide the very high standard of care that had previously been provided, the Trustees agreed to let the care home premises to an unconnected care company for a period of 10 years at market rent after an initial rent-free period of six months. The necessary Report under Section 119 of the Charities Act 2011 was provided by Avison Young, Chartered Surveyors on 12 January 2022 and a formal lease providing a rent of £120,000 per annum was entered into. After the rent-free period rental income commenced from 10 November 2022. The charity will not provide any services to the new tenant in respect of care or other activities.

Social and pastoral care:

The community continued to provide the social and pastoral care outlined under "Activities, specific objectives and relevant policies".

Donations:

The charity normally provides financial support to the Congregation Sisters in overseas missions mainly via the Congregation's Mother House and this year a total of £521,156 (2023 - £305,500) was donated.

Financial review:

Results for the year:

Incoming resources amounted to £250,338 *(2023 - £549,907)* and resources expended on furthering the charity's objectives amounted to £589,581 *(2023 - £379,158)* . Of the incoming resources £23,072 (2023 - £32,500) was received in the year from letting accommodation to a retired priest.

CCLA have been the investment managers for many years and on 11 January 2023 the entire funds of the charity were moved from COIF Catholic Investment Fund Founders Accumulation Units into COIF Catholic Investment Fund Accumulation Units Class 2

Distributions are not paid in respect of accumulation units but are incorporated into the fund and the resulting increase in value is reflected in the bid price of the units. For this and future years there will be no income to be shown as dividends and interest and this will continue whilst the investment remains in accumulation units. The distributions made during the year and fluctuations in the values of the underlying investments will be reflected in the bid price of the units at the year-end and such movements in valuations will be disclosed in the Statement of Financial Activities as increases or decreases in unrealised gains or losses.

	£
Total movements in investments has been as follows:	
Bid value of units at 1 January 2024	23,692,783
Proceeds from units sold	(500,000)
Bonus units allocated	35,460
Realised gains on units sold	66,757
Market price movement on units	1,078,661
Bid value of units at 31 December 2024	24,373,661

Financial position

The charity's total funds at 31 December 2024 were £26,001,737 *(2023 - £25,262,319)* . Of this £1,500,000 represented tangible fixed assets used to support the charity's work. A sum of £9,996,150 *(2023 - £9,177,630)* has been calculated by the Trustees using actuarial principles to provide for all of the Order's Sisters in the United Kingdom and overseas in their retirement and has been designated as a retirement reserve.

The number of Sisters worldwide continues to decline and this trend also applies in England. In view of this and the increasing complexity and burden of the regulatory regime and the physical demands of providing care by an ageing community of Sisters the Congregation had continued to operate its Home at 50% of capacity until its closure in August 2021. There were 4 or sometimes 5 Sisters working in the care home but prior to that there were 7 or more Sisters.

Financial position (continued):

Free reserves at 31 December 2024 stood at £14,505,587 *(2023 - £14,584,689)* . These reserves are represented by investments and cash awaiting investment. It is the Trustees' view that these investments and the reserves they represent must be kept intact to provide funds when necessary to support the charity's work, to provide for capital expenditure and to provide a contingency fund for emergencies. In particular, some of the original buildings are very old and will almost certainly require extensive repairs to the fabric of the buildings in the near future and this is likely to prove to be extremely costly.

Covid-19 Pandemic

The difficulties created by Covid-19 and the fall in the number of Sisters and outsourced staff increased the risk of non-performance of core duties and in these circumstances the Trustees felt they had no alternative to closing the care home. This was completed in August 2021 and all residents were successfully relocated in alternative care homes. Since that time the care home has been leased to an independent care home operator so that the buildings and facilities continue to be used for their original purpose.

Trustees' responsibilities statement:

The Trustees are responsible for preparing the Trustees' report and accounts in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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

a) select suitable accounting policies and then apply them consistently;

b) observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP) issued in October 2019;

c) Make judgements and estimates that are reasonable and prudent;

d) state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts, and;

e) prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, and the Charities Act 2022 so far as applicable, the applicable Charities (Accounts and Reports) Regulations 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.

Future plans:

The community will continue its caring and pastoral work and the support of its missionary work in the United Kingdom and, in particular, overseas,

It is the wish of the Trustees that the buildings that have been converted and equipped for use as a care home should continue to be used as such even though the charity is unable to provide that service itself. The Trustees therefore negotiated an agreement with Pinnacle Care Homes Limited whereby that company has taken a lease of the existing care home buildings and grounds for a 10 year period at an annual rental of £120,000 commencing after a 6 month initial rent-free period to allow the new business to be established. This business will be operated by the lessee and the charity will have no control over its operation and will not provide any services to the business.

Signed on behalf of the Trustees:

Sister Maria Dolores Schembri
Trustee

Dated: July 2025

The Congregation of the Dominican Sisters of Malta Charitable Trust

Independent auditor's report

Independent auditor's report to the Trustees of the Congregation of the Dominican Sisters of Malta Charitable Trust

Opinion

We have audited the financial statements of the Congregation of the Dominican Sisters of Malta Charitable Trust for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the cash flow statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards, (UK Generally Accepted Accounting Practice) and the Charities SORP (FRS102) issued in Octber 2019.

In our opinion the financial statements:

give a true and fair view of the state of the charitable trust's affairs as at 31 December 2024 and of its incoming resources and application of resources for the year then ended;

have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and

have been prepared in accordance with the requirements of The Charities Act 2011 and The Charities (Accounts and Reports) Regulations 2008 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable trust 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

In auditing the financial statements we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial information and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 appers 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.

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 and The Charities Act 2011 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 financial statements are not in agreement with the accounting records; or

we have not received all the information and explanations we require for our audit.

Responsibilites of Trustees

As explained more fully in the Statement of Trustees' Responsibilities the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of 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 charitable trust's ability to continue as a going concern, disclosing as applicable, matters relating to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable trust or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of financial statements

We have been appointed as auditor under Section 144 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 an guarantee that an audit conducted in accordance with ISAs (UK) will always detct 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, are detailed below.

The audit was carried out directly by or under direct control of the engagement principal who has extensive experience and knowledge of the charitable trust and of the legal and regulatory framework under which the charitable trust operates. The areas in which a material misstatement may occur have been identified by ourselves as investment reporting and operating income.

The charitable trust's funds not immediately required have been placed with CCLA for investment in appropriate COIF funds. The investments have been made in accumulation units and therefore produce no income, the income from the underlying investments being reflected in the accumulation unit price. Investments reports, including year-end balance certificates, are obtained directly from the investment manager. We have examined these reports and the Reporting Accountants' Assurance Report to CCLA Investment Management Limited regarding the investment manager's procedures prepared in accordance with Technical Release AAF 01/20 and conclude that there is unlikely to be any material misstatement regarding investments as reported by the investment manager. These reports also confirmed the amounts of rebates from CCLA which are shown as income in the Statement of Financial Activities.

Auditor's responsibilities for the audit of financial statements (continued)

Rental income in repect of the accommodation and care provided to the retired priest has been verified with bank receipts and rental income from the nursing home tenant with bank receipts and the terms of the Lease to that company. Expenditure in excess of £2,000 has been verified by reference to approved paid invoices and the donation has been verified by examining the bank transfer and Minutes of the Trustees' Meeting authorising the donation.

Other procedures include:

Enquiry of management and those charged with governance around actual and potential litigation claims.
Enquiry of the charity's staff to identify any instances of non-compliance with laws and regulations.
Reviewing minutes of meetings and those charged with governance.
Reviewing financial statement disclosures with supporting documentation to assess compliance with applicable laws and regulations.
Auditing the risk of management override of controls including testing significant adjustments and transactions.

In our opinion our audit procedures were effective and were capable of detecting any material irregularity, including fraud, and this has enabled us to express our opinion as shown in the first section of this report.

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

Use of the audit report

This report is made solely to the 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 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 Trustees as a body for our audit work or for the opinions we have formed

M R George FCA
Senior Statutory Auditor for and on behalf of
Michael George & Co
Chartered Accountants and Statutory Auditor

Dawes Court House
Dawes Court, High Street
Esher, Surrey
KT10 9QD

Dated: July 2025

Michael George & Co is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

The Congregation of the Dominican Sisters of Malta Charitable Trust

Balance sheet as at 31 December 2024

	Notes	2024	*2023*
		£	*£*
Fixed assets			
Tangible assets	9	1,500,000	*1,500,000*
Investments	10	24,373,661	*23,692,783*
		25,873,661	*25,192,783*
Current assets			
Debtors and prepayments	11	2,548	*1,867*
Bank balances		139,302	*81,290*
		141,850	*83,157*
Creditors: amounts falling due within one year	12	(13,774)	*(13,621)*
Net current assets		128,076	*69,536*
Total net assets		26,001,737	*25,262,319*
Represented by:			
Funds and reserves			
Unrestricted funds:			
General funds	15	14,505,587	*14,584,689*
Designated funds	13	9,996,150	*9,177,630*
		24,501,737	*23,762,319*
Permanent endowment fund	15	1,500,000	*1,500,000*
		26,001,737	*25,262,319*

Approved by the Trustees and signed on their behalf by:

Sister Maria Dolores Schembri
Trustee

Dated: **July 2025**

The Congregation of the Dominican Sisters of Malta Charitable Trust

Statement of Cash Flows

Year ended 31 December 2024

	2024 £	2023 £
Cash flows from operating activities:		
Net (outgoings)/income as reported in the Statement of Financial Activities	(339,243)	*170,749*
Adjustments for:		
Depreciation	-	-
Net income from investments	(102,218)	*(390,727)*
(Increase) in debtors	(681)	*(123)*
Increase/(decrease) in creditors	154	*(9,501)*
Net cash used by operating activities	(441,988)	*(229,602)*
Cash flows from investing activities:		
Net income from investments	35,460	*32,860*
Sale proceeds of investments	500,000	*21,950,096*
Purchase of investments	(35,460)	*(21,752,956)*
Cost of alterations to buildings	-	-
Net cash used in investing activities	500,000	*230,000*
Change in cash and cash equivalents in the year	58,012	*398*
Cash and cash equivalents at 1 January	81,290	*80,892*
Cash and cash equivalents at 31 December (see below)	139,302	*81,290*
Analysis of cash and cash equivalents at 31 December:		
Business premium deposit account (instant access)	139,064	*72,635*
Current account and cash	238	*8,655*
	139,302	*81,290*

The Congregation of the Dominican Sisters of Malta Charitable Trust

Principal accounting policies

Year ended 31 December 2024

Charity information

The charity was established by a Trust Deed dated 11 January 1967 and varied by a Scheme dated 19 June 1997. Its registered and administrative address is Maryfield Convent. London Road, Hook, Hampshire. RG27 9LA.

Basis of preparation and assessment of going concern

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. The accounts have been prepared in accordance with the Statement of Recommended Practice: "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" issued in October 2019 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern and that the Trust meets the definition of a public benefit entity under FRS 102.

Income

Income is recognised in the period in which the charity is legally entitled to it, any performance conditions have been met, the amount can be reliably measured and it is probable that the income will be received. Legacies are recognised on receipt.

Expenditure

Expenditure is included in the Statement of Financial Activities when incurred and includes any attributable Value Added Tax as this cannot be recovered. Expenditure is detailed in the Statement of Financial Activities and further details are given in Notes 3 to 8 of these accounts.

Allocation of support and governance costs

Support costs have been allocated between support costs of retired priests and the members of the congregation on the basis of the the relative proportions of residents of retired priests to the resident members of the congregation. Governance costs are shown separately as "Other costs" and represent costs associated with public accountability of the charity and its compliance with regulation and good practice and include audit fees.

Tangible fixed assets

Fixtures, fittings and equipment costing more than £1,500 with an expected useful life in excess of one year are capitalised and the cost of each item is written off evenly over five years.

Freehold land and buildings were gifted to the charity in 1967 and therefore have no original cost. They are included in the balance sheet at a valuation of £2,500,000 made by the Trustees with professional assistance on 31 December 1996 on the basis of replacement cost for existing use of the buildings only and this valuation has been adopted by the Trustees on the transition to FRS 102 as the deemed cost of the entire asset. No value has been placed on the land which is included in the valuation of the entire asset adopted on the transition to FRS 102. No further valuations will be carried out. Depreciation had been provided at 2% per annum on a straight line basis to write off the deemed cost of the buildings over their estimated useful life of 50 years but additions to this provision ceased from 1 January 2019 as the Trustees have ascertained that the residual value of the freehold land and buildings exceeds their deemed cost.

The fabric of the building is being modernised and upgraded over the years and where these additions and improvements are incorporated into and therefore form part of the building and do not retain their individual identity they are written off as incurred.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing unit bid price as provided by CCLA, the Investment Fund managers. The Statement of Financial Activities includes the net gains and losses arising on revaluation during the year.

The entire investment portfolio is comprised of accumulation units in COIF Catholic Investment Fund which the Trustees have selected as representing the objects of the Trust. The fund managers employ ethical investment policies and avoid investing in companies which engage in the production of armaments, tobacco or alcohol, in the testing of products on animals or which have fallen behind in the transition to a low carbon economy, or derive more than 10% of their revenue from oil and gas extraction and also a range of other restrictions.

The investment in one fund managed by one investment manager is an inherent risk. Other than ethical investment limitations, there are no limits on where the fund may invest and some of the assets may be invested in emerging markets, in overseas markets, in currencies other than Sterling and in other collective investment schemes. All of these carry certain risks but the manager employs a risk management process including appropriate stress-testing to enable it to identify such risks and take approriate remedial action.

The units in COIF Catholic Investment Fund are not quoted on any recognised stock exchange. Because of this and, as a substantial part of the underlying investments is in property, the fund should be regarded as illiquid. Selling units is achieved by giving notice to the manager prior to a dealing day at the latest bid price as valued by the manager. The Fund is regulated by the FCA and the Charity Commission for England and Wales and losses of up to £85,000 may be covered by the Financial Services Compensation Scheme in certain circumstances.

Realised and unrealised gains and losses

Realised gains and losses on investments are calculated as the difference between sales proceeds and their carrying value if held on the first day of the financial year or their purchase value if acquired subsequently. Disclosure by way of note is also made of the realised gain calculated as the difference between sales proceeds and the historical cost of the investments sold.

Unrealised gains or losses relating to the investments are calculated as the difference between the unit bid price at the beginning of the year plus the cost of units purchased during the year less units sold during the year and the closing unit bid price at the end of the year.

Unrealised investment gains and losses are and credited or debited in the Statement of Financial Activities.

Permanent endowment funds

The freehold property was gifted to the charity which has no power to convert the capital it represents into income and it is therefore not available for distribution. This fund has therefore been designated by the Trustees as a permanent endowment fund. It produces no income as such and the only expense in previous years was the annual depreciation charge provided on the buildings.

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. At present, the Trust has no such funds.

Unrestricted Funds

These funds are available for the furtherance of the charity's objects. The Trustees have designated certain amounts for specific purposes and the details of this are given in Note 14 to the accounts.

Services provided by members of the Congregation

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

Critical accounting 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 amounts 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.

The estimates and assumptions which have a significant risk of causing material adjustment to the carrying amount of assets and liabilities are the valuations attributed to freehold property and the commitment to provide pension income to retired Sisters of the Order.

Financial Instruments

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets which include debtors and cash and bank balances are initially measured at transaction price including transaction costs and subsequently carried at amortised cost using the effective interest method.

Basic financial liabilities

Basic financial liabilities including creditors and accruals are initially measured at transaction price and subsequently, if not current liabilities, at amortised cost using the effective interest method.

Reporting currency

The financial statements are prepared in Sterling which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The Congregation of the Dominican Sisters of Malta Charitable Trust

Notes to the Accounts

Year ended 31 December 2024

	Unrestricted funds	
	2024	***2023***
	£	***£***
1 Income		
Rental income:		
Rental income from retired priest	23,072	*32,500*
Rental income from nursing home facility	120,000	*120,000*
	143,072	*152,500*
Realised profit on disposals of investments	66,757	*357,867*
Bank deposit interest	5,049	*6,679*
Rebates received from investment manager CCLA	35,460	*32,861*
	250,338	*549,907*
2 Charitable donations		
The Congregation's Mother House in support of the Congregation's work overseas	521,156	*305,500*
Other donations	966	*603*
	522,122	*306,103*
3 Costs of care and accommodation provided		
Payroll and Contract staff (Note 7)	16,200	*16,200*
Premises	2,974	*4,494*
Supplies and services	4,275	*5,404*
	23,449	*26,098*
4 Support of the members of the Congregation and their ministry		
Premises	11,824	*13,228*
Sisters' living and personal expenses	21,638	*24,031*
	33,462	*37,259*
5 Other costs		
Bank charges and sundry costs	1,035	*573*
Legal and professional fees	9,513	*9,125*
	10,548	*9,698*
6 Net income for the year before net investment gains or losses		
This is stated after charging:		
Auditor's remuneration (excluding VAT):		
Audit services	6,750	*6,250*
Other services	1,000	*1,000*
Depreciation	-	-

	Unrestricted funds 2023	*2023*
	£	*£*
7 Staff costs and Trustees' remuneration		
Contract staff	16,200	*16,200*
	16,200	*16,200*

The average number of contract staff during the year was 1 (2023 - 1). The average number of employees in the year was Nil (2023 - Nil) and the average number Sisters working in the congregation was 4 *(2023 - 4)* .

As members of the Congregation, the Trustees living and personal expenses during the year were borne by the charity but they received no remuneration or reimbursement of expenses in connection with their duties as Trustees during the year *(2023 - £Nil)* .

8 Taxation

The Congregation of the Dominican Sisters of Malta Charitable Trust is a registered charity and is therefore not liable to UK taxation on income or gains derived from its charitable activities. VAT is not recoverable and is therefore included in the expenditure heading for which it was incurred.

9 Tangible fixed assets

	Freehold land and buildings	Fixtures fittings & equipment
Cost or valuation		
At 1 January 2024	2,500,000	5,590
Additions	-	-
At 31 December 2024	2,500,000	5,590
Depreciation		
At 1 January 2024	1,000,000	5,590
Provided in year	-	-
At 31 December 2024	1,000,000	5,590
Net book values		
At 31 December 2024	1,500,000	0
At 31 December 2023	1,500,000	0

The freehold land and buildings are included in the accounts at a valuation arrived at in 1996 which, under the provisions of FRS 102, has been adopted by the Trustees as the deemed cost of the asset. No value was place on the land at that time and no further valuations will be carried out. The cost of alterations and additions to the fabric of the building are written off as incurred.

The buildings had previously been depreciated at 2% per annum on a straight line basis but no further depreciation has been provided from 1 January 2019 as the Trustees have ascertained that the residual value of the freehold land and buildings exceeds their original deemed cost. The Trustees do not consider it necessary to reverse the depreciation previously provided.

Although the freehold land and buildings are being rented to an independent third party, they are still classed as property, plant and equipment as they continue to be used for their original purposes.

The Congregation of the Dominican Sisters of Malta Charitable Trust

Notes to the accounts

Year ended 31 December 2024

		2024	*2023*
		£	*£*
10	**Investments**		
	Investment managed by CCLA:		
	Market value at 1 January	23,692,783	*21,366,699*
	Purchases (other than from rebates)	-	*21,720,096*
	Units purchased from CCLA rebates	35,460	*32,860*
	Sale proceeds	(500,000)	*(21,950,096)*
	Net increase in realised and unrealised gains	1,145,418	*2,523,224*
	Market value at 31 December	24,373,661	*23,692,783*
	Original cost of investments:		
	At 1 January	21,527,426	*20,833,137*
	Purchases	35,460	*21,752,956*
	Sales	(433,243)	*(21,058,667)*
	At 31 December	21,129,643	*21,527,426*
	Total unrealised gains:		
	At 1 January	2,165,357	-
	Net increase in year	1,078,661	*2,165,357*
	At 31 December	3,244,018	*2,165,357*
	Realised and unrealised gains in the year:		
	Net realised gains	66,757	*357,867*
	Net unrealised gains at year-end	1,078,661	*2,165,357*
		1,145,418	*2,523,224*
	Investments held at 31 December comprised the following:		
	COIF Catholic Investment Fund Founder Accumulation units - Class 2	24,373,661	*23,692,783*

The Catholic Investment Fund is a sub-fund of CCLA Charity Authorised Investment Fund, an umbrella-type unit trust, authorised by the Financial Conduct Authority (FCA) as a Charity Authorised Investment Fund and as a Non-UCITS Retail Scheme. The Fund is regulated by the FCA and the Charity Commission for England and Wales. The Fund is classified as a UK Alternative Investment Fund for regulatory purposes.

Units in the COIF Catholic Investment Fund are not dealt on any recognised stock exchange but can be sold by depositing a sale form with CCLA on the business day before a dealing day at the latest bid price as valued by CCLA.

Distributions are not made to holders of accumulation units but distributions allocated to accumulation units are accumulated within the fund and are reflected in the bid price of the units.

The fund should be considered illiquid as it is not admitted to trading on a secondary market and no alternative liquidity facility is promoted by the fund manager (CCLA). All investments are held separately in trust by HSBC Bank Plc which has been appointed as trustee by the fund manager. If the fund manager becomes insolvent the investments are not affected but if the trustee becomes insolvent losses may occur. However, this is considered to be very unlikely and unavoidable. Losses of up to £85,000 may be covered by the Financial Services Compensation Scheme (FSCS) in certain circumstances.

The investment manager makes quarterly rebates to certain investors in accumulation units of COIF Catholic Investment Fund to compensate for the otherwise disproportionately high cost of its management charge. The trustees have given a standing instruction that such rebates be reinvested in additional accumulation units.

	2024	*2023*
	£	*£*
11 Debtors and prepayments		
Other debtors	2,358	*1,694*
Prepayments	190	*173*
	2,548	*1,867*

	2024	*2023*
12 Creditors: Amounts falling due within one year		
Bank overdraft and credit cards	403	*717*
Sundry creditors	1,167	*1,300*
Income received in advance	2,904	*2,904*
Accruals	9,300	*8,700*
	13,774	*13,621*

13 Designated funds

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

	Retirement reserve
At 1 January 2024	9,177,630
Addition to reserve	818,520
At 31 December 2024	9,996,150
Total designated funds:	
At 31 December 2024	9,996,150
At 31 December 2023	9,177,630

The retirement reserve consists of monies which the Trustees have set aside in order to provide for all the Sisters of the Order in their retirement in both the United Kingdom and all overseas teritories in which the Order has a presence. The fund has been calculated on actuarial principles to provide for the Congregation's Sisters and is reviewed annually.

The Congregation of the Dominican Sisters of Malta Charitable Trust

Notes to the accounts

Year ended 31 December 2024

14 Summary of fund movements	General Fund	Permanent Endowment Fund
	£	£
Balances at 1 January 2024	23,762,319	1,500,000
Income	250,338	-
Expenditure	(589,581)	-
Unrealised investments gains	1,078,661	-
Balances at 31 December 2024	24,501,737	1,500,000

The Designated Fund was increased by £818,520 (2023 - £595,080) and stands at £ 9,996,150 at the year-end.

15 Analysis of net assets between funds at 31 December 2024	General funds	Designated funds
	£	£
Tangible fixed assets, investments and cash awaiting investment	14,377,511	9,996,150
Net current assets	128,076	
	14,505,587	9,996,150

	Permanent endowment funds
	£
Fixed assets - freehold property	1,500,000
Total net assets	26,001,737

16 Ultimate control

The charity, which constitutes a Trust, was controlled throughout this and the previous period by the Superior of the English community of the Congregation of the Dominican Sisters of Malta by virtue of the fact that, under the terms of the Trust Deed, the Superior of the community has power to appoint or remove any Trustee.

THE CONGREGATION OF THE DOMINICAN SISTERS OF MALTA

England & Wales - Charity number 250683

Accounts

The Congregation of the Dominican Sisters of Malta

Charitable Trust

Charity No 250683

Annual Report and Accounts

31 December 2023

The Congregation of the Dominican Sisters of Malta Charitable Trust

Legal and administrative information

Trustees:

Sister Mary Anne Cardona (Superior)
Sister Mary Attard
Sister Filomema Grima
Sister Maria Dolores Gauci
Sister Theresa Sciortino
Sister Maria Dolores Schembri

Administrative address:

Maryfield Convent
London Road
Hook
RG27 9LA

Charity registration number:

250683

Auditor:

Michael George & Co
Dawes Court House
Dawes Court, High Street
Esher
KT10 9QD

Investment managers:

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Bankers:

Barclays Bank plc
68 Knightsbridge
London
SW1X 7BW

Solicitors:

Wedlake Bell LLP
71 Queen Victoria Street
London
EC4V 4AY

The Congregation of the Dominican Sisters of Malta Charitable Trust

Trustees' report

Year ended 31 December 2023

The Trustees present the statutory report and accounts of the Congregation of the Dominican Sisters of Malta Charitable Trust (the "charity") for the year ended 31 December 2023.

The accounts have been prepared in accordance with the accounting policies set out on pages 14 to 16 and comply with applicable UK Accounting Standards (UK Generally Accepted Accounting Practice). The principles set out in the Statement of Recommended Practice on "Accounting and Reporting by Charities" known as the Charities SORP (FRS102) issued in October 2019 have been followed in the preparation of this report and accounts.

Introduction:

The Dominican Sisters of Malta (the "Congregation") is an international religious congregation founded in 1889 comprising 19 communities of Sisters working in Malta, Italy, England, Sri Lanka, Pakistan and Australia.

This report and accounts are in respect of the charitable trust on which the Congregation has placed the assets of its community at Hook, Hampshire, England and through which its finances are administered. The charity is governed by a Trust Deed dated 11 January 1967 and a Scheme dated 19 June 1997 and is registered under the Charities Act 2011, registration number 250683.

Principal aims and mission:

The aim of the charity is the support of such charitable purposes which advance the religious and other charitable work carried on in England and Wales and elsewhere by the Congregation. This work in particular included the maintenance of a residential home for the elderly in Hook until August 2021 when the home was closed following a fall in the number of Sisters and staff providing care and the additional time taken in carrying out the necessary measures required by Covid-19. Since that time accommodation has been provided for a retired priest in a catholic community and the nursing home has been rented to an independent nursing home provider.

The Congregation's whole life follows the apostolic model so as to respond with the Church to the needs of each age or culture and to take its part in the advent of a world of greater justice by adapting its manner of life and action to the demands of the apostolate.

When setting the objectives and planning the work of the charity for the year and when encouraging the work of individual Sisters, the Trustees have given consideration to the Charity Commission's general guidance on public benefit and in particular to the supplementary guidance on fee charging.

Public benefit

The Trustees confirm that they have had regard to the guidance on public benefit issued by the Charity Commission and consider that the charity fulfils that obligation, initially by reason of it offering care home facilities to all irrespective of gender, race or creed and subsequently by providing a retirement home and accommodation for a retired priest and by its continuing work in its local and, in particular, its worldwide community. This latter public benefit has been supported by a substantial grant this year and it is the intention that such grants will continue to be made in the foreseeable future.

Structure, governance and management:

Governance:

Under the terms of the Trust Deed the Trustees are appointed by the Mother General of the Congregation.

The Congregation itself is directed by the Mother General and her four councillors whose mandate is renewed every six years through a "Chapter of Elections".

Each community is under the direct jurisdiction of the Mother General and her council residing in the Generalate House in Malta. Each house is under the supervision of a local Superior. The community in Hook is one such house.

Governance: (continued)

The names of the Trustees who have served from 1 January 2023 until the date of this report are listed on page 1. All Trustees are members of the Congregation with wide experience and knowledge of the work of the Congregation and its community in Hook.

Structure and management reporting:

The Trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review developments with regard to the charity and its activities and make any important decisions. When necessary, the Trustees seek advice and support from the charity's professional advisers including investment managers, solicitors and accountants. The day-to-day management of the charity's activities and the implementation of policies is delegated to the approporiate members of the Congregation.

Risk management:

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to specific operational areas of the charity, its investments and its finances. The Trustees believe that by monitoring reserve levels, ensuring controls exist over key financial systems and examining the operational and business risks faced by the charity they have established effective systems to mitigate these risks.

Activities, specific objectives and relevant policies:

Care of a retired priest

The community offers secure accommodation to the aged and retired resident priest in a Christian environment.

Social and pastoral care:

The community continues to offer local services for the needy including:

visits to the housebound and support for bereaved families;

visits to the sick and residents and friends in hospital;

organising transport where necessary for less mobile residents by dedicated drivers and organising various outings and trips;

assisting the homeless within the charity's means by providing food and material assistance in cases of distress;

assisting local parishioners in attending Church on Sundays.

assisting parishioners at different levels, for example social help, moral and spititual guidance and crisis relief for families;

and to its international community as required from time to time by the Mother General.

Donations:

The Trustees have a strong commitment to support Sisters working abroad, especially in Pakistan and Sri Lanka in previous years. Support is normally chanelled through the Congregation's Mother House, the work of which is also supported generally, and particularly this year as donations totalling £306,103 (2022 - £511,000) have been made. It is the intention to make further substantial donations, probably via the Mother House, to support the pastoral work of the charity for the benefit of the community at large. In addition, small alms can be given to individuals for the relief of hardship and distress.

Support of members of the Congregation:

The Trustees continue to support and assist members of the community at Hook, some of which continue to work beyond normal retirement age.

Investment policy:

The charity has a portfolio of investments with a value at the balance sheet date of £23,692,783 (2022 - £21,366,699). The investments are managed by CCLA and are now invested exclusively in COIF Catholic Investment Fund Founder Accumulation Units - Class 2. The manager operates within specific guidelines that are set and regularly reviewed by the Trustees. The strategy is to maximise the total returns within acceptable risk parameters. There is no restriction on the charity's power to invest.

Reserves policy:

The Trustees have decided that adequate reserves must be maintained for specific purposes which are: (a) to provide sufficient income for the retirement of the Sisters as determined by the periodic actuarial-type review; (b) to provide sufficient funds to maintain the charity's buildings to the required standard, and (c) to provide sufficient funds to enable the charity to carry out its work in the community both at home and overseas.

Remuneration policy:

The resident Sisters who are all Trustees, do not receive salaries or wages but are provided with free accommodation plus living and other expenses. There is one other key staff whose salary is set by the Trustees having regard to responsibilities undertaken and market rates for similar part-time engagements.

Achievements and performance:

Care of the elderly:

Until August 2021 the Home provided permanent accommodation for its residents and had acquired an extremely good reputation in the area which was supported by very favourable reports from the Care Quality Commission. The community of qualified Sisters and carers provided 24 hour service to residents who had their own rooms and a chapel with an adjacent church where a full-time priest provided spiritual care.

Lease of care home premises:

Following the decision by the Trustees that the charity could no longer guarantee to provide the very high standard of care that had previously been provided, the Trustees agreed to let the care home premises to an unconnected care company for a period of 10 years at market rent after an initial rent-free period of six months. The necessary Report under Section 119 of the Charities Act 2011 was provided by Avison Young, Chartered Surveyors on 12 January 2022 and a formal lease providing a rent of £120,000 per annum was entered into. After the rent-free period rental income commenced from 10 November 2022. The charity will not provide any services to the new tenant in respect of care or other activities.

Social and pastoral care:

The community continued to provide the social and pastoral care outlined under "Activities, specific objectives and relevant policies".

Donations:

The charity normally provides financial support to the Congregation Sisters in overseas missions via the Congregation's Mother House and this year a total of £305,500 (2022 - £511,000) was donated.

Financial review:

Results for the year:

Incoming resources amounted to £549,907 *(2022 - £88,546)* and resources expended on furthering the charity's objectives amounted to £379,158 *(2022 - £620,036)* . Of the incoming resources £32,500 (2022 - £35,708) was received in the year from letting accommodation to a retired priest. Further resources totalling Nil (2022 - £21,616) were expended on the continuing modernisation and refurbishment programmes which were written off.

CCLA have been the investment managers for several years and on 11 January 2023 the entire funds of the charity were moved from COIF Catholic Investment Fund Founders Accumulation Units into COIF Catholic Investment Fund Accumulation Units Class 2

Distributions are not paid in respect of accumulation units but are incorporated into the fund and the resulting increase in value is reflected in the bid price of the units. For this and future years there will be no income to be shown as dividends and interest and this will continue whilst the investment remains in accumulation units. The distributions made during the year and fluctuations in the values of the underlying investments will be reflected in the bid price of the units at the year-end and such movements in valuations will be disclosed in the Statement of Financial Activities as increases or decreases in unrealised gains or losses.

	£
Total movements in investments has been as follows:	
Bid value of units at 1 January 2023	21,366,699
Proceeds from units sold	(21,950,096)
Bonus units allocated	32,860
Purchases	21,720,096
Market price movement on units	2,523,224
Bid value of units at 31 December 2023	23,692,783

Financial position

The charity's total funds at 31 December 2023 were £25,262,319 *(2022 - £22,926,213)* . Of this £1,500,000 represented tangible fixed assets used to support the charity's work. A sum of £9,177,630 *(2022 - £8,582,550)* has been calculated by the Trustees using actuarial principles to provide for all of the Order's Sisters in the United Kingdom and overseas in their retirement and has been designated as a retirement reserve.

The number of Sisters worldwide continues to decline and this trend also applies in England. In view of this and the increasing complexity and burden of the regulatory regime and the physical demands of providing care by an ageing community of Sisters the Congregation had continued to operate its Home at 50% of capacity until its closure in August 2021.. There were 4 or sometimes 5 Sisters working in the care home but prior to that there were 7 or more Sisters.

Financial position (continued):

Free reserves at 31 December 2023 stood at £14,584,689 *(2022 - £12,843,663)* . These reserves are represented by investments and cash awaiting investment. It is the Trustees' view that these investments and the reserves they represent must be kept intact to provide funds when necessary to support the charity's work, to provide for capital expenditure and to provide a contingency fund for emergencies. In particular, some of the original buildings are old and will probably require extensive repairs to the fabric of the buildings and this is likely to prove to be costly.

Covid-19 Pandemic

The difficulties created by Covid-19 and the fall in the number of Sisters and outsourced staff increased the risk of non-performance of core duties and in these circumstances the Trustees felt they had no alternative to closing the care home. This was completed in August 2021 and all residents were successfully relocated in alternative care homes. Since that time the care home has been leased to an independent care home operator so that the buildings and facilities continue to be used for their original purpose.

Trustees' responsibilities statement:

The Trustees are responsible for preparing the Trustees' report and accounts in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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

a) select suitable accounting policies and then apply them consistently;

b) observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP) issued in October 2019;

c) Make judgements and estimates that are reasonable and prudent;

d) state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts, and;

e) prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, and the Charities Act 2022 so far as applicable, the applicable Charities (Accounts and Reports) Regulations 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.

Future plans:

The community will continue its caring and pastoral work and the support of its missionary work in the United Kingdom and, in particular, overseas,

It is the wish of the Trustees that the buildings that have been converted and equipped for use as a care home should continue to be used as such even though the charity is unable to provide that service itself. The Trustees therefore negotiated an agreement with Pinnacle Care Homes Limited whereby that company has taken a lease of the existing care home buildings and grounds for a 10 year period at an annual rental of £120,000 commencing after a 6 month initial rent-free period to allow the new business to be established. This business will be operated by the lessee and the charity will have no control over its operation and will not provide any services to the business.

Signed on behalf of the Trustees:

Sister Maria Dolores Schembri
Trustee

Dated: 4 July 2024

The Congregation of the Dominican Sisters of Malta Charitable Trust

Independent auditor's report

Independent auditor's report to the Trustees of the Congregation of the Dominican Sisters of Malta Charitable Trust

Opinion

We have audited the financial statements of the Congregation of the Dominican Sisters of Malta Charitable Trust for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the cash flow statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards, (UK Generally Accepted Accounting Practice) and the Charities SORP (FRS102) issued in Octber 2019.

In our opinion the financial statements:

give a true and fair view of the state of the charitable trust's affairs as at 31 December 2023 and of its incoming resources and application of resources for the year then ended;

have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and

have been prepared in accordance with the requirements of The Charities Act 2011 and The Charities (Accounts and Reports) Regulations 2008 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable trust 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

In auditing the financial statements we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial information and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 appers 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.

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 and The Charities Act 2011 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 financial statements are not in agreement with the accounting records; or

we have not received all the information and explanations we require for our audit.

Responsibilites of Trustees

As explained more fully in the Statement of Trustees' Responsibilities the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of 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 charitable trust's ability to continue as a going concern, disclosing as applicable, matters relating to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable trust or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of financial statements

We have been appointed as auditor under Section 144 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 an guarantee that an audit conducted in accordance with ISAs (UK) will always detct 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, are detailed below.

The audit was carried out directly by or under direct control of the engagement principal who has extensive experience and knowledge of the charitable trust and of the legal and regulatory framework under which the charitable trust operates. The areas in which a material misstatement may occur have been identified by ourselves as investment reporting and operating income.

The charitable trust's funds not immediately required have been placed with CCLA for investment in appropriate COIF funds. The investments have been made in accumulation units and therefore produce no income, the income from the underlying investments being reflected in the accumulation unit price. Investments reports, including year-end balance certificates, are obtained directly from the investment manager. We have examined these reports and the Reporting Accountants' Assurance Report to CCLA Investment Management Limited regarding the investment manager's procedures prepared in accordance with Technical Release AAF 01/20 and conclude that there is unlikely to be any material misstatement regarding investments as reported by the investment manager. These reports also confirmed the amounts of rebates from CCLA which are shown as income in the Statement of Financial Activities.

Auditor's responsibilities for the audit of financial statements (continued)

Rental income in repect of the accommodation and care provided to the retired priest has been verified with bank receipts and rental income from the nursing home tenant with bank receipts and the terms of the Lease to that company. Expenditure in excess of £2,000 has been verified by reference to approved paid invoices and the donation has been verified by examining the bank transfer and Minutes of the Trustees' Meeting authorising the donation.

In our opinion our audit procedures were effective and were capable of detecting any material irregularity, including fraud, and this has enabled us to express our opinion as shown in the first section of this report.

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

Use of the audit report

This report is made solely to the 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 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 Trustees as a body for our audit work or for the opinions we have formed

Michael George & Co

Chartered Accountants and Statutory Auditor

Dawes Court House
Dawes Court, High Street
Esher, Surrey
KT10 9QD

Dated: 4 July 2024

Michael George & Co is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

The Congregation of the Dominican Sisters of Malta Charitable Trust

Balance sheet as at 31 December 2023

	Notes	2023	*2022*
		£	*£*
Fixed assets			
Tangible assets	9	1,500,000	*1,500,000*
Investments	10	23,692,783	*21,366,699*
		25,192,783	*22,866,699*
Current assets			
Debtors and prepayments	11	1,867	*1,744*
Bank balances		81,290	*80,892*
		83,157	*82,636*
Creditors: amounts falling due within one year	12	(13,621)	*(23,122)*
Net current assets		69,536	*59,514*
Total net assets		25,262,319	*22,926,213*
Represented by:			
Funds and reserves			
Unrestricted funds:			
General funds	15	14,584,689	*12,843,663*
Designated funds	13	9,177,630	*8,582,550*
		23,762,319	*21,426,213*
Permanent endowment fund	15	1,500,000	*1,500,000*
		25,262,319	*22,926,213*

Approved by the Trustees and signed on their behalf by:

Sister Maria Dolores Schembri
Trustee

Dated: 4 July 2024

The Congregation of the Dominican Sisters of Malta Charitable Trust

Statement of Cash Flows

Year ended 31 December 2023

	2023 £	2022 £
Cash flows from operating activities:		
Net income/(outgoings) as reported in the Statement of Financial Activities	170,749	*(531,490)*
Adjustments for:		
Depreciation	-	-
Net income from investments	(390,727)	*(34,357)*
(Increase)/decrease in debtors	(123)	*1,619*
(Decrease)/increase in creditors	(9,501)	*13,787*
Net cash provided by operating activities	(229,602)	*(550,441)*
Cash flows from investing activities:		
Net income from investments	32,860	*34,357*
Sale proceeds of investments	21,950,096	*300,000*
Purchase of investments	(21,752,956)	*(34,357)*
Cost of alterations to buildings	-	*(21,616)*
Net cash used in investing activities	230,000	*278,384*
Change in cash and cash equivalents in the year	398	*(272,057)*
Cash and cash equivalents at 1 January	80,892	*352,949*
Cash and cash equivalents at 31 December (see below)	81,290	*80,892*
Analysis of cash and cash equivalents at 31 December:		
Business premium deposit account (instant access)	72,635	*70,567*
Current account and cash	8,655	*10,325*
	81,290	*80,892*

The Congregation of the Dominican Sisters of Malta Charitable Trust

Principal accounting policies

Year ended 31 December 2023

Basis of preparation and assessment of going concern

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. The accounts have been prepared in accordance with the Statement of Recommended Practice: "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" issued in October 2019 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern and that the Trust meets the definition of a public benefit entity under FRS 102.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing these and the previous periods' accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 (October 2019) a restatement of comparatives was needed and have concluded that no such restatement was required. Deposits are not required. Legacies are recognised on Probate of the deceased's Will.

Income

Income is recognised in the period in which the charity is legally entitled to it, any performance conditions have been met, the amount can be reliably measured and it is probable that the income will be received.

Expenditure

Expenditure is included in the Statement of Financial Activities when incurred and includes any attributable Value Added Tax as this cannot be recovered. Expenditure is detailed in the Statement of Financial Activities and further details are given in Notes 3 to 8 of these accounts.

Allocation of support and governance costs

Support costs have been allocated between support costs of retired priests, and in 2021 care of the elderly, and the members of the congregation on the basis of the the relative proportions of residents of the care home to the resident members of the congregation. Governance costs are shown separately as "Other costs" and represent costs associated with public accountability of the charity and its compliance with regulation and good practice and include audit fees.

Tangible fixed assets

Fixtures, fittings and equipment costing more than £1,500 with an expected useful life in excess of one year are capitalised and the cost of each item is written off evenly over five years.

Freehold land and buildings were gifted to the charity in 1967 and therefore have no original cost. They are included in the balance sheet at a valuation of £2,500,000 made by the Trustees with professional assistance on 31 December 1996 on the basis of replacement cost for existing use of the buildings only and this valuation has been adopted by the Trustees on the transition to FRS 102 as the deemed cost of the entire asset. No value has been placed on the land which is included in the valuation of the entire asset adopted on the transition to FRS 102. No further valuations will be carried out. Depreciation had been provided at 2% per annum on a straight line basis to write off the deemed cost of the buildings over their estimated useful life of 50 years but additions to this provision ceased from 1 January 2019 as the Trustees have ascertained that the residual value of the freehold land and buildings exceeds their deemed cost.

The fabric of the building is being modernised and upgraded over the years and where these additions and improvements are incorporated into and therefore form part of the building and do not retain their individual identity they are written off as incurred.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing unit bid price as provided by CCLA, the Investment Fund managers. The Statement of Financial Activities includes the net gains and losses arising on revaluation during the year.

The entire investment portfolio is comprised of accumulation units in COIF Catholic Investment Fund which the Trustees have selected as representing the objects of the Trust. The fund managers employ ethical investment policies and avoid investing in companies which engage in the production of armaments, tobacco or alcohol, in the testing of products on animals or which have fallen behind in the transition to a low carbon economy, or derive more than 10% of their revenue from oil and gas extraction and also a range of other restrictions.

The investment in one fund managed by one investment manager is an inherent risk. Other than ethical investment limitations, there are no limits on where the fund may invest and some of the assets may be invested in emerging markets, in overseas markets, in currencies other than Sterling and in other collective investment schemes. All of these carry certain risks but the manager employs a risk management process including appropriate stress-testing to enable it to identify such risks and take approriate remedial action.

The units in COIF Catholic Investment Fund are not quoted on any recognised stock exchange. Because of this and, as a substantial part of the underlying investments is in property, the fund should be regarded as illiquid. Selling units is achieved by giving notice to the manager prior to a dealing day at the latest bid price as valued by the manager. The Fund is regulated by the FCA and the Charity Commission for England and Wales and losses of up to £85,000 may be covered by the Financial Services Compensation Scheme in certain circumstances.

Realised and unrealised gains and losses

Realised gains and losses on investments are calculated as the difference between sales proceeds and their carrying value if held on the first day of the financial year or their purchase value if acquired subsequently. Disclosure by way of note is also made of the realised gain calculated as the difference between sales proceeds and the historical cost of the investments sold.

Unrealised gains or losses relating to the investments are calculated as the difference between the unit bid price at the beginning of the year plus the cost of units purchased during the year and the closing unit bid price at the end of the year.

Unrealised investment gains and losses are and credited or debited in the Statement of Financial Activities.

Permanent endowment funds

The freehold property was gifted to the charity which has no power to convert the capital it represents into income and it is therefore not available for distribution. This fund has therefore been designated by the Trustees as a permanent endowment fund. It produces no income as such and the only expense in previous years was the annual depreciation charge provided on the buildings.

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. At present, the Trust has no such funds.

Unrestricted Funds

These funds are available for the furtherance of the charity's objects. The Trustees have designated certain amounts for specific purposes and the details of this are given in Note 14 to the accounts.

Services provided by members of the Congregation

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

Critical accounting 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 amounts 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.

The estimates and assumptions which have a significant risk of causing material adjustment to the carrying amount of assets and liabilities are the valuations attributed to freehold property and the commitment to provide pension income to retired Sisters of the Order.

The Congregation of the Dominican Sisters of Malta Charitable Trust

Notes to the Accounts

Year ended 31 December 2023

	Unrestricted funds	
	2023	***2022***
	£	***£***
1 Income		
Rental income:		
Rental income from retired priest	32,500	*35,708*
Rental income from nursing home facility	120,000	*17,096*
	152,500	*52,804*
Donations received	-	*400*
Bank deposit interest	6,679	*985*
Rebates received from investment manager CCLA	32,861	*34,357*
	192,040	*141,350*
2 Charitable donations		
The Congregation's Mother House in support of the Congregation's work overseas	305,500	*511,000*
Other donations	603	-
	306,103	*511,000*
3 Costs of care and accommodation provided		
Payroll and Contract staff (Note 7)	16,200	*16,204*
Premises	4,494	*3,524*
Supplies and services	5,404	*5,585*
	26,098	*25,313*
4 Support of the members of the Congregation and their ministry		
Premises	13,228	*14,097*
Sisters' living and personal expenses	24,031	*29,914*
	37,259	*44,011*
5 Other costs		
Bank charges and sundry costs	573	*567*
Legal and professional fees	9,125	*39,145*
	9,698	*39,712*
6 Net income for the year before net investment gains or losses		
This is stated after charging:		
Auditor's remuneration (excluding VAT):		
Audit services	6,250	*5,500*
Other services	1,000	*1,000*
Depreciation	-	-

	Unrestricted funds 2023 £	*2022 £*
7 Staff costs and Trustees' remuneration		
Contract staff	16,200	*16,204*
	16,200	*16,204*

The average number of contract staff during the year was 1 (2022 - 1). The average number of employees in the year was Nil (2022 - Nil) and the average number Sisters working in the congregation was 4 *(2022 - 4)* .

As members of the Congregation, the Trustees living and personal expenses during the year were borne by the charity but they received no remuneration or reimbursement of expenses in connection with their duties as Trustees during the year *(2022 - £Nil)* .

8 Taxation

The Congregation of the Dominican Sisters of Malta Charitable Trust is a registered charity and is therefore not liable to UK taxation on income or gains derived from its charitable activities. VAT is not recoverable and is therefore included in the expenditure heading for which it was incurred.

9 Tangible fixed assets

	Freehold land and buildings	Fixtures fittings & equipment
Cost or valuation		
At 1 January 2023	2,500,000	5,590
Additions	-	-
At 31 December 2023	2,500,000	5,590
Depreciation		
At 1 January 2023	1,000,000	5,590
Provided in year	-	-
At 31 December 2023	1,000,000	5,590
Net book values		
At 31 December 2023	1,500,000	0
At 31 December 2022	1,500,000	0

The freehold land and buildings are included in the accounts at a valuation arrived at in 1996 which, under the provisions of FRS 102, has been adopted by the Trustees as the deemed cost of the asset. No value was place on the land at that time and no further valuations will be carried out. The cost of alterations and additions to the fabric of the building are written off as incurred.

The buildings had previously been depreciated at 2% per annum on a straight line basis but no further depreciation has been provided from 1 January 2019 as the Trustees have ascertained that the residual value of the freehold land and buildings exceeds their original deemed cost. The Trustees do not consider it necessary to reverse the depreciation previously provided.

Although the freehold land and buildings are being rented to an independent third party, they are still classed as property, plant and equipment as they continue to be used for their original purposes.

		2023	*2022*
		£	*£*
10	**Investments**		
	Investment managed by CCLA:		
	Market value at 1 January	21,366,699	*24,294,062*
	Purchases	21,720,096	-
	Units purchased from CCLA rebates	32,860	*34,357*
	Sale proceeds	(21,950,096)	*(300,000)*
	Net increase/(decrease) in realised and unrealised gains	2,523,224	*(2,661,720)*
	Market value at 31 December	23,692,783	*21,366,699*
	Averaged cost of investments at 31 December	21,527,426	*20,833,137*
	Realised and unrealised gains in the year:		
	Net realised gains	357,867	*10,536*
	Net unrealised gains at year-end	2,165,357	*(2,672,256)*
		2,523,224	*(2,661,720)*
	Investments held at 31 December comprised the following:		
	COIF Catholic Investment Fund Founder Accumulation units - Class 2	23,692,783	-
	COIF Catholic Investment Fund (Founder Accumulation units)	-	*21,366,699*

The Catholic Investment Fund is a sub-fund of CCLA Charity Authorised Investment Fund, an umbrella-type unit trust, authorised by the Financial Conduct Authority (FCA) as a Charity Authorised Investment Fund and as a Non-UCITS Retail Scheme. The Fund is regulated by the FCA and the Charity Commission for England and Wales. The Fund is classified as a UK Alternative Investment Fund for regulatory purposes.

Units in the COIF Catholic Investment Fund are not dealt on any recognised stock exchange but can be sold by depositing a sale form with CCLA on the business day before a dealing day at the latest bid price as valued by CCLA.

Distributions are not made to holders of accumulation units but distributions allocated to accumulation units are accumulated within the fund and are reflected in the bid price of the units.

The fund should be considered illiquid as it is not admitted to trading on a secondary market and no alternative liquidity facility is promoted by the fund manager (CCLA). All investments are held separately in trust by HSBC Bank Plc which has been appointed as trustee by the fund manager. If the fund manager becomes insolvent the investments are not affected but if the trustee becomes insolvent losses may occur. However, this is considered to be very unlikely and unavoidable. Losses of up to £85,000 may be covered by the Financial Services Compensation Scheme (FSCS) in certain circumstances.

The investment manager makes quarterly rebates to certain investors in accumulation units of COIF Catholic Investment Fund to compensate for the otherwise disproportionately high cost of its management charge. The trustees have given a standing instruction that such rebates be reinvested in additional accumulation units.

The Congregation of the Dominican Sisters of Malta Charitable Trust

Notes to the accounts

Year ended 31 December 2023

	2023	*2022*
	£	*£*
11 Debtors and prepayments		
Other debtors	1,694	*1,598*
Prepayments	173	*147*
	1,867	*1,745*

	2023	*2022*
12 Creditors: Amounts falling due within one year		
Bank overdraft and credit cards	717	*906*
Sundry creditors	1,300	*1,512*
Income received in advance	2,904	*2,904*
Accruals	8,700	*17,800*
	13,621	*23,122*

13 Designated funds

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

	Retirement reserve
At 1 January 2023	8,582,550
Addition to reserve	595,080
At 31 December 2023	9,177,630

Total designated funds:

At 31 December 2023	9,177,630
At 31 December 2022	8,582,550

The retirement reserve consists of monies which the Trustees have set aside in order to provide for all the Sisters of the Order in their retirement in both the United Kingdom and all overseas teritories in which the Order has a presence. The fund has been calculated on actuarial principles to provide for the Congregation's Sisters and is reviewed annually.

The Congregation of the Dominican Sisters of Malta Charitable Trust

Notes to the accounts

Year ended 31 December 2023

14 Summary of fund movements	General Fund	Permanent Endowment Fund
	£	£
Balances at 1 January 2023	21,426,213	1,500,000
Income	549,907	-
Expenditure including improvements to property written off	(379,158)	-
Investments gains/(losses)	2,165,357	-
Balances at 31 December 2023	23,762,319	1,500,000

The Designated Fund was increased by £595,080 (2022 - £186,300) and stands at £9,177,630 at the year-end.

15 Analysis of net assets between funds at 31 December 2023	General funds	Designated funds
	£	£
Tangible fixed assets, investments and cash awaiting investment	14,515,153	9,177,630
Net current assets	69,536	-
	14,584,689	9,177,630

	Permanent endowment funds
	£
Fixed assets - freehold property	1,500,000
Total net assets	25,262,319

16 Ultimate control

The charity, which constitutes a Trust, was controlled throughout this and the previous period by the Superior of the English community of the Congregation of the Dominican Sisters of Malta by virtue of the fact that, under the terms of the Trust Deed, the Superior of the community has power to appoint or remove any Trustee.

THE CONGREGATION OF THE DOMINICAN SISTERS OF MALTA

England & Wales - Charity number 250683

Accounts

The Congregation of the Dominican Sisters of Malta

Charitable Trust

Charity No 250683

Annual Report and Accounts

31 December 2022

The Congregation of the Dominican Sisters of Malta Charitable Trust

Legal and administrative information

Trustees:

Sister Mary Anne Cardona (Superior)
Sister Mary Attard
Sister Filomema Grima
Sister Maria Dolores Gauci
Sister Theresa Sciortino
Sister Maria Dolores Schembri

Administrative address:

Maryfield Convent
London Road
Hook
RG27 9LA

Charity registration number:

250683

Auditor:

Michael George & Co
Dawes Court House
Dawes Court, High Street
Esher
KT10 9QD

Investment managers:

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Bankers:

Barclays Bank plc
68 Knightsbridge
London
SW1X 7BW

Solicitors:

Wedlake Bell LLP
71 Queen Victoria Street
London
EC4V 4AY

The Congregation of the Dominican Sisters of Malta Charitable Trust

Trustees' report

Year ended 31 December 2022

The Trustees present the statutory report and accounts of the Congregation of the Dominican Sisters of Malta Charitable Trust (the "charity") for the year ended 31 December 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 14 to 16 and comply with applicable UK Accounting Standards (UK Generally Accepted Accounting Practice). The principles set out in the Statement of Recommended Practice on "Accounting and Reporting by Charities" known as the Charities SORP (FRS102) issued in October 2019 have been followed in the preparation of this report and accounts.

Introduction:

The Dominican Sisters of Malta (the "Congregation") is an international religious congregation founded in 1889 comprising 19 communities of Sisters working in Malta, Italy, England, Sri Lanka, Pakistan and Australia.

This report and accounts are in respect of the charitable trust on which the Congregation has placed the assets of its community at Hook, Hampshire, England and through which its finances are administered. The charity is governed by a Trust Deed dated 11 January 1967 and a Scheme dated 19 June 1997 and is registered under the Charities Act 2011, registration number 250683.

Principal aims and mission:

The aim of the charity is the support of such charitable purposes which advance the religious and other charitable work carried on in England and Wales and elsewhere by the Congregation. This work in particular included the maintenance of a residential home for the elderly in Hook until August 2021 when the home was closed following a fall in the number of Sisters and staff providing care and the additional time taken in carrying out the necessary measures required by Covid-19. Since that time accommodation has been provided for a retired priest in a catholic community.

The Congregation's whole life follows the apostolic model so as to respond with the Church to the needs of each age or culture and to take its part in the advent of a world of greater justice by adapting its manner of life and action to the demands of the apostolate.

When setting the objectives and planning the work of the charity for the year and when encouraging the work of individual Sisters, the Trustees have given consideration to the Charity Commission's general guidance on public benefit and in particular to the supplementary guidance on fee charging.

Public benefit

The Trustees confirm that they have had regard to the guidance on public benefit issued by the Charity Commission and consider that the charity fulfils that obligation, initially by reason of it offering care home facilities to all irrespective of gender, race or creed and subsequently by providing a retirement home and accommodation for a retired priest and by its continuing work in its local and, in particular, its worldwide community. This latter public benefit has been supported by a substantial grant this year and it is the intention that such grants will continue to be made in the foreseeable future.

Structure, governance and management:

Governance:

Under the terms of the Trust Deed the Trustees are appointed by the Mother General of the Congregation.

The Congregation itself is directed by the Mother General and her four councillors whose mandate is renewed every six years through a "Chapter of Elections".

Each community is under the direct jurisdiction of the Mother General and her council residing in the Generalate House in Malta. Each house is under the supervision of a local Superior. The community in Hook is one such house.

Governance: (continued)

The names of the Trustees who have served from 1 January 2022 until the date of this report are listed on page 1. All Trustees are members of the Congregation with wide experience and knowledge of the work of the Congregation and its community in Hook.

Structure and management reporting:

The Trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review developments with regard to the charity and its activities and make any important decisions. When necessary, the Trustees seek advice and support from the charity's professional advisers including investment managers, solicitors and accountants. The day-to-day management of the charity's activities and the implementation of policies is delegated to the approporiate members of the Congregation.

Risk management:

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to specific operational areas of the charity, its investments and its finances. The Trustees believe that by monitoring reserve levels, ensuring controls exist over key financial systems and examining the operational and business risks faced by the charity they have established effective systems to mitigate these risks.

Activities, specific objectives and relevant policies:

Care of a retired priest

The community offers secure accommodation to the aged and retired resident priest in a Christian environment.

Social and pastoral care:

The community continues to offer local services for the needy including:

visits to the housebound and support for bereaved families;

visits to the sick and residents and friends in hospital;

organising transport where necessary for less mobile residents by dedicated drivers and organising various outings and trips;

assisting the homeless within the charity's means by providing food and material assistance in cases of distress;

assisting local parishioners in attending Church on Sundays.

assisting parishioners at different levels, for example social help, moral and spititual guidance and crisis relief for families;

and to its international community as required from time to time by the Mother General.

Donations:

The Trustees have a strong commitment to support Sisters working abroad, especially in Pakistan and Sri Lanka in previous years. Support is normally chanelled through the Congregation's Mother House, the work of which is also supported generally, and particularly this year as donations totalling £511,000 have been made. It is the intention to make further substantial donations, probably via the Mother House, to support the pastoral work of the charity for the benefit of the community at large. In addition, small alms can be given to individuals for the relief of hardship and distress.

Support of members of the Congregation:

The Trustees continue to support and assist members of the community at Hook, some of which continue to work beyond normal retirement age.

Investment policy:

The charity has a portfolio of investments with a value at the balance sheet date of £21,366,699 (2021 - £24,294,062). The investments are managed by CCLA and are now invested exclusively in COIF Catholic Investment Fund (Founder Accumulation Units). The manager operates within specific guidelines that are set and regularly reviewed by the Trustees. The strategy is to maximise the total returns within acceptable risk parameters. There is no restriction on the charity's power to invest.

Reserves policy:

The Trustees have decided that adequate reserves must be maintained for specific purposes which are: (a) to provide sufficient income for the retirement of the Sisters as determined by the periodic actuarial-type review; (b) to provide sufficient funds to maintain the charity's buildings to the required standard, and (c) to provide sufficient funds to enable the charity to carry out its work in the community both at home and overseas.

Remuneration policy:

The resident Sisters who are all Trustees, do not receive salaries or wages but are provided with free accommodation plus living and other expenses. There is one other key staff whose salary is set by the Trustees having regard to responsibilities undertaken and market rates for similar part-time engagements.

Achievements and performance:

Care of the elderly:

Until August 2021 the Home provided permanent accommodation for its residents and had acquired an extremely good reputation in the area which was supported by very favourable reports from the Care Quality Commission. The community of qualified Sisters and carers provided 24 hour service to residents who had their own rooms and a chapel with an adjacent church where a full-time priest provided spiritual care.

Lease of care home premises:

Following the decision by the Trustees that the charity could no longer guarantee to provide the very high standard of care that had previously been provided, the Trustees agreed to let the care home premises to an unconnected care company for a period of 10 years at market rent after an initial rent-free period of six months. The necessary Report under Section 119 of the Charities Act 2011 was provided by Avison Young, Chartered Surveyors on 12 January 2022 and a formal lease providing a rent of £120,000 per annum was entered into. After the rent-free period rental income commenced from 10 November 2022. The charity will not provide any services to the new tenant in respect of care or other activities.

Social and pastoral care:

The community continued to provide the social and pastoral care outlined under "Activities, specific objectives and relevant policies".

Donations:

The charity normally provides financial support to the Congregation Sisters in overseas missions via the Congregation's Mother House and this year a total of £511,000 (2021 - £6,900) was donated.

Financial review:

Results for the year:

Incoming resources amounted to £88,546 *(2021 - £353,985)* and resources expended on furthering the charity's objectives amounted to £620,036 *(2021 - £284,226)*. Of the incoming resources £Nil *(2021 - £300,629)* related to fees from the care home but £35,708 was received in the year from letting accommodation to a retired priest. Further resources totalling £21,616 were expended on the continuing modernisation and refurbishment programmes and were written off in the year.

CCLA have been the investment managers for several years and on 1 April 2021 a new fund, COIF Catholic Investment Fund, was inaugurated and the entire funds of the charity were moved into Founder Accumulation Units of that fund on the instructions of the Trustees.

Distributions are not paid in respect of accumulation units but are incorporated into the fund and the resulting increase in value is reflected in the bid price of the units. For this and future years there will be no income to be shown as dividends and interest and this will continue whilst the investment remains in accumulation units. The distributions made during the year and fluctuations in the values of the underlying investments will be reflected in the bid price of the units at the year-end and such movements in valuations will be disclosed in the Statement of Financial Activities as increases or decreases in unrealised gains or losses.

	£
Total movements in investments has been as follows:	
Bid value of units at 1 January 2022	24,294,062
Proceeds from units sold	(300,000)
Bonus units allocated	34,357
Market price movement on units	(2,661,720)
Bid value of units at 31 December 2022	21,366,699

Financial position

The charity's total funds at 31 December 2022 were £22,926,213 *(2021 - £26,141,039)*. Of this £1,500,000 represented tangible fixed assets used to support the charity's work. A sum of £8,582,550 *(2021 - £8,396,250)* has been calculated by the Trustees using actuarial principles to provide for all of the Order's Sisters in the United Kingdom and overseas in their retirement and has been designated as a retirement reserve.

The number of Sisters worldwide continues to decline and this trend also applies in England. In view of this and the increasing complexity and burden of the regulatory regime and the physical demands of providing care by an ageing community of Sisters the Congregation had continued to operate its Home at 50% of capacity until its closure in August 2021.. There were 4 or sometimes 5 Sisters working in the care home but prior to that there were 7 or more Sisters.

Financial position (continued):

Free reserves at 31 December 2022 stood at £12,843,663 *(2021 - £16,244,789)*. These reserves are represented by investments and cash awaiting investment. It is the Trustees' view that these investments and the reserves they represent must be kept intact to provide funds when necessary to support the charity's work, to provide for capital expenditure and to provide a contingency fund for emergencies. In particular, some of the original buildings are old and will probably require extensive repairs to the fabric of the buildings and this is likely to prove to be costly.

Covid-19 Pandemic

The difficulties created by Covid-19 and the fall in the number of Sisters and outsourced staff increased the risk of non-performance of core duties and in these circumstances the Trustees felt they had no alternative to closing the care home. This was completed in August 2021 and all residents were successfully relocated in alternative care homes.

Trustees' responsibilities statement:

The Trustees are responsible for preparing the Trustees' report and accounts in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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

a) select suitable accounting policies and then apply them consistently;

b) observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP) issued in October 2019;

c) Make judgements and estimates that are reasonable and prudent;

d) state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts, and;

e) prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, and the Charities Act 2022 so far as applicable, the applicable Charities (Accounts and Reports) Regulations 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.

Future plans:

The community will continue its caring and pastoral work and the support of its missionary work in the United Kingdom and, in particular, overseas,

It is the wish of the Trustees that the buildings that have been converted and equipped for use as a care home should continue to be used as such even though the charity is unable to provide that service itself. The Trustees have therefore negotiated an agreement with Pinnacle Care Homes Limited whereby that company has taken a lease of the existing care home buildings and grounds for a 10 year period at an annual rental of £120,000 commencing after a 6 month initial rent-free period to allow the new business to be established. This business will be operated by the lessee and the charity will have no control over its operation and will not provide any services to the business.

Signed on behalf of the Trustees:

Sr. MA Cardona OP

Sister Mary Anne Cardona O.P.
Trustee

Dated: 13 June 2023

The Congregation of the Dominican Sisters of Malta Charitable Trust

Independent auditor's report

Independent auditor's report to the Trustees of the Congregation of the Dominican Sisters of Malta Charitable Trust

Opinion

We have audited the financial statements of the Congregation of the Dominican Sisters of Malta Charitable Trust for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the cash flow statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards, (UK Generally Accepted Accounting Practice) and the Charities SORP (FRS102) issued in Octber 2019.

In our opinion the financial statements:

give a true and fair view of the state of the charitable trust's affairs as at 31 December 2022 and of its incoming resources and application of resources for the year then ended;

have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and

have been prepared in accordance with the requirements of The Charities Act 2011 and The Charities (Accounts and Reports) Regulations 2008 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable trust 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

In auditing the financial statements we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial information and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 appers 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.

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 and The Charities Act 2011 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 financial statements are not in agreement with the accounting records; or

we have not received all the information and explanations we require for our audit.

Responsibilites of Trustees

As explained more fully in the Statement of Trustees' Responsibilities the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of 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 charitable trust's ability to continue as a going concern, disclosing as applicable, matters relating to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable trust or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of financial statements

We have been appointed as auditor under Section 144 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 an guarantee that an audit conducted in accordance with ISAs (UK) will always detct 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, are detailed below.

The audit was carried out directly by or under direct control of the engagement principal who has extensive experience and knowledge of the charitable trust and of the legal and regulatory framework under which the charitable trust operates. The areas in which a material misstatement may occur have been identified by ourselves as investment reporting and operating income.

The charitable trust's funds not immediately required have been placed with CCLA for investment in appropriate COIF funds. The investments have been made in accumulation units and therefore produce no income, the income from the underlying investments being reflected in the accumulation unit price. Investments reports, including year-end balance certificates, are obtained directly from the investment manager. We have examined these reports and the Reporting Accountants' Assurance Report to CCLA Investment Management Limited regarding the investment manager's procedures prepared in accordance with Technical Release AAF 01/20 and conclude that there is unlikely to be any material misstatement regarding investments as reported by the investment manager. These reports also confirmed the amounts of rebates from CCLA which are shown as income in the Statement of Financial Activities.

Auditor's responsibilities for the audit of financial statements (continued)

Rental income in repect of the accommodation and care provided to the retired priest has been verified with bank receipts and rental income from the nursing home tenant with bank receipts and the terms of the Lease to that company. Expenditure in excess of £2,000 has been verified by reference to approved paid invoices and the donation has been verified by examining the bank transfer and Minutes of the Trustees' Meeting authorising the donation.

In our opinion our audit procedures were effective and were capable of detecting any material irregularity, including fraud, and this has enabled us to express our opinion as shown in the first section of this report.

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

Use of the audit report

This report is made solely to the 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 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 Trustees as a body for our audit work or for the opinions we have formed

Michael George & Co

Chartered Accountants and Statutory Auditor

Dawes Court House
Dawes Court, High Street
Esher, Surrey
KT10 9QD

Dated: 13 June 2023

Michael George & Co is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

The Congregation of the Dominican Sisters of Malta Charitable Trust

Statement of financial activities

Year ended 31 December 2022

	Notes	Unrestricted Funds: Continuing operations 2022 £	Unrestricted Funds: Discontinued operations 2022 £	Unrestricted Funds: Total 2022 £	Permanently Endowed Funds 2022 £	Unrestricted Funds: Continuing operations 2021 £	Unrestricted Funds: Discontinued operations 2021 £	Unrestricted Funds: Total 2021 £	Permanently Endowed Funds 2021 £
Income									
Income from generated funds:									
Investment income and interest receivable	1	985	-	985	-	-	-	-	-
Income from charitable activities:									
Residential home fees and charges		-	-	-	-	-	300,629	300,629	-
Rental income	1	52,804		52,804					
Other income: Support grants and donations received		400	-	400	-	-	21,198	21,198	-
Rebates received from CCLA	1	34,357	-	34,357	-	32,158	-	32,158	-
Total income		88,546	-	88,546	-	32,158	321,827	353,985	-
Expenditure									
Cost of charitable activities:									
Charitable donations	2	511,000	-	511,000	-	6,900	-	6,900	-
Cost of care and accommodation	3	25,313	-	25,313	-	-	238,984	238,984	-
Support of the Congregation and their ministry	4	44,011	-	44,011	-	-	20,919	20,919	-
Other costs	5	39,712	-	39,712	-	8,712	8,711	17,423	-
Total expenditure		620,036	-	620,036	-	15,612	268,614	284,226	-
Net income/(outgoings) for the year	6	(531,490)	-	(531,490)	-	16,546	53,213	69,759	-
Net increase in investment gains/(losses)	10	(2,661,720)	-	(2,661,720)	-	3,160,551	-	3,160,551	-
Improvements to property written off		(21,616)		(21,616)	-	(19,136)	-	(19,136)	-
Net movement in funds		(3,214,826)	-	(3,214,826)	-	3,157,961	53,213	3,211,174	-
Balances brought forward at 1 January				24,641,039	1,500,000			21,429,865	1,500,000
Balances carried forward at 31 December				21,426,213	1,500,000			24,641,039	1,500,000

The Congregation of the Dominican Sisters of Malta Charitable Trust

Balance sheet as at 31 December 2022

	Notes	2022 £	*2021* *£*
Fixed assets			
Tangible assets	9	1,500,000	*1,500,000*
Investments	10	21,366,699	*24,294,062*
		22,866,699	*25,794,062*
Current assets			
Debtors and prepayments	11	1,744	*3,364*
Bank balances		80,892	*366,945*
		82,636	*370,309*
Creditors: amounts falling due within one year	12	(23,122)	*(23,332)*
Net current assets		59,514	*346,977*
Total net assets		22,926,213	*26,141,039*
Represented by:			
Funds and reserves			
Unrestricted funds:			
General funds	15	12,843,663	*16,244,789*
Designated funds	13	8,582,550	*8,396,250*
		21,426,213	*24,641,039*
Permanent endowment fund	15	1,500,000	*1,500,000*
		22,926,213	*26,141,039*

Approved by the Trustees and signed on their behalf by:

Sr. MA Cardona OP.

Sister Mary Anne Cardona O.P.
Trustee

Dated: 13 June 2023

The Congregation of the Dominican Sisters of Malta Charitable Trust

Statement of Cash Flows

Year ended 31 December 2022

	2022 £	2021 £
Cash flows from operating activities:		
Net (outgoings)/income as reported in the Statement of Financial Activities	(531,490)	*69,759*
Adjustments for:		
Depreciation	-	*1,110*
Net income from investments	(34,357)	*(32,158)*
Decrease in debtors	1,619	*49*
Increase/(decrease) in creditors	13,787	*(7,526)*
Net cash provided by operating activities	(550,441)	*31,234*
Cash flows from investing activities:		
Net income from investments	34,357	*32,158*
Sale proceeds of investments	300,000	*21,071,375*
Purchase of investments	(34,357)	*(21,103,533)*
Cost of alterations to buildings	(21,616)	*(19,136)*
Net cash used in investing activities	278,384	*(19,136)*
Change in cash and cash equivalents in the year	(272,057)	*12,098*
Cash and cash equivalents at 1 January	352,949	*340,851*
Cash and cash equivalents at 31 December (see below)	80,892	*352,949*
Analysis of cash and cash equivalents at 31 December:		
Business premium deposit account (instant access)	80,892	*366,945*
Current account overdraft	-	*(13,996)*
	80,892	*352,949*

The Congregation of the Dominican Sisters of Malta Charitable Trust

Principal accounting policies

Year ended 31 December 2022

Basis of preparation and assessment of going concern

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. The accounts have been prepared in accordance with the Statement of Recommended Practice: "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" issued in October 2019 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern and that the Trust meets the definition of a public benefit entity under FRS 102.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing these and the previous periods' accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 (October 2019) a restatement of comparatives was needed and have concluded that no such restatement was required. Deposits are not required. Legacies are recognised on Probate of the deceased's Will.

Income

Income is recognised in the period in which the charity is legally entitled to it, any performance conditions have been met, the amount can be reliably measured and it is probable that the income will be received.

Expenditure

Expenditure is included in the Statement of Financial Activities when incurred and includes any attributable Value Added Tax as this cannot be recovered. Expenditure is detailed in the Statement of Financial Activities and further details are given in Notes 3 to 8 of these accounts.

Allocation of support and governance costs

Support costs have been allocated between support costs of retired priests, and in 2021 care of the elderly, and the members of the congregation on the basis of the the relative proportions of residents of the care home to the resident members of the congregation. Governance costs are shown separately as "Other costs" and represent costs associated with public accountability of the charity and its compliance with regulation and good practice and include audit fees.

Tangible fixed assets

Fixtures, fittings and equipment costing more than £1,500 with an expected useful life in excess of one year are capitalised and the cost of each item is written off evenly over five years.

Freehold land and buildings were gifted to the charity in 1967 and therefore have no original cost. They are included in the balance sheet at a valuation of £2,500,000 made by the Trustees with professional assistance on 31 December 1996 on the basis of replacement cost for existing use of the buildings only and this valuation has been adopted by the Trustees on the transition to FRS 102 as the deemed cost of the entire asset. No value has been placed on the land which is included in the valuation of the entire asset adopted on the transition to FRS 102. No further valuations will be carried out. Depreciation had been provided at 2% per annum on a straight line basis to write off the deemed cost of the buildings over their estimated useful life of 50 years but additions to this provision ceased from 1 January 2019 as the Trustees have ascertained that the residual value of the freehold land and buildings exceeds their deemed cost.

The fabric of the building is being modernised and upgraded over the years and where these additions and improvements are incorporated into and therefore form part of the building and do not retain their individual identity they are written off as incurred.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing unit bid price as provided by CCLA, the Investment Fund managers. The Statement of Financial Activities includes the net gains and losses arising on revaluation during the year.

The entire investment portfolio is comprised of accumulation units in COIF Catholic Investment Fund which the Trustees have selected as representing the objects of the Trust. The fund managers employ ethical investment policies and avoid investing in companies which engage in the production of armaments, tobacco or alcohol, in the testing of products on animals or which have fallen behind in the transition to a low carbon economy, or derive more than 10% of their revenue from oil and gas extraction and also a range of other restrictions.

The investment in one fund managed by one investment manager is an inherent risk. Other than ethical investment limitations, there are no limits on where the fund may invest and some of the assets may be invested in emerging markets, in overseas markets, in currencies other than Sterling and in other collective investment schemes. All of these carry certain risks but the manager employs a risk management process including appropriate stress-testing to enable it to identify such risks and take approriate remedial action.

The units in COIF Catholic Investment Fund are not quoted on any recognised stock exchange. Because of this and, as a substantial part of the underlying investments is in property, the fund should be regarded as illiquid. Selling units is achieved by giving notice to the manager prior to a dealing day at the latest bid price as valued by the manager. The Fund is regulated by the FCA and the Charity Commission for England and Wales and losses of up to £85,000 may be covered by the Financial Services Compensation Scheme in certain circumstances.

Realised and unrealised gains and losses

Realised gains and losses on investments are calculated as the difference between sales proceeds and their carrying value if held on the first day of the financial year or their purchase value if acquired subsequently. Disclosure by way of note is also made of the realised gain calculated as the difference between sales proceeds and the historical cost of the investments sold.

Unrealised gains or losses relating to the investments are calculated as the difference between the unit bid price at the beginning of the year plus the cost of units purchased during the year and the closing unit bid price at the end of the year.

Unrealised investment gains and losses are and credited or debited in the Statement of Financial Activities.

Permanent endowment funds

The freehold property was gifted to the charity which has no power to convert the capital it represents into income and it is therefore not available for distribution. This fund has therefore been designated by the Trustees as a permanent endowment fund. It produces no income as such and the only expense in previous years was the annual depreciation charge provided on the buildings.

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. At present, the Trust has no such funds.

Unrestricted Funds

These funds are available for the furtherance of the charity's objects. The Trustees have designated certain amounts for specific purposes and the details of this are given in Note 14 to the accounts.

Services provided by members of the Congregation

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

Critical accounting 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 amounts 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.

The estimates and assumptions which have a significant risk of causing material adjustment to the carrying amount of assets and liabilities are the valuations attributed to freehold property and the commitment to provide pension income to retired Sisters of the Order.

The Congregation of the Dominican Sisters of Malta Charitable Trust

Notes to the Accounts

Year ended 31 December 2022

	Unrestricted funds	
	2022	*2021*
	£	*£*
1 Income		
Rental income:		
Rental income from retired priest	35,708	-
Rental income from nursing home facility	17,096	-
	52,804	-
Donations received	400	-
Bank deposit interest	985	-
Rebates received from investment manager CCLA	34,357	*32,158*
	88,546	*32,158*
2 Charitable donations		
The Congregation's Mother House in support of the Congregation's work overseas	511,000	*6,900*
Other donations	-	-
	511,000	*6,900*
3 Costs of care and accommodation provided		
Payroll and Contract staff (Note 7)	16,204	*197,192*
Premises	3,524	*12,704*
Supplies and services	5,585	*29,088*
	25,313	*238,984*
4 Support of the members of the Congregation and their ministry		
Premises	14,097	*7,811*
Sisters' living and personal expenses	29,914	*13,108*
	44,011	*20,919*
5 Other costs		
Bank charges and sundry costs	567	*1,108*
Legal and professional fees	39,145	*16,315*
	39,712	*17,423*
6 Net income for the year before net investment gains or losses		
This is stated after charging:		
Auditor's remuneration (excluding VAT):		
Audit services	5,500	*5,650*
Other services	1,000	*1,000*
Depreciation	-	*1,110*

	Unrestricted funds 2022	*2021*
	£	*£*
7 Staff costs and Trustees' remuneration		
Contract staff	16,204	*36,742*
Payroll	-	*129,252*
Social security costs	-	*5,901*
Pension contributions	-	*2,519*
Redundancy payments	-	*22,778*
	16,204	*197,192*

The average number of contract staff during the year was **1** (2020 - 1), the average number of employees in the year was 0 (until August 2021 was 9) and the average number Sisters working in the congregation was 4 *(2021 - 5)*.

As members of the Congregation, the Trustees living and personal expenses during the year were borne by the charity but they received no remuneration or reimbursement of expenses in connection with their duties as Trustees during the year *(2021 - £Nil)*.

8 Taxation

The Congregation of the Dominican Sisters of Malta Charitable Trust is a registered charity and is therefore not liable to UK taxation on income or gains derived from its charitable activities. VAT is not recoverable and is therefore included in the expenditure heading for which it was incurred.

9 Tangible fixed assets

	Freehold land and buildings	Fixtures fittings & equipment
Cost or valuation		
At 1 January 2022	2,500,000	5,590
Additions	-	-
At 31 December 2022	2,500,000	5,590
Depreciation		
At 1 January 2022	1,000,000	5,590
Provided in year	-	-
At 31 December 2022	1,000,000	5,590
Net book values		
At 31 December 2022	1,500,000	0
At 31 December 2021	1,500,000	0

The freehold land and buildings are included in the accounts at a valuation arrived at in 1996 which, under the provisions of FRS 102, has been adopted by the Trustees as the deemed cost of the asset. No value was place on the land at that time and no further valuations will be carried out. The cost of alterations and additions to the fabric of the building are written off as incurred.

The buildings had previously been depreciated at 2% per annum on a straight line basis but no further depreciation has been provided from 1 January 2019 as the Trustees have ascertained that the residual value of the freehold land and buildings exceeds their original deemed cost. The Trustees do not consider it necessary to reverse the depreciation previously provided.

	2022	2021
	£	£
10 Investments		
Investment managed by CCLA:		
Market value at 1 January	24,294,062	*21,101,353*
Purchases	-	*21,071,375*
Units purchased from CCLA rebates	34,357	*32,158*
Sale proceeds	(300,000)	*(21,071,375)*
Net (decrease)/ increase in unrealised gains	(2,661,720)	*3,160,551*
Market value at 31 December	21,366,699	*24,294,062*
Averaged cost of investments at 31 December	20,833,137	*21,088,244*
Realised and unrealised gains in the year:		
Net realised gains	10,536	*3,497,561*
Net unrealised gains at year-end	533,562	*3,205,818*
	544,098	*6,703,379*
Investments held at 31 December comprised the following:		
COIF Catholic Investment Fund Founder Accumulation units	21,366,699	*24,294,062*
Total unrealised gains at 31 December included in the valuations above	533,562	*3,205,818*

The Catholic Investment Fund is a sub-fund of CCLA Charity Authorised Investment Fund, an umbrella-type unit trust, authorised by the Financial Conduct Authority (FCA) as a Charity Authorised Investment Fund and as a Non-UCITS Retail Scheme. The Fund is regulated by the FCA and the Charity Commission for England and Wales. The Fund is classified as a UK Alternative Investment Fund for regulatory purposes.

Units in the COIF Catholic Investment Fund are not dealt on any recognised stock exchange but can be sold by depositing a sale form with CCLA on the business day before a dealing day at the latest bid price as valued by CCLA.

Distributions are not made to holders of accumulation units but distributions allocated to accumulation units are accumulated within the fund and are reflected in the bid price of the units.

The fund should be considered illiquid as it is not admitted to trading on a secondary market and no alternative liquidity facility is promoted by the fund manager. Losses of up to £85,000 may be covered by the Financial Services Compensation Scheme (FSCS) in certain circumstances.

The investment manager makes quarterly rebates to certain investors in accumulation units of COIF Catholic Investment Fund to compensate for the otherwise disproportionately high cost of its management charge. The trustees have given a standing instruction that such rebates be reinvested in additional accumulation units.

	2022	*2021*
	£	*£*
11 Debtors and prepayments		
Other debtors	-	-
Prepayments	1,744	*3,364*
	1,744	*3,364*

	2022	*2021*
12 Creditors: Amounts falling due within one year		
Bank overdraft and credit cards	906	*13,996*
Sundry creditors	1,512	-
Income received in advance	2,904	*1,536*
Accruals	17,800	*7,800*
	23,122	*23,332*

13 Designated funds

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

	Retirement reserve
At 1 January 2022	8,396,250
Addition to reserve	186,300
At 31 December 2022	8,582,550

Total designated funds:

At 31 December 2022	8,582,550
At 31 December 2021	8,396,250

The retirement reserve consists of monies which the Trustees have set aside in order to provide for all the Sisters of the Order in their retirement in both the United Kingdom and all overseas teritories in which the Order has a presence. The fund has been calculated on actuarial principles to provide for the Congregation's Sisters and is reviewed annually.

14 Summary of fund movements

	General Fund	Permanent Endowment Fund
	£	£
Balances at 1 January 2022	24,641,039	1,500,000
Income	88,546	-
Expenditure including improvements to property written off	(641,652)	-
Investments gains/(losses)	(2,661,720)	-
Balances at 31 December 2022	21,426,213	1,500,000

The Designated Fund was increased by £186,300 (2021 - £1,600,500) and stands at £8,582,550 at the year-end.

15 Analysis of net assets between funds at 31 December 2022

	General funds	Designated funds
	£	£
Tangible fixed assets, investments and cash awaiting investment	12,784,149	8,582,550
Net current assets	59,514	-
	12,843,663	8,582,550

	Permanent endowment funds
	£
Fixed assets - freehold property	1,500,000
Total net assets	22,926,213

16 Ultimate control

The charity, which constitutes a Trust, was controlled throughout this and the previous period by the Superior of the English community of the Congregation of the Dominican Sisters of Malta by virtue of the fact that, under the terms of the Trust Deed, the Superior of the community has power to appoint or remove any Trustee.

THE CONGREGATION OF THE DOMINICAN SISTERS OF MALTA

England & Wales - Charity number 250683

Accounts

The Congregation of the Dominican Sisters of Malta

Charitable Trust

Charity No 250683

Annual Report and Accounts

31 December 2021

The Congregation of the Dominican Sisters of Malta Charitable Trust

Legal and administrative information

Trustees:

Sister Mary Anne Cardona (Superior)
Sister Mary Attard
Sister Filomena Grima
Sister Maria Dolores Gauci
Sister Theresa Sciortino
Sister Maria Dolores Schembri

Administrative address:

Maryfield Convent
London Road
Hook
RG27 9LA

Charity registration number:

250683

Auditor:

Michael George & Co
Dawes Court House
Dawes Court, High Street
Esher
KT10 9QD

Investment managers:

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Bankers:

Barclays Bank plc
68 Knightsbridge
London
SW1X 7BW

Solicitors:

Wedlake Bell LLP
71 Queen Victoria Street
London
EC4V 4AY

The Congregation of the Dominican Sisters of Malta Charitable Trust

Trustees' report

Year ended 31 December 2021

The Trustees present the statutory report and accounts of the Congregation of the Dominican Sisters of Malta Charitable Trust (the "charity") for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out on pages 14 to 16 and comply with applicable UK Accounting Standards (UK Generally Accepted Accounting Practice). The principles set out in the Statement of Recommended Practice on "Accounting and Reporting by Charities" known as the Charities SORP (FRS102) issued in October 2019 have been followed in the preparation of this report and accounts.

Introduction:

The Dominican Sisters of Malta (the "Congregation") is an international religious congregation founded in 1889 comprising 19 communities of Sisters working in Malta, Italy, England, Sri Lanka, Pakistan and Australia.

This report and accounts are in respect of the charitable trust on which the Congregation has placed the assets of its community at Hook, Hampshire, England and through which its finances are administered. The charity is governed by a Trust Deed dated 11 January 1967 and a Scheme dated 19 June 1997 and is registered under the Charities Act 2011, registration number 250683.

Principal aims and mission:

The aim of the charity is the support of such charitable purposes which advance the religious and other charitable work carried on in England and Wales and elsewhere by the Congregation. This work in particular included the maintenance of a residential home for the elderly in Hook until August 2021 when the home was closed following a fall in the number of Sisters and staff providing care and the additional time taken in carrying out the necessary measures required by Covid-19.

The Congregation's whole life follows the apostolic model so as to respond with the Church to the needs of each age or culture and to take its part in the advent of a world of greater justice by adapting its manner of life and action to the demands of the apostolate.

When setting the objectives and planning the work of the charity for the year and when encouraging the work of individual Sisters, the Trustees have given consideration to the Charity Commission's general guidance on public benefit and in particular to the supplementary guidance on fee charging.

Public benefit

The Trustees confirm that they have had regard to the guidance on public benefit issued by the Charity Commission and consider that the charity fulfils that obligation, initially by reason of it offering care home facilities to all irrespective of gender, race or creed and subsequently by its continuing work in its local and worldwide community.

Structure, governance and management:

Governance:

Under the terms of the Trust Deed the Trustees are appointed by the Mother General of the Congregation.

The Congregation itself is directed by the Mother General and her four councillors whose mandate is renewed every six years through a "Chapter of Elections".

Each community is under the direct jurisdiction of the Mother General and her council residing in the Generalate House in Malta. Each house is under the supervision of a local Superior. The community in Hook is one such house.

Governance: (continued)

The names of the Trustees who have served from 1 January 2021 until the date of this report are listed on page 1. All Trustees are members of the Congregation with wide experience and knowledge of the work of the Congregation and its community in Hook.

Structure and management reporting:

The Trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review developments with regard to the charity and its activities and make any important decisions. When necessary, the Trustees seek advice and support from the charity's professional advisers including investment managers, solicitors and accountants. The day-to-day management of the charity's activities and the implementation of policies is delegated to the approporiate members of the Congregation.

The day-to-day responsibility for the residential home at Hook was in the hands of a registered manager who was also a Sister.

Risk management:

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to specific operational areas of the charity, its investments and its finances. The Trustees believe that by monitoring reserve levels, ensuring controls exist over key financial systems and examining the operational and business risks faced by the charity they have established effective systems to mitigate these risks.

Activities, specific objectives and relevant policies:

Care of the elderly:

The community offerred a client-oriented service at Maryfield Residential Home for its aged and retired resident clients according to each's special needs in a Christian environment where the residents come from varied backgrounds.

The home had well-established links with local medical general practitioners and nursing services to support and enhance the care provided.

Social and pastoral care:

The community continues to offer local services for the needy including:

visits to the housebound and support for bereaved families;

visits to the sick and residents and friends in hospital;

organising transport where necessary for less mobile residents by dedicated drivers and organising various outings and trips;

assisting the homeless within the charity's means by providing food and material assistance in cases of distress;

assisting local parishioners in attending Church on Sundays.

assisting parishioners at different levels, for example social help, moral and spititual guidance and crisis relief for families;

Social and pastoral care (continued)

and to its international community as required from time to time by the Mother General.

Donations:

The Trustees have a strong commitment to support Sisters working abroad, especially in Pakistan and Sri Lanka. Support is normally chanelled through the Congregation's Mother House, the work of which is also supported generally, although occasionally donations are made direct. In addition, small alms are given to individuals for the relief of hardship and distress.

Support of members of the Congregation:

The Trustees continue to support and assist members of the community at Hook, some of which continue to work beyond normal retirement age.

Investment policy:

The charity has a portfolio of investments with a value at the balance sheet date of £24,294,062 (2020 - £21,101,353). The investments are managed by CCLA and are now invested exclusively in COIF Catholic Investment Fund (Founder Accumulation Units). The manager operates within specific guidelines that are set and regularly reviewed by the Trustees. The strategy is to maximise the total returns within acceptable risk parameters. There is no restriction on the charity's power to invest.

Reserves policy:

The Trustees have decided that adequate reserves must be maintained for specific purposes which are: (a) to provide sufficient income for the retirement of the Sisters as determined by the periodic actuarial review; (b) to provide sufficient funds to maintain the charity's buildings to the required standard and for their use as a care home, and (c) to provide sufficient funds to enable the charity to carry out its work in the community.

Remuneration policy:

The resident Sisters who are all Trustees, do not receive salaries or wages but are provided with free accommodation plus living and other expenses. There is one other key staff whose salary is set by the Trustees having regard to responsibilities undertaken and market rates for similar employments.

Achievements and performance:

Care of the elderly:

Until August 2021 the Home provided permanent accommodation for its residents and had acquired an extremely good reputation in the area which was supported by very favourable reports from the Care Quality Commission. The community of qualified Sisters and carers provided 24 hour service to residents who had their own rooms and a chapel with an adjacent church where a full-time priest provided spiritual care.

The latest (unannounced) inspection by a Care Quality Commission team on 31 July 2019 found that the Home met the standards required in all subdivisions of all five categories of the Standards that residents have the right to expect. The full report was published on 5 September 2019 and is available on the CQC website.

Following the decision by the Trustees that the charity could no longer guarantee to provide the very high standard of care that had previously been provided, they have agreed to let the care home premises to an unconnected care company for a period of 10 years at market rent after an initial rent-free period. The charity will not provide any services to the new tenant in respect of care or other activities.

Social and pastoral care:

The community continued to provide the social and pastoral care outlined under "Activities, specific objectives and relevant policies".

Donations:

The charity normally provides financial support to the Congregation Sisters in overseas missions via the Congregation's Mother House and this year a total of £6,900 (2020 - £15,070) was donated in small separate amounts.

Financial review:

Results for the year:

Incoming resources amounted to £353,985 *(2020 - £674,449)* and resources expended on furthering the charity's objectives amounted to £284,226 *(2020 - £413,820)*. Of the incoming resources £300,629 *(2020 - £616,187)* related to fees from the residential home. Further resources were expended on the continuing modernisation and refurbishment programmes.

CCLA have been the investment managers for over 2 years and were initially instructed to invest the charity's total funds in COIF Charities Ethical Investment Fund Accumulation Units. On 1 April 2021 CCLA inaugurated a new fund, COIF Catholic Investment Fund and the entire funds of the charity were moved into Founder Accumulation Units of that fund on the instructions of the Trustees. The sale of the accumulation units previously held crystallised a gain of £3,497,561 above the original historical cost of the units of £17,573,814.

Distributions are not paid in respect of accumulation units but are incorporated into the fund and the resulting increase in value is reflected in the bid price of the units. For this reason the incoming resources, which in previous years had included dividend income and interest received, has completely disappeared. For this and future years there will be no income to be shown as dividends and interest and this will continue whilst the investment remains in accumulation units. The distributions made during the year and fluctuations in the values of the underlying investments will be reflected in the bid price of the units at the year-end and such movements in valuations will be disclosed as increases or decreases in unrealised gains or losses.

Total movements in investments has been as follows:

	£
Bid value of units at 1 January 2021	21,101,353
Proceeds from units sold	(21,071,375)
Purchases including bonus units allocated	21,103,533
Market price movement on units	3,160,551
Bid value of units at 31 December 2021	24,294,062

Financial position

The charity's total funds at 31 December 2021 were £26,141,039 *(2020 - £22,929,865)*. Of this £1,500,000 represented tangible fixed assets used to support the charity's work. A sum of £8,396,250 *(2020 - £6,795,750)* has been calculated by the Trustees using actuarial principles to provide for all of the Order's Sisters in their retirement and has been designated as a retirement reserve.

The number of Sisters worldwide continues to decline and this trend also applies in England. In view of this and the increasing complexity and burden of the regulatory regime and the physical demands of providing care by an ageing community of Sisters the Congregation had continued to operate its Home at 50% of capacity until its closure in August 2021.. There were 4 or sometimes 5 Sisters working in the care home but prior to that there were 7 or more Sisters.

Financial position (continued):

Free reserves at 31 December 2021 stood at £16,244,789 *(2020 - £14,634,115)*. These reserves are represented by investments and cash awaiting investment. It is the Trustees' view that these investments and the reserves they represent must be kept intact to provide funds when necessary to support the charity's work, to provide for capital expenditure and to provide a contingency fund for emergencies. In particular, some of the original buildings are old and will probably require extensive repairs to the fabric of the buildings and this is likely to prove to be costly.

Covid-19 Pandemic

In March 2020 before the pandemic was rife in the United Kingdom and the UK Government ordered a national lockdown in an attempt to stop the spread of the disease, the Trustees took the decision that no visitors would be allowed to enter the retirement home for any reason, other than medical emergencies, and that no new residents would be admitted if any vacancies ocurred.

In addition to these restrictions, the Trustees ensured that whilst the care home operated all disinfectant and other anti-viral measures would be performed as frequently as possible by all staff and carers including frequent hand washing, using antibacterial gels for extra protection and utilizing additional personal protective equipment including gloves, gowns, masks and other equipment.

The difficulties created by Covid-19 and the fall in the number of Sisters and outsourced staff increased the risk of non-performance of core duties and in these circumstances the Trustees felt they had no alternative to closing the care home. This was completed in August 2021 and all residents were successfully relocated in alternative care homes.

Trustees' responsibilities statement:

The Trustees are responsible for preparing the Trustees' report and accounts in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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

a) select suitable accounting policies and then apply them consistently;

b) observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP) issued in October 2019;

c) Make judgements and estimates that are reasonable and prudent;

d) state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts, and;

e) prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations 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.

Future plans:

The community will continue its caring and pastoral work and the support of its missionary work.

It is the wish of the Trustees that the buildings that have been converted and equipped for use as a care home should continue to be used as such even though the charity is unable to provide that service itself. The Trustees have therefore negotiated an agreement with Pinnacle Care Homes Limited whereby that company will take a lease of the existing care home buildings and grounds for a 10 year period at an annual rental of £120,000 commencing after a short initial rent-free period to allow the new business to be established. This business will be operated by the lessee and the charity will have no control over its operation and will not provide any services to the business.

Signed on behalf of the Trustees:

Sr. M Cardona OP.

Sister Mary Anne Cardona O.P.
Trustee

Dated: 9 June 2022

The Congregation of the Dominican Sisters of Malta Charitable Trust

Independent auditor's report

Independent auditor's report to the Trustees of the Congregation of the Dominican Sisters of Malta Charitable Trust

Opinion

We have audited the financial statements of the Congregation of the Dominican Sisters of Malta Charitable Trust for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the cash flow statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards, (UK Generally Accepted Accounting Practice) and the Charities SORP (FRS102) issued in Octber 2019.

In our opinion the financial statements:

give a true and fair view of the state of the charitable trust's affairs as at 31 December 2021 and of its incoming resources and application of resources for the year then ended;

have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and

have been prepared in accordance with the requirements of The Charities Act 2011 and The Charities (Accounts and Reports) Regulations 2008 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable trust 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

In auditing the financial statements we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial information and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 appers 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 thatnthere is a material misstatement of this other information, we are required to report that fact.

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 and The Charities Act 2011 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 financial statements are not in agreement with the accounting records; or

we have not received all the information and explanations we require for our audit.

Responsibilites of Trustees
As explained more fully in the Statement of Trustees' Responsibilities the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of 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 charitable trust's ability to continue as a going concern, disclosing as applicable, matters relating to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable trust or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of financial statements
We have been appointed as auditor under Section 144 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 an guarantee that an audit conducted in accordance with ISAs (UK) will always detct 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, are detailed below.

The audit was carried out directly by or under direct control of the engagement principal who has extensive experience and knowledge of the charitable trust and of the legal and regulatory framework under which the charitable trust operates. The areas in which a material misstatement may occur have been identified by ourselves as investment reporting and operating income.

The charitable trust's funds not immediately required have been placed with CCLA for investment in appropriate COIF funds. The investments have been made in accumulation units and therefore produce no income, the income from the underlying investments being reflected in the accumulation unit price. Investments reports, including year-end balance certificates, are obtained directly from the investment manager. We have examined these reports and the Reporting Accountants' Assurance Report to CCLA Investment Management Limited regarding the investment manager's procedures and conclude that there is unlikely to be any material misstatement regarding investments as reported by the investment manager.

Auditor's responsibilities for the audit of financial statements (continued)

Until August 2021 the charitable trust operated a residential home for a maximum of eighteen residents at fixed monthly rates which were reviewed annually. Fees were paid in advance by bank standing order on the first day of each month and income can therefore be verified in conjunction with room occupation and residents' records. All arrivals, departures, medical and other requirements are recorded for examination by the Care Quality Commission who review these and all operating standards at unannounced quality control visits. The last visit in July 2019 resulted in an award of "Good" in all categories.

In our opinion our audit procedures were effective and were capable of detecting any material irregularity, including fraud, and this has enabled us to express our opinion as shown in the first section of this report.

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

Use of the audit report

This report is made solely to the 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 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 Trustees as a body for our audit work or for the opinions we have formed

Michael George & Co

Chartered Accountants and Statutory Auditor

Dawes Court House
Dawes Court, High Street
Esher, Surrey
KT10 9QD

Dated: 9 June 2022

Michael George & Co is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

The Congregation of the Dominican Sisters of Malta Charitable Trust

Statement of financial activities

Year ended 31 December 2021

	Notes	Unrestricted Funds: Continuing operations 2021 £	Unrestricted Funds: Discontinued operations 2021 £	Unrestricted Funds: Total 2021 £	Permanently Endowed Funds 2021 £	Unrestricted Funds: Continuing operations 2020 £	Unrestricted Funds: Discontinued operations 2020 £	Unrestricted Funds: Total 2020 £	Permanently Endowed Funds 2020 £
Income									
Income from generated funds:									
Investment income and interest receivable	1	-	-	-	-	114	-	114	-
Income from charitable activities:									
Residential home fees and charges		-	300,629	300,629	-		616,187	616,187	-
Other income: Support grants re Covid-19		-	21,198	21,198	-		39,279	39,279	-
Rebates received from CCLA	1	32,158	-	32,158	-	18,869		18,869	-
Total income		32,158	321,827	353,985	-	18,983	655,466	674,449	-
Expenditure									
Cost of generating funds:									
Investment management fees and bank charges		-	-	-		-	-	-	-
Cost of charitable activities:									
Charitable donations	2	6,900	-	6,900	-	15,070	-	15,070	-
Care of the elderly	3	-	238,984	238,984	-		360,456	360,456	-
Support of the Congregation and their ministry	4	-	20,919	20,919	-		25,692	25,692	-
Other costs	5	8,712	8,711	17,423	-	6,301	6,301	12,602	-
Total expenditure		15,612	268,614	284,226	-	21,371	392,449	413,820	-
Net income/(outgoings) for the year	6	16,546	53,213	69,759	-	(2,388)	263,017	260,629	-
Net increase in investment gains/(losses)	10	3,160,551	-	3,160,551	-	1,877,300	-	1,877,300	-
Improvements to property written off		(19,136)	-	(19,136)	-	-	-	-	-
Net movement in funds		3,157,961	53,213	3,211,174	-	1,874,912	263,017	2,137,929	-
Balances brought forward at 1 January				21,429,865	1,500,000			19,291,936	1,500,000
Balances carried forward at 31 December				24,641,039	1,500,000			21,429,865	1,500,000

The Congregation of the Dominican Sisters of Malta Charitable Trust

Balance sheet as at 31 December 2021

	Notes	2021	*2020*
		£	*£*
Fixed assets			
Tangible assets	9	1,500,000	*1,501,110*
Investments	10	24,294,062	*21,101,353*
		25,794,062	*22,602,463*
Current assets			
Debtors and prepayments	11	3,364	*3,413*
Bank balances		366,945	*351,090*
		370,309	*354,503*
Creditors: amounts falling due within one year	12	(23,332)	*(27,101)*
Net current assets		346,977	*327,402*
Total net assets		26,141,039	*22,929,865*
Represented by:			
Funds and reserves			
Unrestricted funds:			
General funds	14	16,244,789	*14,634,115*
Designated funds	13	8,396,250	*6,795,750*
		24,641,039	*21,429,865*
Permanent endowment fund	14	1,500,000	*1,500,000*
		26,141,039	*22,929,865*

Approved by the Trustees and signed on their behalf by:

Sr. MA Cardona OP

Sister Mary Anne Cardona O.P.
Trustee

Dated: 9 June 2022

The Congregation of the Dominican Sisters of Malta Charitable Trust

Statement of Cash Flows

Year ended 31 December 2021

	2021 £	2020 £
Cash flows from operating activities:		
Net income as reported in the Statement of Financial Activities	69,759	*260,629*
Adjustments for:		
Depreciation	1,110	*1,120*
Net income from investments	(32,158)	*(18,869)*
Decrease in debtors	49	*1,919*
(Decrease)/increase in creditors	(7,526)	*2,272*
Net cash provided by operating activities	31,234	*247,071*
Cash flows from investing activities:		
Net income from investments	32,158	*18,869*
Sale proceeds of investments	21,071,375	-
Purchase of investments	(21,103,533)	*(24,309)*
Cost of alterations to buildings	(19,136)	-
Net cash used in investing activities	(19,136)	*(5,440)*
Change in cash and cash equivalents in the year	12,098	*241,631*
Cash and cash equivalents at 1 January	340,851	*99,220*
Cash and cash equivalents at 31 December (see below)	352,949	*340,851*
Analysis of cash and cash equivalents at 31 December:		
Business premium deposit account (instant access)	366,945	*351,090*
Current account overdraft	(13,996)	*(10,239)*
	352,949	*340,851*

The Congregation of the Dominican Sisters of Malta Charitable Trust

Principal accounting policies

Year ended 31 December 2021

Basis of preparation and assessment of going concern

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. The accounts have been prepared in accordance with the Statement of Recommended Practice: "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" issued in October 2019 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern and that the Trust meets the definition of a public benefit entity under FRS 102.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing these and the previous periods' accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 (October 2019) a restatement of comparatives was needed and have concluded that no such restatement was required. Deposits are not required. Legacies are recognised on Probate of the deceased's Will.

Income

Income is recognised in the period in which the charity is legally entitled to it, any performance conditions have been met, the amount can be reliably measured and it is probable that the income will be received. Care home residents were billed in advance on the first day of each month and for new residents on the day of their admission then on the first day of each subsequent month.

Expenditure

Expenditure is included in the Statement of Financial Activities when incurred and includes any attributable Value Added Tax as this cannot be recovered. Expenditure is detailed in the Statement of Financial Activities and further details are given in Notes 3 to 8 of these accounts.

Allocation of support and governance costs

Support costs have been allocated between care of the elderly and the members of the congregation on the basis of the the relative proportions of residents of the care home to the resident members of the congregation. Governance costs are shown separately as "Other costs" and represent costs associated with public accountability of the charity and its compliance with regulation and good practice and include audit fees.

Tangible fixed assets

Fixtures, fittings and equipment costing more than £1,500 with an expected useful life in excess of one year are capitalised and the cost of each item is written off evenly over five years.

Freehold land and buildings were gifted to the charity in 1967 and therefore have no original cost. They are included in the balance sheet at a valuation of £2,500,000 made by the Trustees with professional assistance on 31 December 1996 on the basis of replacement cost for existing use of the buildings only and this valuation has been adopted by the Trustees on the transition to FRS 102 as the deemed cost of the entire asset. No value has been placed on the land which is included in the valuation of the entire asset adopted on the transition to FRS 102. No further valuations will be carried out. Depreciation had been provided at 2% per annum on a straight line basis to write off the deemed cost of the buildings over their estimated useful life of 50 years but additions to this provision ceased from 1 January 2019 as the Trustees have ascertained that the residual value of the freehold land and buildings exceeds their deemed cost.

The fabric of the building is being upgraded over the years and where these additions and improvements are incorporated into and therefore form part of the building and do not retain their individual identity they are written off as incurred.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing unit bid price as provided by CCLA, the Investment Fund managers. The Statement of Financial Activities includes the net gains and losses arising on revaluation during the year.

The entire investment portfolio is comprised of accumulation units in COIF Catholic Investment Fund which the Trustees have selected as representing the objects of the Trust. The fund managers employ ethical investment policies and avoid investing in companies which engage in the production of armaments, tobacco or alcohol, in the testing of products on animals or which have fallen behind in the transition to a low carbon economy, or derive more than 10% of their revenue from oil and gas extraction and also a range of other restrictions.

The investment in one fund managed by one investment manager is an inherent risk. Other than ethical investment limitations, there are no limits on where the fund may invest and some of the assets may be invested in emerging markets, in overseas markets, in currencies other than Sterling and in other collective investment schemes. All of these carry certain risks but the manager employs a risk management process including appropriate stress-testing to enable it to identify such risks and take approriate remedial action.

The units in COIF Catholic Investment Fund are not quoted on any recognised stock exchange. Because of this and, as a substantial part of the underlying investments is in property, the fund should be regarded as illiquid. Selling units is achieved by giving notice to the manager prior to a dealing day at the latest bid price as valued by the manager. The Fund is regulated by the FCA and the Charity Commission for England and Wales and losses of up to £85,000 may be covered by the Financial Services Compensation Scheme in certain circumstances.

Realised and unrealised gains and losses

Realised gains and losses on investments are calculated as the difference between sales proceeds and their carrying value if held on the first day of the financial year or their purchase value if acquired subsequently. Disclosure by way of note is also made of the realised gain calculated as the difference between sales proceeds and the historical cost of the investments sold.

Unrealised gains or losses relating to the investments are calculated as the difference between the unit bid price at the beginning of the year plus the cost of units purchased during the year and the closing unit bid price at the end of the year.

Unrealised investment gains and losses are and credited or debited in the Statement of Financial Activities.

Permanent endowment funds

The freehold property was gifted to the charity which has no power to convert the capital it represents into income and it is therefore not available for distribution. This fund has therefore been designated by the Trustees as a permanent endowment fund. It produces no income as such and the only expense in previous years was the annual depreciation charge provided on the buildings.

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. At present, the Trust has no such funds.

Unrestricted Funds

These funds are available for the furtherance of the charity's objects. The Trustees have designated certain amounts for specific purposes and the details of this are given in Note 14 to the accounts.

Services provided by members of the Congregation

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

Critical accounting 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 amounts 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.

The estimates and assumptions which have a significant risk of causing material adjustment to the carrying amount of assets and liabilities are the valuations attributed to freehold property and the commitment to provide pension income to retired Sisters of the Order.

The Congregation of the Dominican Sisters of Malta Charitable Trust

Notes to the Accounts

Year ended 31 December 2021

	Unrestricted funds	
	2021	*2020*
	£	*£*
1 Investment income and interest receivable		
Bank deposit interest	-	*114*
Rebates received from investment manager CCLA	32,158	*18,869*
	32,158	*18,983*
2 Charitable donations		
The Congregation's Mother House in support of the Congregation's work overseas	6,900	*15,070*
The Congregation's Sisters in Sri Lanka	-	-
The Congregation's Sisters in Pakistan	-	-
	6,900	*15,070*
3 Care of the elderly		
Payroll and Contract staff (Note 7)	197,192	*293,815*
Premises	12,704	*26,124*
Supplies and services	29,088	*40,517*
	238,984	*360,456*
4 Support of the members of the Congregation and their ministry		
Premises	7,811	*10,745*
Sisters' living and personal expenses	13,108	*14,947*
	20,919	*25,692*
5 Other costs		
Bank charges and sundry costs	1,108	*1,269*
Legal and professional fees	16,315	*11,333*
	17,423	*12,602*
6 Net income for the year before net investment gains or losses		
This is stated after charging:		
Auditor's remuneration (excluding VAT):		
Audit services	5,650	*5,550*
Other services	1,000	*950*
Depreciation	1,110	*1,120*

	Unrestricted funds 2021 £	*2020 £*
7 Staff costs and Trustees' remuneration		
Contract staff (care of the elderly)	-	*5,123*
Payroll	165,994	*269,888*
Social security costs	5,901	*13,537*
Pension contributions	2,519	*5,267*
Redundancy payments	22,778	-
	197,192	*293,815*

The average number of contract staff during the year was 0 (2020 - 1), the average number of employees until August 2021 was 9 (2020 - 12) and the average number Sisters working in the home was 5 *(2020 - 6)*. Following the closure of the care home, all staff were made redundant and were paid redundancy pay as provided by law.

As members of the Congregation, the Trustees living and personal expenses during the year were borne by the charity but they received no remuneration or reimbursement of expenses in connection with their duties as Trustees during the year *(2020 - £Nil)*.

8 Taxation

The Congregation of the Dominican Sisters of Malta Charitable Trust is a registered charity and is therefore not liable to UK taxation on income or gains derived from its charitable activities. VAT is not recoverable and is therefore included in the expenditure heading for which it was incurred.

9 Tangible fixed assets

	Freehold land and buildings	Fixtures fittings & equipment
Cost or valuation		
At 1 January 2021	2,500,000	5,590
Additions	-	
At 31 December 2021	2,500,000	5,590
Depreciation		
At 1 January 2021	1,000,000	4,480
Provided in year	-	1,110
At 31 December 2021	1,000,000	5,590
Net book values		
At 31 December 2021	1,500,000	0
At 31 December 2020	1,500,000	2,230

The freehold land and buildings are included in the accounts at a valuation arrived at in 1996 which, under the provisions of FRS 102, has been adopted by the Trustees as the deemed cost of the asset. No value was place on the land at that time and no further valuations will be carried out. The cost of alterations and additions to the fabric of the building are written off as incurred.

The buildings had previously been depreciated at 2% per annum on a straight line basis but no further depreciation has been provided from 1 January 2019 as the Trustees have ascertained that the residual value of the freehold land and buildings exceeds their original deemed cost. The Trustees do not consider it necessary to reverse the depreciation previously provided.

10 Investments	2020 £	*2019* *£*
Investment managed by CCLA:		
Market value at 1 January	21,101,353	*19,199,744*
Purchases	21,071,375	*5,440*
Units purchased from CCLA rebates	32,158	*18,869*
Sale proceeds	(21,071,375)	-
Net increase in unrealised gains	3,160,551	*1,877,300*
Market value at 31 December	24,294,062	*21,101,353*
Cost of investments at 31 December	21,088,244	*17,558,525*
Realised and unrealised gains in the year:		
Net realised gains (sale proceeds £21,071,375 less historical cost £17,573,814)	3,497,561	-
Net unrealised gains	3,160,551	*1,877,300*
	6,658,112	*1,877,300*
Investments held at 31 December comprised the following:		
COIF Catholic Investment Fund Founder Accumulation units	24,294,062	-
COIF Charities Ethical Investment Fund Accumulation units	-	*21,101,353*
Total unrealised gains at 31 December included in the valuations above	3,160,551	*3,542,828*

The Catholic Investment Fund is a sub-fund of CCLA Charity Authorised Investment Fund, an umbrella-type unit trust, authorised by the Financial Conduct Authority (FCA) as a Charity Authorised Investment Fund and as a Non-UCITS Retail Scheme. The Fund is regulated by the FCA and the Charity Commission for England and Wales. The Fund is classified as a UK Alternative Investment Fund for regulatory purposes.

Units in the COIF Catholic Investment Fund are not dealt on any recognised stock exchange but can be sold by depositing a sale form with CCLA on the business day before a dealing day at the latest bid price as valued by CCLA.

Distributions are not made to holders of accumulation units but distributions allocated to accumulation units are accumulated within the fund and are reflected in the bid price of the units.

The fund should be considered illiquid as it is not admitted to trading on a secondary market and no alternative liquidity facility is promoted by the fund manager. Losses of up to £85,000 may be covered by the Financial Services Compensation Scheme (FSCS) in certain circumstances.

The investment manager makes quarterly rebates to certain investors in accumulation units of COIF Catholic Investment Fund to compensate for the otherwise disproportionately high cost of its management charge. The trustees have given a standing instruction that such rebates be reinvested in additional accumulation units.

	2021 £	*2020 £*
11 Debtors and prepayments		
Other debtors	-	-
Prepayments	3,364	*3,413*
	3,364	*3,413*
12 Creditors: Amounts falling due within one year		
Bank overdraft	13,996	*10,239*
Sundry creditors	-	*2,785*
Income received in advance	1,536	*6,277*
Accruals	7,800	*7,800*
	23,332	*27,101*

13 Designated funds

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

	Retirement reserve
At 1 January 2021	6,795,750
Addition to reserve	1,600,500
At 31 December 2021	8,396,250

Total designated funds:

At 31 December 2021	8,396,250
At 31 December 2020	6,795,750

The retirement reserve consists of monies which the Trustees have set aside in order to provide for all the Sisters of the Order in their retirement. The fund has been calculated on actuarial principles to provide for the Congregation's Sisters worldwide and is reviewed annually.

14 Summary of fund movements

	General Fund	Permanent Endowment Fund
	£	£
Balances at 1 January 2021	21,429,865	1,500,000
Income	353,985	-
Expenditure	(303,362)	-
Investments gains and losses	3,160,551	-
Balances at 31 December 2021	24,641,039	1,500,000

The Designated Fund was increased by £1,600,500 during the year and stands at £8,396,250 at the year-end.

15 Analysis of net assets between funds at 31 December 2021

	General funds	Designated funds
	£	£
Tangible fixed assets, investments and cash awaiting investment	15,897,812	8,396,250
Net current assets	346,977	-
	16,244,789	8,396,250

	Permanent endowment funds
	£
Fixed assets - freehold property	1,500,000
Total net assets	26,141,039

16 Ultimate control

The charity, which constitutes a Trust, was controlled throughout this and the previous period by the Superior of the English community of the Congregation of the Dominican Sisters of Malta by virtue of the fact that, under the terms of the Trust Deed, the Superior of the community has power to appoint or remove any Trustee.

THE CONGREGATION OF THE DOMINICAN SISTERS OF MALTA

England & Wales - Charity number 250683

Accounts

The Congregation of the Dominican Sisters of Malta

Charitable Trust

Charity No 250683

Annual Report and Accounts

31 December 2020

The Congregation of the Dominican Sisters of Malta Charitable Trust

Legal and administrative information

Trustees:

Sister Mary Anne Cardona (Superior)
Sister Mary Attard
Sister Filomema Grima
Sister Maria Dolores Gauci
Sister Theresa Sciortino
Sister Maria Dolores Schembri

Administrative address:

Maryfield Convent
London Road
Hook
RG27 9LA

Charity registration number:

250683

Auditor:

Michael George & Co
Dawes Court House
Dawes Court, High Street
Esher
KT10 9QD

Investment managers:

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Bankers:

Barclays Bank plc
68 Knightsbridge
London
SW1X 7BW

Solicitors:

Wedlake Bell LLP
71 Queen Victoria Street
London
EC4V 4AY

The Congregation of the Dominican Sisters of Malta Charitable Trust

Trustees' report

Year ended 31 December 2020

The Trustees present the statutory report and accounts of the Congregation of the Dominican Sisters of Malta Charitable Trust (the "charity") for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out on pages 13 to 15 and comply with applicable UK Accounting Standards (UK Generally Accepted Accounting Practice). The principles set out in the Statement of Recommended Practice on "Accounting and Reporting by Charities" known as the Charities SORP (FRS102) issued in October 2019 have been followed in the preparation of this report and accounts.

Introduction:

The Dominican Sisters of Malta (the "Congregation") is an international religious congregation founded in 1889 comprising 19 communities of Sisters working in Malta, Italy, England, Sri Lanka, Pakistan and Australia.

This report and accounts are in respect of the charitable trust on which the Congregation has placed the assets of its community at Hook, Hampshire, England and through which its finances are administered. The charity is governed by a Trust Deed dated 11 January 1967 and a Scheme dated 19 June 1997 and is registered under the Charities Act 2011, registration number 250683.

Principal aims and mission:

The aim of the charity is the support of such charitable purposes which advance the religious and other charitable work carried on in England and Wales and elsewhere by the Congregation. This work in particular includes the maintenance of a residential home in Hook for the elderly.

The Congregation's whole life follows the apostolic model so as to respond with the Church to the needs of each age or culture and to take its part in the advent of a world of greater justice by adapting its manner of life and action to the demands of the apostolate.

When setting the objectives and planning the work of the charity for the year and when encouraging the work of individual Sisters, the Trustees have given consideration to the Charity Commission's general guidance on public benefit and in particular to the supplementary guidance on fee charging.

Public benefit

The Trustees confirm that they have had regard to the guidance on public benefit issued by the Charity Commission and consider that the charity fulfils that obligation by reason of it offering care home facilities to all irrespective of gender, race or creed and by its work in its local community.

Structure, governance and management:

Governance:

Under the terms of the Trust Deed the Trustees are appointed by the Mother General of the Congregation.

The Congregation itself is directed by the Mother General and her four councillors whose mandate is renewed every six years through a "Chapter of Elections".

Each community is under the direct jurisdiction of the Mother General and her council residing in the Generalate House in Malta. Each house is under the supervision of a local Superior. The community in Hook is one such house.

Governance: (continued)

The names of the Trustees who have served from 1 January 2020 until the date of this report are listed on page 1. All Trustees are members of the Congregation with wide experience and knowledge of the work of the Congregation and its community in Hook.

Structure and management reporting:

The Trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review developments with regard to the charity and its activities and make any important decisions. When necessary, the Trustees seek advice and support from the charity's professional advisers including investment managers, solicitors and accountants. The day-to-day management of the charity's activities and the implementation of policies is delegated to the approporiate members of the Congregation.

The day-to-day responsibility for the residential home at Hook is in the hands of a registered manager who is also a Sister.

Risk management:

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to specific operational areas of the charity, its investments and its finances. The Trustees believe that by monitoring reserve levels, ensuring controls exist over key financial systems and examining the operational and business risks faced by the charity they have established effective systems to mitigate these risks.

Activities, specific objectives and relevant policies:

Care of the elderly:

The community continues to offer a client-oriented service at Maryfield Residential Home for its aged and retired resident clients according to each's special needs in a Christian environment where the residents come from varied backgrounds.

The home has well-established links with local medical general practitioners and nursing services to support and enhance the care provided.

Social and pastoral care:

The community continues to offer local services for the needy including:

visits to the housebound and support for bereaved families;

visits to the sick and residents and friends in hospital;

organising transport where necessary for less mobile residents by dedicated drivers and organising various outings and trips;

assisting the homeless within the charity's means by providing food and material assistance in cases of distress;

assisting local parishioners in attending Church on Sundays.

Social and pastoral care (continued)

assisting parishioners at different levels, for example social help, moral and spititual guidance and crisis relief for families;

Donations:

The Trustees have a strong commitment to support Sisters working abroad, especially in Pakistan and Sri Lanka. Support is normally chanelled through the Congregation's Mother House, the work of which is also supported generally, although occasionally donations are made direct. In addition, small alms are given to individuals for the relief of hardship and distress.

Support of members of the Congregation:

The Trustees continue to support and assist members of the community at Hook, some of which continue to work beyond normal retirement age.

Investment policy:

The charity has a portfolio of investments with a value at the balance sheet date of £21,101,353 (2019 - £19,199,744). The investments were managed in previous years by Barclays Wealth but were transferred entirely to CCLA in 2019. Both managers operate within specific guidelines that are set and regularly reviewed by the Trustees. The strategy is to maximise the total returns within acceptable risk parameters. There is no restriction on the charity's power to invest.

Reserves policy:

The Trustees have decided that adequate reserves must be maintained for specific purposes which are: (a) to provide sufficient income for the retirement of the Sisters as determined by the periodic actuarial review; (b) to provide sufficient funds to maintain the charity's buildings to the required standard, and (c) to provide sufficient funds to enable the charity to carry out its work in the community and in its care home.

Remuneration policy:

The resident Sisters who are all Trustees, do not receive salaries or wages but are provided with free accommodation plus living and other expenses. There is one other key staff whose salary is set by the Trustees having regard to responsibilities undertaken and market rates for similar employments.

Achievements and performance:

Care of the elderly:

The Home provides permanent accommodation for its residents and has acquired an extremely good reputation in the area which is supported by very favourable reports from the Care Quality Commission. The community of qualified Sisters and carers provides 24 hour service to residents who have their own rooms and a chapel with an adjacent church where a full-time priest provides spiritual care.

The residents enjoy a considerable library of books, DVD's etc for their entertainment and every month a news tape is received from Hampshire County Council providing current information regarding healthcare and associated matters.

The residents also have access to the large garden where a marquee has been installed and to the Games Room and Tea Room. The Tea Room is particularly popular after daily service to entertain friends and family.

The latest (unannounced) inspection by a Care Quality Commission team on 31 July 2019 found that the Home met the standards required in all subdivisions of all five categories of the Standards that residents have the right to expect. The full report was published on 5 September 2019 and is available on the CQC website.

Social and pastoral care:

The community continued to provide the social and pastoral care outlined under "Activities, specific objectives and relevant policies".

Donations:

The charity normally provides financial support to the Congregation Sisters in overseas missions via the Congregation's Mother House and this year a total of £15,070 was donated in small separate amounts.

Financial review:

Results for the year:

Incoming resources amounted to £674,449 *(2019 - £928,353)* and resources expended on furthering the charity's objectives amounted to £413,820 *(2019 - £687,076)*. Of the incoming resources £616187 *(2019 - £658,226)* related to fees from the residential home. Further resources were expended on the continuing modernisation and refurbishment programmes.

During the previous year the Trustees decided to dispense with the investment services of Barclays Wealth and instructed them to liquidate the entire portfolio and to transfer the proceeds to CCLA as investment managers. CCLA were instructed to invest the proceeds thus received in COIF Charities Ethical Investment Fund Accumulation Units.

Distributions are not paid in respect of accumulation units but are incorporated into the fund and the resulting increase in value is reflected in the bid price of the units. For this reason the incoming resources, which in previous years had included dividend income and interest received, has completely disappeared. For this and future years there will be no income to be shown as dividends and interest and this will continue whilst the investment remains in accumulation units. The distributions made during the year and fluctuations in the values of the underlying investments will be reflected in the bid price of the units at the year-end and such movements in valuations will be disclosed as increases or decreases in unrealised gains or losses.

Total movements in investments has been as follows:

	£
Bid value of units at 1 January 2020	19,199,744
Purchases	24,309
Market price movement on COIF units	1,877,300
Bid value of units at 31 December 2020	21,101,353

Financial position

The charity's total funds at 31 December 2020 were £22,929,865 *(2019 - £20,791,936)*. Of this £1,501,110 represented tangible fixed assets used to support the charity's work. A sum of £6,795,750 *(2019 - £4,810,000)* has been calculated by the Trustees using actuarial principles to provide for all of the Order's Sisters in their retirement and has been designated as a retirement reserve.

The number of Sisters worldwide continues to decline and this trend also applies in England. In view of this and the increasing complexity and burden of the regulatory regime and the physical demands of providing care by an ageing community of Sisters the Congregation has continued to operate its Home at 50% of capacity. There are now 5 or sometimes 6 Sisters working in the care home but prior to that there were 7 Sisters. This has necessitated the direct employment of several staff to fill the positions left by the Sisters' leaving in recent years and this trend is likely to continue over the next few years.

Financial position (continued):

Free reserves at 31 December 2020 stood at £14,634,115 *(2019 - £14,481,936)*. These reserves are represented by investments and cash awaiting investment. It is the Trustees' view that these investments and the reserves they represent must be kept intact to provide funds when necessary to support the charity's work, to provide for capital expenditure and to provide a contingency fund for emergencies. As mentioned in the previous paragraph, the present Sisters are ageing and replacements are likely to prove difficult to find and therefore much greater reliance will have to be placed on contract and directly employed staff to continue the care aspect of the charity's work.

Covid-19 Pandemic

In March 2020 before the pandemic was rife in the United Kingdom and the UK Government ordered a national lockdown in an attempt to stop the spread of the disease, the Trustees took the decision that no visitors would be allowed to enter the retirement home for any reason, other than medical emergencies, and that no new residents would be admitted if any vacancies ocurred.

In addition to these restrictions, the Trustees ensured that all disinfectant and other anti-viral measures would be performed as frequently as possible by all staff and carers including frequent hand washing, using antibacterial gels for extra protection and utilizing additional personal protective equipment including gloves, gowns, masks and other equipment.

These measures ensured that there were no cases of infection with Covid-19 in the residential home during the year and there have been none since the year-end. The protective equipment will continue to be used until the Government scientists advise otherwise.

Trustees' responsibilities statement:

The Trustees are responsible for preparing the Trustees' report and accounts in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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

a) select suitable accounting policies and then apply them consistently;

b) observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP) issued in October 2019;

c) Make judgements and estimates that are reasonable and prudent;

d) state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts, and;

e) prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations 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.

Future plans:

The community will continue its caring and pastoral work and provide care for the aged and retired and to support its missionary work.

Signed on behalf of the Trustees:

Sr. MA Cardona OP

Sister Mary Anne Cardona O.P.
Trustee

Dated: 4 June 2021

Independent auditor's report

Independent auditor's report to the Trustees of the Congregation of the Dominican Sisters of Malta Charitable Trust

Opinion

We have audited the financial statements of the Congregation of the Dominican Sisters of Malta Charitable Trust for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the cash flow statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards, (UK Generally Accepted Accounting Practice) and the Charities SORP (FRS102) issued in Octber 2019.

In our opinion the financial statements:

give a true and fair view of the state of the charitable trust's affairs as at 31 December 2020 and of its incoming resources and application of resources for the year then ended;

have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and

have been prepared in accordance with the requirements of The Charities Act 2011 and The Charities (Accounts and Reports) Regulations 2008 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable trust 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

In auditing the financial statements we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial information and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 appers 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 thatnthere is a material misstatement of this other information, we are required to report that fact.

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 and The Charities Act 2011 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 financial statements are not in agreement with the accounting records; or

we have not received all the information and explanations we require for our audit.

Responsibilites of Trustees

As explained more fully in the Statement of Trustees' Responsibilities the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of 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 charitable trust's ability to continue as a going concern, disclosing as applicable, matters relating to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable trust or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of financial statements

We have been appointed as auditor under Section 144 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 an guarantee that an audit conducted in accordance with ISAs (UK) will always detct 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, are detailed below.

The audit was carried out directly by or under direct control of the engagement principal who has extensive experience and knowledge of the charitable trust and of the legal and regulatory framework under which the charitable trust operates. The areas in which a material misstatement may occur have been identified by ourselves as investment reporting and operating income.

The charitable trust's funds not immediately required have been placed with CCLA for investment in appropriate COIF funds. The investments have been made in accumulation units and therefore produce no income, the income from the underlying investments being reflected in the accumulation unit price. Investments reports, including year-end balance certificates, are obtained directly from the investment manager. We have examined these reports and the Reporting Accountants' Assurance Report to CCLA Investment Management Limited regarding the investment manager's procedures and conclude that there is unlikely to be any material misstatement regarding investments as reported by the investment manager.

Auditor's responsibilities for the audit of financial statements (continued)

The charitable trust operates a residential home for a maximum of eighteen residents at fixed monthly rates which are reviewed annually. Fees are paid in advance by bank standing order on the first day of each month and income can therefore be verified in conjunction with room occupation and residents' records. All arrivals, departures, medical and other requirements are recorded for examination by the Care Quality Commission who review these and all operating standards at unannounced quality control visits. The latest visit in July 2019 resulted in an award of "Good" in all categories.

In our opinion our audit procedures were effective and were capable of detecting any material irregularity, including fraud, and this has enabled us to express our opinion as shown in the first section of this report.

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

Use of the audit report

This report is made solely to the 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 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 Trustees as a body for our audit work or for the opinions we have formed

Michael George & Co

Chartered Accountants and Statutory Auditor

Dawes Court House
Dawes Court, High Street
Esher, Surrey
KT10 9QD

Dated: 4 June 2021

Michael George & Co is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

The Congregation of the Dominican Sisters of Malta Charitable Trust

Statement of financial activities

Year ended 31 December 2020

	Notes	Unrestricted Funds 2020 £	Permanently Endowed Funds 2020 £	Unrestricted Funds 2019 £	Permanently Endowed Funds 2019 £
Income					
Income from generated funds:					
Investment income and interest receivable	1	114	-	264,317	-
Income from charitable activities:					
Residential home fees and charges		616,187	-	658,226	-
Other income: Support grants re Covid-19		39,279	-	-	-
Rebates received from CCLA	1	18,869		5,810	
Total income		674,449	-	928,353	-
Expenditure					
Cost of generating funds:					
Investment management fees and bank charges		-	-	27,015	-
Cost of charitable activities:					
Charitable donations	2	15,070	-	258,969	-
Care of the elderly	3	360,456	-	360,449	-
Support of members of the Congregation and their ministry	4	25,692	-	29,356	-
Other costs	5	12,602	-	11,287	-
Total expenditure		413,820	-	687,076	-
Net income/(outgoings) for the year	6	260,629	-	241,277	-
Net increase in investment gains/(losses)	10	1,877,300	-	2,963,046	-
Improvements to property written off		-	-	(137,794)	-
Net movement in funds		2,137,929	-	3,066,529	-
Balances brought forward at 1 January		19,291,936	1,500,000	16,225,407	1,500,000
Balances carried forward at 31 December		21,429,865	1,500,000	19,291,936	1,500,000

All income and expenditure derives from continuing activities

The Congregation of the Dominican Sisters of Malta Charitable Trust

Balance sheet as at 31 December 2020

	Notes	2020	*2019*
		£	*£*
Fixed assets			
Tangible assets	9	1,501,110	*1,502,230*
Investments	10	21,101,353	*19,199,744*
		22,602,463	*20,701,974*
Current assets			
Debtors and prepayments	11	3,413	*5,331*
Bank balances		351,090	*118,288*
		354,503	*123,619*
Creditors: amounts falling due within one year	12	(27,101)	*(33,657)*
Net current assets		327,402	*89,962*
Total net assets		22,929,865	*20,791,936*
Represented by:			
Funds and reserves			
Unrestricted funds:			
General funds	14	14,634,115	*14,481,936*
Designated funds	13	6,795,750	*4,810,000*
		21,429,865	*19,291,936*
Permanent endowment fund	14	1,500,000	*1,500,000*
		22,929,865	*20,791,936*

Approved by the Trustees and signed on their behalf by:

Sr. MA Cardona OP

Sister Mary Anne Cardona O.P.
Trustee

Dated: 4 June 2021

The Congregation of the Dominican Sisters of Malta Charitable Trust

Statement of Cash Flows

Year ended 31 December 2020

	2020 £	2019 £
Cash flows from operating activities:		
Net income as reported in the Statement of Financial Activities	260,629	*241,277*
Adjustments for:		
Depreciation	1,120	*1,120*
Net income from investments	(18,869)	*(243,112)*
Decrease in debtors	1,919	*11,044*
Increase/(Decrease) in creditors	2,272	*(54,913)*
Net cash provided by operating activities	247,071	*(44,584)*
Cash flows from investing activities:		
Net income from investments	18,869	*243,112*
Change in cash awaiting investment	-	*354,986*
Proceeds from the sales of investments	-	*19,308,116*
Purchase of investments	(24,309)	*(19,725,805)*
Purchase of fixed assets	-	-
Cost of modernisation and rebuilding and remodelling of second floor	-	*(137,794)*
Net cash used in investing activities	(5,440)	*42,615*
Change in cash and cash equivalents in the year	241,631	*(1,969)*
Cash and cash equivalents at 1 January	99,220	*101,189*
Cash and cash equivalents at 31 December (see below)	340,851	*99,220*
Analysis of cash and cash equivalents at 31 December:		
Business premium deposit account (instant access)	351,090	*118,288*
Current account overdraft	(10,239)	*(19,068)*
	340,851	*99,220*

The Congregation of the Dominican Sisters of Malta Charitable Trust

Principal accounting policies

Year ended 31 December 2020

Basis of preparation and assessment of going concern

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. The accounts have been prepared in accordance with the Statement of Recommended Practice: "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" issued in October 2019 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern and that the Trust meets the definition of a public benefit entity under FRS 102.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing these and the previous periods' accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 (October 2019) a restatement of comparatives was needed and have concluded that no such restatement was required. Deposits are not required. Legacies are recognised on Probate of the deceased's Will.

Income

Income is recognised in the period in which the charity is legally entitled to it, any performance conditions have been met, the amount can be reliably measured and it is probable that the income will be received. Existing care home residents are billed in advance on the first day of each month and for new residents on the day of their admission then on the first day of each subsequent month.

Expenditure

Expenditure is included in the Statement of Financial Activities when incurred and includes any attributable Value Added Tax as this cannot be recovered. Expenditure is detailed in the Statement of Financial Activities and further details are given in Notes 3 to 8 of these accounts.

Allocation of support and governance costs

Support costs have been allocated between care of the elderly and the members of the congregation on the basis of the the relative proportions of residents of the care home to the resident members of the congregation. Governance costs are shown separately as "Other costs" and represent costs associated with public accountability of the charity and its compliance with regulation and good practice and include audit fees.

Tangible fixed assets

Fixtures, fittings and equipment costing more than £1,500 with an expected useful life in excess of one year are capitalised and the cost of each item is written off evenly over five years.

Freehold land and buildings were gifted to the charity in 1967 and therefore have no original cost. They are included in the balance sheet at a valuation of £2,500,000 made by the Trustees with professional assistance on 31 December 1996 on the basis of replacement cost for existing use of the buildings only and this valuation has been adopted by the Trustees on the transition to FRS 102 as the deemed cost of the entire asset. No value has been placed on the land which is included in the valuation of the entire asset adopted on the transition to FRS 102. No further valuations will be carried out. Depreciation had been provided at 2% per annum on a straight line basis to write off the deemed cost of the buildings over their estimated useful life of 50 years but additions to this provision ceased from 1 January 2019 as the Trustees have ascertained that the residual value of the freehold land and buildings exceeds their deemed cost.

The fabric of the building is being upgraded over the years and where these additions and improvements are incorporated into and therefore form part of the building and do not retain their individual identity they are written off as incurred.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing unit bid price as provided by CCLA, the Investment Fund managers. The Statement of Financial Activities includes the net gains and losses arising on revaluation during the year.

The entire investment portfolio is comprised of accumulation units in COIF Charities Ethical Investment Fund which the Trustees have selected as representing the objects of the Trust. The fund managers employ ethical investment policies and avoid investing in companies which engage in the production of armaments, tobacco or alcohol, in the testing of products on animals or which have fallen behind in the transition to a low carbon economy, or derive more than 10% of their revenue from oil and gas extraction and also a range of other restrictions.

The investment in one fund managed by one investment manager is an inherent risk. Other than ethical investment limitations, there are no limits on where the fund may invest and some of the assets may be invested in emerging markets, in overseas markets, in currencies other than Sterling and in other collective investment schemes. All of these carry certain risks but the manager employs a risk management process including appropriate stress-testing to enable it to identify such risks and take approriate remedial action.

The units in COIF Ethical Investment Fund are not quoted on any recognised stock exchange. Because of this and, as a substantial part of the underlying investments is in property, the fund should be regarded as illiquid. Selling units is achieved by giving notice to the manager prior to the dealing day (normally each Thursday) at the latest bid price as valued by the manager. The Fund is not covered by the Financial Services Compensation Scheme (FSCS).

Realised and unrealised gains and losses

Realised gains and losses on investments managed by Barclays Wealth were calculated in previous years as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Following the change in investment manager during the previous year there will be no further such realised gains or losses.

Unrealised gains or losses relating to the COIF units are calculated as the difference between the unit bid price at the beginning of the year plus the cost of units purchased during the year and the closing unit bid price at the end of the year.

Unrealised investment gains and losses are and credited or debited in the Statement of Financial Activities.

Permanent endowment funds

The freehold property was gifted to the charity which has no power to convert the capital it represents into income and it is therefore not available for distribution. This fund has therefore been designated by the Trustees as a permanent endowment fund. It produces no income as such and the only expense in previous years was the annual depreciation charge provided on the buildings.

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. At present, the Trust has no such funds.

Unrestricted Funds

These funds are available for the furtherance of the charity's objects. The Trustees have designated certain amounts for specific purposes and the details of this are given in Note 14 to the accounts.

Services provided by members of the Congregation

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

Critical accounting 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 amounts 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.

The estimates and assumptions which have a significant risk of causing material adjustment to the carrying amount of assets and liabilities are the valuations attributed to freehold property and the commitment to provide pension income to retired Sisters of the Order.

The Congregation of the Dominican Sisters of Malta Charitable Trust

Notes to the Accounts

Year ended 31 December 2020

	Unrestricted funds	
	2020	2019
	£	£
1 Investment income and interest receivable		
Equities, unit trusts and fixed interest investmentts	-	264,315
Bank deposit interest	114	2
Rebates received from investment manager CCLA	18,869	5,810
	18,983	270,127
2 Charitable donations		
The Congregation's Mother House in support of the Congregation's work overseas	15,070	258,969
The Congregation's Sisters in Sri Lanka	-	-
The Congregation's Sisters in Pakistan	-	-
	15,070	258,969
3 Care of the elderly		
Payroll and Contract staff (Note 7)	293,815	289,975
Premises	26,124	18,493
Supplies and services	40,517	51,981
	360,456	360,449
4 Support of the members of the Congregation and their ministry		
Premises	10,745	7,863
Sisters' living and personal expenses	14,947	21,493
	25,692	29,356
5 Other costs		
Bank charges and sundry costs	1,269	1,197
Legal and professional fees	11,333	10,090
	12,602	11,287
6 Net income for the year before net investment gains or losses		
This is stated after charging:		
Auditor's remuneration (excluding VAT):		
Audit services	5,550	5,000
Other services	950	750
Depreciation	1,120	1,120

	Unrestricted funds 2020	*2019*
	£	*£*
7 Staff costs and Trustees' remuneration		
Contract staff (care of the elderly)	5,123	*1,528*
Payroll	269,888	*269,097*
Social security costs	13,537	*15,094*
Pension contributions	5,267	*4,256*
	293,815	*289,975*

The average number of contract staff during the year was 1 (2019 - 1), the average number of employees was 12 (2019 - 10) and the average number Sisters working in the home was 6 *(2019 - 6)*.

As members of the Congregation, the Trustees living and personal expenses during the year were borne by the charity but they received no remuneration or reimbursement of expenses in connection with their duties as Trustees during the year *(2019 - £Nil)*.

8 Taxation

The Congregation of the Dominican Sisters of Malta Charitable Trust is a registered charity and is therefore not liable to UK taxation on income or gains derived from its charitable activities. VAT is not recoverable and is therefore included in the expenditure heading for which it was incurred.

9 Tangible fixed assets

	Freehold land and buildings	Fixtures fittings & equipment
Cost or valuation		
At 1 January 2020	2,500,000	5,590
Additions	-	
At 31 December 2020	2,500,000	5,590
Depreciation		
At 1 January 2020	1,000,000	3,360
Provided in year	-	1,120
At 31 December 2020	1,000,000	4,480
Net book values		
At 31 December 2020	1,500,000	1,110
At 31 December 2019	1,500,000	2,230

The freehold land and buildings are included in the accounts at a valuation arrived at in 1996 which, under the provisions of FRS 102, has been adopted by the Trustees as the deemed cost of the asset. No value was place on the land at that time and no further valuations will be carried out. The cost of alterations and additions to the fabric of the building are written off as incurred.

The buildings had previously been depreciated at 2% per annum on a straight line basis but no further depreciation will be provided from 1 January 2019 as the Trustees have ascertained that the residual value of the freehold land and buildings exceeds their original deemed cost. The Trustees do not consider it necessary to reverse the depreciation previously provided.

	2020	2019
	£	£
10 Investments		
Listed investments managed by Barclays Wealth		
Market value at 1 January	-	*15,819,009*
Purchases	-	*2,041,589*
Disposals	-	*(19,158,116)*
Net realised gains on disposals	-	*1,297,518*
	-	-
Investment managed by CCLA:		
Market value at 1 January	19,199,744	-
Purchases	5,440	*17,678,406*
Units purchased from CCLA rebates	18,869	*5,810*
Disposals	-	*(150,000)*
Net increase in unrealised gains	1,877,300	*1,665,528*
Market value at 31 December	21,101,353	*19,199,744*
Cost of investments at 31 December	17,558,525	*17,534,216*
Realised and unrealised gains in the year:		
Net realised gains	-	*1,297,518*
Net unrealised gains	1,877,300	*1,665,528*
	1,877,300	*2,963,046*
Investments held at 31 December comprised the following:		
COIF Charities Ethical Investment Fund accumulation units	21,101,353	19,199,744
Total unrealised gains at 31 December included in the valuations above	3,542,828	*1,665,528*

The COIF Charities Ethical Investment Fund was established and regulated by the Scheme (as amended) dated 8 October 2009 and sealed by The Charity Commission as a Common Investment Fund under section 24 of the Charities Act 1993 (now section 96 of the Charities Act 2011). It is managed by CCLA as an unregulated collective investment scheme and as an unauthorised alternative investment fund in accordance with the Financial Conduct Authority Regulations and the AIFMD Legislation.

Units in the COIF Charities Ethical Investment Fund are not dealt on any recognised stock exchange but can be sold by depositing a Renunciation Form with CCLA on the business day before a dealing day (normally on a Thursday each week) at the latest bid price as valued by CCLA.

Distributions are not made to holders of accumulation units but distributions allocated to accumulation units are accumulated within the fund and are reflected in the bid price of the units.

The fund should be considered illiquid and it is not covered by the Financial Services Compensation Scheme (FSCS).

The investment manager makes quarterly rebates to investors that have more than £10m invested in accumulation units of COIF Charities Ethical Investment Fund to compensate for the otherwise disproportionately high cost of its management charge. The trustees have given a standing instruction that such rebates be reinvested in additional accumulation units.

	2020 £	*2019* *£*
11 Debtors and prepayments		
Other debtors	-	*1,680*
Prepayments	3,413	*3,651*
	3,413	*5,331*
12 Creditors: Amounts falling due within one year		
Bank overdraft	10,239	*19,068*
Sundry creditors	2,785	*7,689*
Income received in advance	6,277	-
Accruals	7,800	*6,900*
	27,101	*33,657*

13 Designated funds

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

	Retirement reserve
At 1 January 2020	4,810,000
Addition to reserve	1,985,750
At 31 December 2020	6,795,750
Total designated funds:	
At 31 December 2020	6,795,750
At 31 December 2019	4,810,000

The retirement reserve consists of monies which the Trustees have set aside in order to provide for all the Sisters of the Order in their retirement. The fund has been calculated on actuarial principles to provide for the Congregation's Sisters worldwide and is reviewed annually.

14 Summary of fund movements

	General Fund	Permanent Endowment Fund
	£	£
Balances at 1 January 2020	19,291,936	1,500,000
Income	674,449	-
Expenditure	(413,820)	-
Investments gains and losses	1,877,300	-
Balances at 31 December 2020	21,429,865	1,500,000

The Designated Fund was increased by £1,985,750 during the year to £6,795,750.

15 Analysis of net assets between funds at 31 December 2020

	General funds	Designated funds
	£	£
Tangible fixed assets, investments and cash awaiting investment	14,306,713	6,795,750
Net current assets	327,402	-
	14,634,115	6,795,750

	Permanent endowment funds
	£
Fixed assets - freehold property	1,500,000
Total net assets	22,929,865

16 Ultimate control

The charity, which constitutes a Trust, was controlled throughout this and the previous period by the Superior of the English community of the Congregation of the Dominican Sisters of Malta by virtue of the fact that, under the terms of the Trust Deed, the Superior of the community has power to appoint or remove any Trustee.