

**ENGLISH PROVINCE OF THE
AUGUSTINIAN SISTERS
SERVANTS OF JESUS AND MARY
TRUSTEES' REPORT AND ACCOUNTS
YEAR ENDED 30 JUNE 2022**

Registered Charity Number: 256054

ENGLISH PROVINCE OF THE AUGUSTINIAN SISTERS

SERVANTS OF JESUS AND MARY

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

REFERENCE AND ADMINISTRATIVE DETAILS

TRUSTEES

Sister Atanasia Buhagiar (to 21 November 2021)
Sister Anunziata Bezzina (from 19 September 2022)
Sister Maria Buhagiar
Sister Mariella Ebejer (to 19 September 2022)
Sister Rachel Ann Frendo
Sister Rita Mangion (from 21 November 2021)
Sister Maria Anna Micallef (to 21 November 2021)
Sister Maria Victoria Saliba (from 19 September 2022)

PROVINCIAL SUPERIOR

Sister Rachel Ann Frendo

PRINCIPAL OFFICE

83 Clapham Road
The Oval
London, SW9 0HY

**NAMED CORRESPONDENT WITH THE
CHARITY COMMISSION**

Sister Anunziata Bezzina
(see Principal Office address)

CHARITY REGISTRATION NUMBER

256054

GOVERNING INSTRUMENT

Trust Deed dated 21 May 1968
Charity Commission scheme dated 1 July 1998

INDEPENDENT EXAMINER

Olayinka Tomori
Regus House
Admirals Park
Victory Way
Dartford
DA2 6QD

SOLICITORS

Judge Sykes Frixou
York House
23 Kingsway
London WC2B 6YF

PRINCIPAL BANKERS

Barclays Bank Plc
Clapham Common Branch
PO Box 4038
London SW12 9YB

INVESTMENT POWER

Under the Society's Trust Deed it has power to invest in any investments authorised by law for the investment of trust funds. Donations received may be invested in investments authorised by the donor.

ENGLISH PROVINCE OF THE AUGUSTINIAN SISTERS

SERVANTS OF JESUS AND MARY

TRUSTEES ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Augustinian Sisters Servants of Jesus and Mary is an international religious order with a branch in Great Britain. The branch is administered by the Mother Superior together with the other Trustees. The power of appointing new Trustees is vested in the Superior and the Trustees administer the Charity. All Trustees are drawn from the membership of the religious order. The size of the charity means that little delegation by the Trustees is called for.

The Governing Instrument of the Charity, a Trust Deed dated 21 May 1968 and Charity Commission scheme dated 1 July 1998 state its objectives as follows:

“To apply the funds as capital or income for such charitable purposes as shall advance the religious and other charitable work of the Province of the Society which includes England as the Trustees with the approval of the Superior shall from time to time think fit and if at any time the Society shall cease to exist or shall cease to carry on religious or other charitable work in such Province then for such other lawful charitable purposes connected with the advancement of the Roman Catholic religion as the Trustees shall determine.”

The Trustees are responsible for the policies, activities and assets of the Charity. They meet as the need arises, to review developments in connection with the Charity and its activities and to make important decisions. As members of the religious order all Trustees are well-versed in the charism, or ethos, of the order and the objectives and activities of the charity. They keep abreast of developments in charity-related matters as appropriate and seek the advice of the Charity’s professional advisors, including accountants and solicitors, as required.

POLICIES AND ACTIVITIES

It is the policy of the Charity to undertake a range of charitable activities. There have been no material changes in policy during the last year. The principal areas in which the Charity is involved are set out below:

1. Guest Accommodation

Part of the accommodation at 83 Clapham Road is used to accommodate guests. These include Maltese nationals coming to London for medical treatment, along with their relatives, as well as those wishing to visit London, with room for up to 40 guests. During their stay, the sisters provide counselling and spiritual support. However the low number of sisters means that there is a practical restriction on the number of guests that can be accommodated.

2. Pastoral work of sisters

In addition to providing Guest Accommodation, the sisters of the order carry out pastoral duties. This includes parish ministries, providing Religious Education classes for young people and support of the local community together with a variety of chaplaincies. Alms are also given to people in severe financial need.

3. Missions

The English Province often makes grants to support the work of the international religious order in poorer countries. However, during the year to 30 June 2022 the charity made no grants (2021: £1,000), reflecting the reduction in income due to the Covid-19 pandemic.

The Trustees have been successful in setting up a new legal entity to convert the Charity into a Charitable Incorporated Organisation. It is envisaged that the net assets of the Charity will be transferred to the new entity from 1 July 2022.

PUBLIC BENEFIT

The Trustees confirm that they have referred to the guidance contained in the Charity Commission’s general guidance on Public Benefit when reviewing the charity’s aim and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

ENGLISH PROVINCE OF THE AUGUSTINIAN SISTERS

SERVANTS OF JESUS AND MARY

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2022

REVIEW OF DEVELOPMENTS DURING THE YEAR AND COVID-19 PANDEMIC

Guests using the accommodation facilities started returning from September 2021, immediately after onerous Covid-19 restrictions were lifted. In the previous year, the number of guests and retreatants catered for were down to bare minimum levels because of the pandemic.

The Trustees are committed to maintaining the activities currently undertaken. The principal factor limiting the scope for expansion continues to be the lack of new vocations to the Congregation. This also has an effect on the long-term finances of the charity.

All members of the Congregation give their lives to its work and take vows of poverty whilst the Congregation provides for their temporal needs. This means that the charity has a long-term commitment to provide for the sisters both during their working lives, which normally continue long past retirement age, and in sickness and old age. It is therefore the aim of the Trustees to accumulate sufficient funds to make adequate provision for sisters in the long-term as and when circumstances permit.

FINANCIAL REVIEW OF THE YEAR

With the impact of the Covid-19 pandemic receding later in 2021, the Charity again began to welcome guests to use its facilities. Consequently, total receipts for the year recovered substantially on the previous year at £122.6k (2021: £81.4k reduction).

Total payments also rose to £124.1k from £84.9k in 2020-21. The payments for 2021-22 included refurbishment works of just under £35k, undertaken on the charity's main property. Other than minor repairs, no substantial capital works were undertaken in 2020-21.

The net result was that there was an excess of payments over receipts of £1.5k (2021: excess of payments over receipts of £3.4k).

There were no receipts for specific purposes (Restricted Funds) in the period under review or the preceding period.

RESERVES

At 30 June 2022, the charity's cash reserves stood at £881.8k. These represent the "free reserves of the charity. In addition, it owns fixed assets, which principally consist of its property, which had a net book value of £338.0k. The market value of this property is, in the opinion of the trustees, considerably higher than this sum but the property is not realisable because it is needed for the ongoing work of the sisters in England.

The charity has a long-term commitment to care for sisters in sickness and old age and the Trustees estimate that free reserves in the region of £1.5m would be needed to fund this commitment fully. It is their intention to endeavour to accumulate funds in the longer term, as circumstances permit, to bring actual reserves up to what they consider to be the target level. In addition, the charity needs to ensure that it has sufficient funds to continue to maintain its building in a proper state of repair and there are increasing needs to be met in connection with the Congregation's work overseas.

COVID-19 PANDEMIC

The global pandemic has impacted upon most sectors of society, and it clearly had an adverse effect on the income and activities of the charity, especially in the previous financial year. 2021-22 saw the lifting of Covid-19 restrictions and a gradual return to normality over this period. Activities have slowly begun to recover as is reflected in the rise in income during the year. This has had a knock-on effect on the support that the Charity provides to local and overseas missions, although this is not substantial. However, it has had some impact on the work of the Province.

The challenges of the pandemic now appear to be behind us and there is hope that the recovery will continue. The trustees are very aware that the relatively substantial level of reserves held by the charity sustained it through the pandemic and with the return of activities and careful financial management, the charity will be able to meet its financial obligations and commitments for the foreseeable future. Thus, they consider that the charity remains a Going Concern.

ENGLISH PROVINCE OF THE AUGUSTINIAN SISTERS

SERVANTS OF JESUS AND MARY

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2022

POST BALANCE SHEET EVENTS

Transfer of net assets and activities to a new legal entity charity

The next financial year which commenced on 1 July 2022, saw the transfer of the net assets and activities of the charity to a new Charitable Incorporated Organisation (CIO). The new entity is simply named "Augustinian Sisters" (Registered Charity Number 1198252). The objects of the new entity preserve all the objects of this charity while providing some more flexibility to better serve communities where the charity operates.

FUTURE PLANS

The charity intends to continue with its activities of providing accommodation to guests. Routine repairs and maintenance work will continue to ensure decent facilities are made available to guests.

The trustees completed the process of updating the charity's constitutional arrangements (conversion to a Charitable Incorporated Organisation – CIO) with appropriate professional advice and the CIO commenced running the activities of the Charity from 1 July 2022. However, there are no plans to make any significant changes to the operations of the charity. The Sisters will continue with their pastoral and other ministries, provide financial support for the work of the Congregation overseas when possible.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Charities Act 2011 requires the trustees to prepare for each financial year financial statements which give a true and fair view of the charity's financial activities during the year and of its financial position at the year end. In preparing the financial statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charity Commission guidelines for the preparation of accounts using the Receipts and Payments basis;
- make judgements and estimates that are reasonable and prudent; and
- adopt the going concern basis unless it is inappropriate to presume that the charity will continue on that basis.

The trustees are responsible for ensuring proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Trust Deed and the disclosure regulations. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

Approved by the Trustees on 26 April 2023 and signed as authorised on their behalf by:

Sister Anunziata Bezzina
Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
ENGLISH PROVINCE OF THE AUGUSTINIAN SISTERS
SERVANTS OF JESUS AND MARY**

I report to the trustees on my examination of the accounts of the above charity for the year ended 30 June 2022.

RESPONSIBILITIES AND BASIS OF THE REPORT

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

I report in respect of my examination of the Trust's accounts carried out under Section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

INDEPENDENT EXAMINER'S STATEMENT

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

- (1) accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- (2) the accounts do not accord with those records

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

Olayinka Tomori
ACA, DChA

Regus House
Admirals Park
Victory Way
Dartford
DA2 6QD

26 April 2023

ENGLISH PROVINCE OF THE AUGUSTINIAN SISTERS

SERVANTS OF JESUS AND MARY

RECEIPTS & PAYMENTS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2022

| | Notes | 2022 Total £ | 2021 Total £ |
|--|-------|--------------------|--------------------|
| RECEIPTS | | | |
| Receipts and donations from guests & students | | 110,328 | 54,304 |
| Sisters' salaries donated | | 4,499 | 25,369 |
| Other donations | | - | - |
| Interest receivable | | 100 | 1,754 |
| Sale of tangible fixed assets | | 7,650 | - |
| | | <u>122,577</u> | <u>81,427</u> |
| PAYMENTS | | | |
| Charitable activities | 2 | | |
| Activity costs | | 71,970 | 68,321 |
| Community costs | | 8,988 | 5,895 |
| Missions and charitable gifts | | 5,437 | 4,642 |
| Administration Expenses | | 2,927 | 6,003 |
| | | <u>89,322</u> | <u>84,861</u> |
| Fixed asset additions | | 34,770 | - |
| | | <u>124,092</u> | <u>84,861</u> |
| Excess of (Payments over Receipts) / Receipts over Payments | | (1,515) | (3,434) |
| Cash at Bank & In Hand | | | |
| Brought forward | | 883,300 | 886,734 |
| Carried forward | | <u>£881,785</u> | <u>£883,300</u> |

Approved by the Trustees on 26 April 2023 and signed on their behalf by

Sister Anunziata Bezzina
Trustee

ENGLISH PROVINCE OF THE AUGUSTINIAN SISTERS

SERVANTS OF JESUS AND MARY

STATEMENT OF ASSETS & LIABILITIES

AS AT 30 JUNE 2022

| | | | 2022 Total £ | 2021 Total £ |
|--|------------------------------------|--|---------------------------------|-----------------------------|
| CASH AT BANK & IN HAND | | | | |
| Deposit Accounts | | | 871,921 | 873,320 |
| Current Accounts and cash in hand | | | 9,864 | 9,980 |
| | | | <u>£881,785</u> | <u>£883,300</u> |
| OTHER MONETARY ASSETS | | | | |
| Prepayments - Council Tax | | | <u>£830</u> | <u>£-</u> |
| LIABILITIES | | | | |
| Accruals | | | | |
| Independent examination and accountancy fees | | | 2,520 | 2,460 |
| Other | | | 300 | 300 |
| | | | <u>£2,820</u> | <u>£2,760</u> |
| FIXED ASSETS | | | | |
| | Land and Building £ | Furniture & Equipment £ | Motor Vehicles £ | Total £ |
| Cost | | | | |
| At 1 July 2021 | 481,071 | 149,230 | 20,338 | 650,639 |
| Additions | 34,770 | - | - | 34,770 |
| | - | - | (20,338) | (20,338) |
| At 30 June 2022 | <u>515,841</u> | <u>149,230</u> | <u>-</u> | <u>665,071</u> |
| Depreciation | | | | |
| At 1 July 2021 | 143,938 | 139,579 | 20,338 | 303,855 |
| Charge for the year | 33,906 | 3,209 | - | 37,115 |
| | - | - | (20,338) | (20,338) |
| At 30 June 2022 | <u>177,844</u> | <u>142,788</u> | <u>-</u> | <u>320,632</u> |
| Net book value | | | | |
| At 30 June 2022 | <u>£337,997</u> | <u>£6,442</u> | <u>£-</u> | <u>£344,439</u> |
| At 30 June 2021 | <u>£337,133</u> | <u>£9,651</u> | <u>£-</u> | <u>£346,784</u> |

ENGLISH PROVINCE OF THE AUGUSTINIAN SISTERS SERVANTS OF JESUS AND MARY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2022

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with the Charities Act 2011 and Charity Commission guidelines for the preparation of accounts using the Receipts and Payments basis.

Tangible Fixed Assets

Fixed asset additions below £1,500 are not categorised as capital but are included in payments in the year under an appropriate heading.

Fixed assets are shown in the Statement of Assets and Liabilities at original cost.

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

Tangible Fixed Assets

Properties are shown at cost, less depreciation, and are considered by the Trustees to have a value higher than the resulting net book value. However, this value cannot be realised as all of the property is required for the purposes of the charity. Acquisitions of fixed assets of £1,500 or less are written off in the year the expenditure is incurred.

Depreciation, which is not shown in the Statement of Receipts and Payments, is calculated by the straight line method to write off the cost, less anticipated residual value, over the expected useful lives of assets as follows:

Freehold buildings - 50 years
Freehold land - Nil
Improvements to freehold buildings – 5 to 20 years
Furniture and equipment - 5 years
Motor vehicles - 4 years

ENGLISH PROVINCE OF THE AUGUSTINIAN SISTERS SERVANTS OF JESUS AND MARY

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 30 JUNE 2022

2. DETAILS OF EXPENDITURE

| | 2022 | 2021 |
|--|-----------------------|----------------------|
| | £ | £ |
| Activity direct costs | | |
| Council tax and water rates (net of refunds) | 3,639 | 5,453 |
| Insurance | 9,481 | 8,813 |
| Gas and electricity | 11,398 | 11,971 |
| Telephone | 1,822 | 1,483 |
| Repairs and maintenance | 12,482 | 11,350 |
| Chapel expenses | 909 | - |
| Provisions | 19,584 | 15,013 |
| Laundry | 10,630 | 10,407 |
| Household | 2,027 | 3,831 |
| | <hr/> 71,971 | <hr/> 68,321 |
| Communities costs | | |
| Travel and motor car expenses | 7,265 | 1,228 |
| Miscellaneous expenses (incl. Visa applications) | 1,068 | 412 |
| Printing, postage and stationery | 535 | 1,289 |
| Training expenses | 120 | 2,966 |
| | <hr/> 8,988 | <hr/> 5,895 |
| Mission and charitable gifts | | |
| Overseas missions of the Congregation (Note 3) | - | 1,000 |
| Alms and donations | 5,437 | 3,642 |
| | <hr/> 5,437 | <hr/> 4,642 |
| Administration Expenses | | |
| Accountancy & Independent examination (see Note 4) | 2,760 | 5,880 |
| Legal fees | - | - |
| Bank charges | 167 | 123 |
| | <hr/> 2,927 | <hr/> 6,003 |
| Capital expenditure | 34,770 | - |
| | <hr/> £124,092 | <hr/> £84,861 |

ENGLISH PROVINCE OF THE AUGUSTINIAN SISTERS SERVANTS OF JESUS AND MARY

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 30 JUNE 2022

3. MISSIONS AND CHARITABLE GIFTS

| | 2022 | 2021 |
|---------------------|------------------|----------------------|
| | £ | £ |
| Mother House - Rome | - | - |
| Nigeria | - | 1,000 |
| | <u>£-</u> | <u>£1,000</u> |
| | <u><u>£-</u></u> | <u><u>£1,000</u></u> |

4. INDEPENDENT EXAMINER'S FEES

| | 2022 | 2021 |
|---|----------------------|----------------------|
| | £ | £ |
| Fees for 2020/21 - paid in year ended 30 June 2022 | | |
| Independent Examination | - | 1,200 |
| Accountancy | - | 1,260 |
| Advisory services | - | 300 |
| | <u>-</u> | <u>2,760</u> |
| | - | 2,760 |
| Fees as charged for 2021/22 - unpaid at 30 June 2022 | | |
| Independent Examination | 1,260 | - |
| Accountancy | 1,260 | - |
| Advisory services | 300 | - |
| | <u>£2,820</u> | <u>£2,760</u> |
| | <u><u>£2,820</u></u> | <u><u>£2,760</u></u> |