

**AUGUSTINIAN SISTERS**  
**TRUSTEES' REPORT AND ACCOUNTS**  
**YEAR ENDED 30 JUNE 2023**

Registered Charity Number: 256054

## AUGUSTINIAN SISTERS

### TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

#### REFERENCE AND ADMINISTRATIVE DETAILS

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<b>TRUSTEES</b>	Sister Anunziata Bezzina (from 19 September 2022) Sister Maria Buhagiar Sister Mariella Ebejer (to 19 September 2022) Sister Rachel Ann Frendo Sister Maria Victoria Saliba (from 19 September 2022)
<b>PROVINCIAL SUPERIOR</b>	Sister Rachel Ann Frendo
<b>PRINCIPAL OFFICE</b>	83 Clapham Road The Oval London, SW9 0HY
<b>NAMED CORRESPONDENT WITH THE CHARITY COMMISSION</b>	Sister Anunziata Bezzina (see Principal Office address)
<b>CHARITY REGISTRATION NUMBER</b>	256054
<b>GOVERNING INSTRUMENT</b>	Trust Deed dated 21 May 1968 Charity Commission scheme dated 1 July 1998
<b>INDEPENDENT EXAMINER</b>	Olayinka Tomori Regus House Admirals Park Victory Way Dartford DA2 6QD
<b>SOLICITORS</b>	Judge Sykes Frixou York House 23 Kingsway London WC2B 6YF
<b>PRINCIPAL BANKERS</b>	Barclays Bank Plc Clapham Common Branch PO Box 4038 London SW12 9YB
<b>INVESTMENT POWER</b>	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.

## AUGUSTINIAN SISTERS

### TRUSTEES REPORT

#### FOR THE YEAR ENDED 30 JUNE 2023

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### INTRODUCTION

The trustees present their report together with the accounts for the year ended 30 June 2023.

The financial statements have been prepared in accordance with the Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition effective 1 January 2019) and comply with the charity's trust deed.

### OBJECTIVES

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.”*

### 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 available to provide the needed support 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 and its work in poorer countries. In the year to 30 June 2023 the charity made grants of £375.8k to the Provincial in Malta and £20k to the Mission in the Philippines (2022: £nil).

In March 2022, the Charity set up a Charitable Incorporated Organisation (Augustinian Sisters – English Province. Charity Number 1198252) to take over the activities and net assets under a new legal framework. It was envisaged that the net assets of the Charity will be transferred to the new entity from 1 July 2022, but this was not possible due to some administrative considerations. The transfer shall now commence from 1 July 2023.

### 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.

## **AUGUSTINIAN SISTERS**

### **TRUSTEES REPORT**

#### **FOR THE YEAR ENDED 30 JUNE 2023**

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#### **REVIEW OF THE YEAR**

The House had a healthy flow of guests following the Covid-19 lockdown. It is expected that the flow of guests will continue.

The Trustees would like to commit long-term to maintaining the activities currently undertaken. However, with the lack of new vocations to the Congregation and the rising age spectrum of sisters, it becomes increasingly more challenging to provide the services needed to run the House. The impact of these issues will need to be critically considered in the near future.

In addition, 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**

Following the challenges of the Covid-19 pandemic, the activities of the charity were back to normal in this financial year. As a result, total income for the year rose substantially on the previous year at £265.9k (2022: £122.6k reduction).

Total expenditure also rose to £556.4k from £127.3k in the year ended 30 June 2022. This consisted mainly of donations of £375.8k to the Provincial in Malta. With the increased occupancy levels came additional repairs and costs of providing food and other accommodation services to guests.

The result was a net reduction in funds of £290.5k (2022: net reduction of £4.8k).

Due to the income of the charity exceeding £250k in the year, the accounts were prepared on an accruals basis and in accordance with the requirements of the Charities SORP (Statement of Recommended Practice).

#### **Reserves Policy**

At 30 June 2023, the charity's net funds stood at £933.7k. 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 £1.6m 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.

## **AUGUSTINIAN SISTERS**

### **TRUSTEES REPORT**

**FOR THE YEAR ENDED 30 JUNE 2023**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Augustinian Sisters 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 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.

The day to day activities are managed by the sisters, some of whom are trustees of the charity.

#### **FUTURE DEVELOPMENTS**

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 2023, following deferral for a year due to administrative considerations. There are no plans to make any significant changes to the activities in the new CIO charity.

#### **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.

Signed on behalf of the Trustees on 15 December 2023

**Sr Nancy Bezzina**  
**Trustee**

# **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF AUGUSTINIAN SISTERS**

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I report to the trustees on my examination of the accounts of the above charity for the year ended 30 June 2023 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

## **RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention

## **BASIS OF INDEPENDENT EXAMINER'S STATEMENT**

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

## **INDEPENDENT EXAMINER'S STATEMENT**

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

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

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

**Olayinka Tomori ACA DChA**

**15 December 2023**

**Longmeade Consult Ltd  
Regus House  
Victory Way,  
Admiral's Park  
Kent, DA2 6QD**

# AUGUSTINIAN SISTERS

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 Total Funds (unrestricted) £	2022 Total Funds (unrestricted) £
<b>Income and Endowments from:</b>			
Donations, grants and legacies	1	158,545	54,030
Guest donations		51,750	41,609
Sisters' salary donated		-	4,499
Charitable activities – fees receivable		53,023	14,689
Investments		2,542	100
Gain on disposal of fixed assets		-	7,650
<b>Total Income</b>		<b>265,860</b>	<b>122,577</b>
<b>EXPENDITURE on:</b>			
<b>Charitable Activities:</b>			
Support of Sisters and their ministries	2	153,048	121,890
Overseas Missions – grants and donations	3	403,334	5,437
<b>Total expenditure</b>		<b>556,382</b>	<b>127,327</b>
<b>Net movement of funds</b>		<b>(290,522)</b>	<b>(4,750)</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward		1,224,234	1,228,984
<b>Total funds carried forward</b>		<b>933,712</b>	<b>1,224,234</b>

The accompanying notes form part of these financial statements.

There are no other gains or losses other than those disclosed in the statement above.

The accompanying notes form part of these financial statements.

**AUGUSTINIAN SISTERS****BALANCE SHEET****AS AT 30 JUNE 2023**

	Notes	£	2023	£	£	2022	£
<b>FIXED ASSETS</b>							
Tangible Fixed Assets	5			307,447			344,439
<b>CURRENT ASSETS</b>							
Cash at bank and in hand			-			830	
		629,505				881,785	
			629,505			882,615	
<b>CURRENT LIABILITIES</b>							
<b>CREDITORS:</b>							
Amounts due within one year – Accrued expenses				(3,240)		(2,820)	
<b>NET CURRENT ASSETS</b>				626,265			879,795
<b>NET ASSETS</b>				<b>933,712</b>			<b>1,224,234</b>
<b>REPRESENTED BY:</b>							
<b>Funds</b>							
- Unrestricted General Funds				933,712			1,224,234
				<b>933,712</b>			<b>1,224,234</b>

Approved by the Trustees on 15 December 2023 and signed on their behalf by:

**Sr Nancy Bezzina**  
**Trustee**

The accompanying notes form part of these financial statements.

# AUGUSTINIAN SISTERS

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 30 JUNE 2023

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#### 1. Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019), Charities SORP FRS 102 and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

#### Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees to make significant judgements and estimates, and to exercise judgment in applying the Charity's accounting policies. The items in the accounts where these judgments and estimates have been made include:

- estimating the economic useful life of tangible fixed assets.

#### Assessment of going concern

The trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The financial statements have therefore been prepared on a going concern basis.

#### 2. Income

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income, there is probability of receipt, and the amount can be quantified with reasonable accuracy.

Donations and legacies are recognised only when received or when the charity becomes legally entitled to them.

#### 3. Expenditure

Charitable expenditure consists of all expenditure relating to the objects of the Charity. All costs are directly attributable to the activities under which they have been analysed.

Governance costs which form part of support costs, include expenditure on the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

#### 4. Tangible Fixed Assets

Acquisitions of fixed assets of £1,500 or less are written off in the year the expenditure is incurred.

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

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.

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
- Furniture and equipment - 5 years

No depreciation is provided on land.

## **AUGUSTINIAN SISTERS**

### **NOTES TO THE ACCOUNTS**

#### **FOR THE YEAR ENDED 30 JUNE 2023**

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##### **5. Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

##### **6. Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Deposits for more than three months and up to one year are disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

##### **7. Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

##### **8. Services provided by members of the Congregation**

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

##### **9. Statement of cash flows**

The charity is exempt from the requirement to produce a Statement of Cash Flows as it qualifies as a small charity under the requirements of the Charities SORP.

# AUGUSTINIAN SISTERS

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2023

### 1. INCOME FROM DONATIONS, GRANTS AND LEGACIES

	2023 £	2022 £
General donations	158,545	54,030

### 2. SUPPORT OF SISTERS AND THEIR MINISTRIES

	2023 £	2022 £
Premises and equipment	35,965	27,168
Repairs and maintenance	13,954	12,482
Depreciation	36,992	37,115
Costs of providing for guests	48,638	33,150
Community costs	13,735	8,988
Governance costs (see below)	3,764	2,987
	153,048	121,890

Governance costs include:	2023 £	2022 £
Fees paid to Independent Examiner:		
Independent examination	1,380	1,260
Accountancy	1,380	1,260
Other	480	300
	3,240	2,820

### 3. OVERSEAS MISSIONS – GRANTS AND DONATIONS

	2023 £	2022 £
<b>Donations and grants paid to institutions:</b>		
Overseas Missions of the Congregation -		
- Provincial, Malta	375,833	-
- Philippines	20,000	-
	395,833	-
Alms and donations	7,501	5,437
	403,334	5,437

## AUGUSTINIAN SISTERS

### NOTES TO THE ACCOUNTS (continued)

#### FOR THE YEAR ENDED 30 JUNE 2023

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#### 4. STAFF COSTS, KEY MANAGEMENT AND TRUSTEE BENEFITS AND RELATED PARTY TRANSACTIONS

The charity did not have any employees in the year (2022: none).

The Trustees comprise the key management of the charity and they received no remuneration in the year (2022: £nil).

The trustees are members of the Augustinian Sisters and have renounced any rights to personal income or capital. Consequently, as members of the Order, the sisters living expenses are borne by the Charity. None of the trustees received remuneration or other benefits in connection with their duties as Trustees during the year (2022: None).

#### 5. TANGIBLE FIXED ASSETS

	Freehold land & buildings £	Furniture & Equipment £	TOTAL £
<b>Cost or valuation</b>			
At 1 July 2022	515,841	149,230	665,071
31 June 2023	515,841	149,230	665,071
<b>Depreciation</b>			
At 1 July 2022	177,844	142,788	320,632
Charge for year	33,783	3,209	36,992
At 31 June 2023	211,627	145,997	357,624
<b>Net book value</b>			
At 31 June 2023	304,214	3,233	307,447
At 31 June 2022	337,997	6,442	344,439

#### 6. FUNDS

All the funds held by the charity at the year end and at the end of the prior year were unrestricted.