

**S L G Charitable
Trust Limited**

**Annual Report and
Consolidated Financial
Statements**

31 January 2021

Company Limited by Guarantee
Registration Number 00990049
(England and Wales)

Charity Registration Number 261722

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Reference and administrative information

Board of Management	Clare-Louise Marriott (Sister Clare-Louise) (Reverend Mother) Jennifer Gayle Foster (Sister Eve) Avis Mary Grainger (Sister Avis Mary) Susan Shannon (Sister Susan) Christine Jane South (Sister Christine)
Registered office	Convent of the Incarnation Fairacres Parker Street Oxford OX4 1TB
Websites	www.slg.org.uk www.slgpress.co.uk
Company registration number	00990049 (England and Wales)
Charity registration number	261722
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	Bank of Scotland plc Pentland House 2 nd Floor 8 Lochside Avenue Edinburgh EH12 9DJ
Principal investment managers	CCLA Investment Management Limited 80 Cheapside London EC2V 6DZ
Solicitors	Hewitsons Solicitors LLP Elgin House Billing Road Northampton NN1 5AU

Report of the Board of Management Year to 31 January 2021

The Board of Management presents its statutory report together with the consolidated financial statements of SLG Charitable Trust Limited (“the charitable company” or “the charity”) and its subsidiary, SLG 2017 Limited, for the year ended 31 January 2021. The report has been prepared in accordance with Part VIII of the Charities Act 2011 and represents a directors’ report for the purposes of company legislation and a trustees’ report for the purposes of charity law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 35 to 41 of the attached financial statements and comply with the charitable company’s Articles of Association, applicable laws, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

INTRODUCTION

Sisters of the Love of God (SLG) and SLG Charitable Trust Limited

The Community of the Sisters of the Love of God is an Anglican Religious Community (the Community) supporting 18 sisters in the United Kingdom and one in New Zealand. It was founded in 1906 for women in the Anglican Church to live the monastic life of prayer under vows of religion. SLG Charitable Trust Limited was formed in 1970. As a charitable company, it holds and administers the affairs of the Community. The activities of the Community and charitable company are inextricably linked and this report reflects this in its articulation of purpose, objects and achievements.

The report and financial statements

The financial statements which accompany this report are the financial statements of SLG Charitable Trust Limited.

MISSION

The objects of SLG Charitable Trust Limited as set out in its governing document are “the advancement of the Christian Religion and other charitable work carried on for the time being by the Community of the Sisters of the Love of God”. As such, the Charitable Company’s mission is to:

- 1 Advance the Christian religion by enabling the members of the Community of the Sisters of the Love of God (“the Community”) to maintain their life and work; and
- 2 Support religious and other charitable works carried on for the time being by the Community.

When considering the work of the Charitable Company for the year, and of individual Sisters, the Board of Management has given careful consideration to the Charity Commission’s guidance on public benefit and, in particular, to its supplementary guidance on the advancement of religion.

OBJECTIVES AND ACTIVITIES IN THE PERIOD

As stated above, the objectives of the Charitable Company are synonymous with the activities of the Community and therefore many do not change over time because the Community's way of life is rooted in centuries of tradition. In this reporting period, the Charitable Company has fulfilled its purpose by continuing to support the life and work of the Community of the Sisters of the Love of God. This support encompasses four core objectives and related works:

- ◆ caring for Sisters;
- ◆ supporting the Community's life of prayer and charitable works;
- ◆ the Community's development; and
- ◆ enabling support and encouragement of those who are called to the work of contemplative prayer and intercession in their own situations, and who are affiliated with SLG.

By supporting the Sisters, the Charitable Company aims to enable them to live out their Christian faith and to put it into practice through a wide variety of religious and other charitable works which serve the needs of the Church and the World.

This means that the charity must support the material needs of Sisters by caring for them throughout their lives within the Community, as well as supporting them in a wide variety of works which uphold their lives and the fulfilment of their Christian vocation. These activities, all of which have continued throughout the year include:

- ◆ worship and prayer;
- ◆ pastoral work;
- ◆ retreats;
- ◆ hospitality;
- ◆ communicating religious belief, practices and spirituality; and
- ◆ providing grants in the furtherance of the Christian Religion.

The current situation regarding the COVID-19 pandemic and the renovation work on the Convent buildings mean that it has not been able to host retreats, provide hospitality or share worship with the public over the past year. These activities will recommence once the sisters have returned to the convent buildings following an extensive building project. The other activities have continued without interruption.

The Charitable Company's strategy for achieving the objectives set out above is to:

- ◆ Manage the Charitable Company's resources in such a way as to ensure adequate provision is available to look after the Sisters, and ensure activities can be pursued which are consistent with the Community's ministry and from which public benefit can be derived.
- ◆ Monitor needs across the Community and respond to changing needs, by providing what is required in a time of transition.

OBJECTIVES AND ACTIVITIES IN THE PERIOD (continued)

- ◆ Provide care for Sisters throughout their lives by resourcing their personal and spiritual needs and financing care for elderly Sisters through a combination of employed staff, agency care and nursing home care.
- ◆ Provide appropriate lay support to the Community and for the administration of the charity.
- ◆ Maintain a suitable environment conducive to prayer and the charitable activities, which take into consideration the needs of Sisters across different age profiles.
- ◆ Provide financial resources to enable Sisters to engage in activities which interest them as individuals and in the context of their vocation, thus contributing to the diversity and charism of the Community and its ministry.
- ◆ Identify and pursue charitable activities which are consistent with the Community's wishes and the Charitable Company's objects both now and in the future.
- ◆ Enable the continuation of SLG Press.

ACHIEVEMENTS AND PERFORMANCE

Supporting the life and work of the Community of SLG

The Charitable Company has continued to support the Community and meet the four principal objectives mentioned earlier along with the aforementioned activities which underpin the works of the Community.

The focus in this Report is on caring for Sisters (including the need to develop the Sisters' accommodation to meet their needs and make them fit for purpose), on the Sisters' work of communicating religious belief, practices and spirituality, and on grants issued in the year.

Caring for Sisters

All sisters, including the sick and elderly, continue to their life's end to contribute to the Community's life and its work of prayer. The care of sisters continues to be a primary duty of the charitable company. Much of this support is hidden but includes meeting the sisters' living and personal expenses, providing resources to facilitate the advancement of their vocations and prayer and ensuring the sisters receive the care they need throughout the different stages of their lives. The obligation to care for professed members of the Community until death is both a moral and legal one. It is incumbent upon the Board of Management to ensure that, as far as is reasonably possible, provision is made to ensure the well-being of each sister.

The Board of Management recognises that each year the needs for care, be they personal care, physical or spiritual wellbeing, change, as the age profile of the Community moves towards care with a higher dependency, and as the number of younger sisters to support the operation of Community life and its activities is reduced.

ACHIEVEMENTS AND PERFORMANCE (continued)

Caring for Sisters (continued)

In its duty to meet beneficiary needs – the primary beneficiaries being the sisters in the Community – the Board of Management is very aware that the buildings need to be suitable, not only for those with particular needs, but also to encourage and sustain the lives of all sisters, whatever their age.

As was reported in the last Report, the Board of Management has taken note of the changing age-profile of the sisters and the suitability of the Convent buildings in which the sisters live and the Community has worked with its architects, MEB Architects, who have designed a more compact building, accessible to all sisters and providing all the facilities needed for the life and mission of the Sisters of the Love of God. The resulting plans involve the renovation of parts of the existing buildings and the construction of a new wing, providing a more economical use of space, with a new library, common room and chapter house accessible for all sisters. Care is being taken over issues such as sustainability and landscaping, and most of the current garden will be preserved.

Work began at the beginning of February 2020, and, despite delays caused by the COVID-19 pandemic, the conditions of some parts of the older buildings and the weather, completion is expected at the end of June 2021. The Foundation Stone was laid on 14 September 2020, at a socially distanced ceremony involving sisters, staff and the Building Project Team.

The coming months will see a focus on the sisters returning to the Convent buildings and re-establishing their common life and mission.



During the coming year the Board of Management will continue to consider how best to utilise property which becomes surplus to requirements after the conclusion of the building project, including the potential sale or leasing of properties on the periphery of the site. The project is involving considerable expense and will continue to do so during the year to come. The charitable company continues to take advice about its investments for the financing of the project and the ongoing support

of the sisters. The wholly owned trading subsidiary, SLG 2017 Limited, incorporated on 4 August 2017, has the management of the project, delegated and supervised by the charitable company.

Support of the Wider Church

An important development for all Religious Communities in the Church of England over the past year has been the promulgation of Canon DA1, on Religious Communities and the Religious Communities Regulations 2020, by the General Synod of the Church of England. Two Sisters of the Community have had a particular involvement in this.

Sister Catherine is one of four representatives of Religious Communities elected to Synod and she attended meetings in person and via Zoom in February and November. Future meetings will be impacted by COVID-19 in ways that are being prepared for but cannot be firmly timetabled. Sister Catherine expects to participate remotely.

ACHIEVEMENTS AND PERFORMANCE (continued)

Support of the Wider Church (continued)

In the November session of Synod, the Chair reported that the Royal Assent and Licence to promulge Canon DA1 had been received and the Instrument of Enactment was signed by the Archbishops, the Prolocutors and the Chair and the Vice-Chair of the House of Laity. The Draft Regulations were deemed to have been approved. The four representatives of Religious Communities were invited to be present at a meeting of the House of Bishops, which gave Sister Catherine a helpful glimpse of their concern for Communities.

Membership of General Synod brings with it with it a place on the Diocesan Synod and Sister Catherine attended its meetings, one meeting of the Cowley Deanery Synod and three of the Committee of the ARC (Anglican Religious Communities) as the General Synod Representative.

Sister Catherine has been appointed to the Oxford Diocesan Synod Vacancy in See Committee, which is required to prepare for the appointment of a new diocesan bishop. The committee exists in case of accident, illness, emergency, resignation, or retirement leading to a vacancy in See.

As a member of the Advisory Council of Relations between Bishops and Religious Communities, Sister Margaret Theresa has attended the two Council meetings held online in June and December. As a standing Committee of the House of Bishops, much of the Council's time has been spent on matters relating to the new Canon, which enables the House of Bishops to issue regulations and guidance for Religious Communities. A small group of the Council has also been working on A Handbook of the Religious Life, which seeks to provide additional support in, and supplementary information regarding, the use of the regulations.

Each Community must register anew with the Advisory Council, and Sister Margaret Theresa expects to be involved in that work during the next few months. Other work has included supporting new communities, which continue to grow in number.



Signs of new life

Like members of other religious communities, the sisters are currently preparing their governing documents for submission to the Advisory Council in order to re-register.

ACHIEVEMENTS AND PERFORMANCE (continued)

Communicating religious belief, practices and spirituality

The life of prayer of the Community provides within the Anglican Communion an opportunity for women to deepen their relationship with God through the contemplative life. This way of life offers an alternative to the pursuit of materialistic values and demonstrates how people of diverse views and backgrounds can live together fruitfully.

In the monastic tradition the rhythm of corporate worship, intercession and solitary prayer permeates the life of a community and punctuates the hours of each day.

The temporary Chapel in use during the building works is unfortunately small, and social distancing restrictions under the pandemic regulations have meant it has been impossible for the sisters to meet together as a Community in Chapel or to invite guests to join them in worship. However, the sisters have maintained a rhythm of prayer and worship in their various properties providing temporary accommodation and have continued to receive requests for intercession and prayer.



A first look inside the partially-constructed buildings after the Foundation Stone Ceremony

Communicating religious belief, practices and spirituality is an area of diverse activity and engagement, drawing on specific interests held by sisters and a desire to engage externally and share the experiences of the Community and its way of life with a wide audience. As in all other areas of life, the pandemic has affected the ability to engage in these activities in person. Instead, Sisters have engaged in online events which have enabled them to continue this work. These have included a Scriptural Reasoning Oxford University Group, as well as other seminars, lectures and study groups.

Sister Rosemary stayed with the Baltimore Carmelite nuns in Maryland for more than six months, from February to the end of August 2020. Her stay, originally planned for Lent, was extended because of COVID-19 and made possible by the generosity of the Carmelites. The life of the Monastery was able to continue almost unchanged despite lockdown, with the regular rhythm of liturgical worship, prayer, work and common life. Sharing in this gave Sister Rosemary the chance to learn about Carmelite life from the inside, to study, and to make precious friendships. During this time, in response to the needs of their regular Sunday congregation, the Carmelites set up a weekly session of scripture reading, commentary and prayer available on Zoom. Several SLG sisters took advantage of this, from England, and New Zealand, thus forging an enduring ecumenical link which both communities value very much.

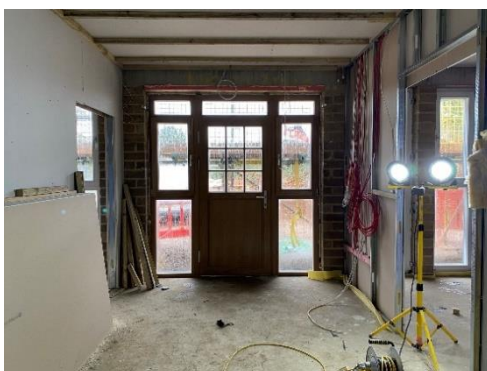
ACHIEVEMENTS AND PERFORMANCE (continued)

Communicating religious belief, practices and spirituality (continued)

Associates continue to hold an important place in the life of the Community. Oblate sisters are women, married or single, ordained or lay, who live out a vocation to contemplation in the world, and who are supported spiritually and by teaching via the Community. There are currently 27 Oblate sisters in life promises, with three in formation. In addition, the Community has 56 Priest Associates and 30 Companions, as well as a large Fellowship: women and men who feel a link with the Community and are supported by the opportunity for retreat space, during normal times, and the teaching of the Community.

Contact with the Associates has been maintained using email and letters and online methods, and this has been appreciated at a time when many people are having to self-isolate and are unable to attend worship or meet with others as normal.

The Fellowship Retreat, which is held annually at Llangasty Retreat Centre near Brecon had to be cancelled in 2020 because of COVID restrictions, but it is hoped that the Retreat for 2021 will be able to take place, led by the Reverend Mother and the Warden.



The new reception area awaiting completion

Sisters continue their individual ministries of pastoral care and spiritual direction, using online means, email, letters and phone calls, with over 30 regular as well as more occasional contacts.

Sister Judith and Sister Margaret Theresa have continued their work with the New Life Group during the year. The group has met twice online and noted the effect of serious enquirers being unable to visit vulnerable communities at this time, as well as the difficulties in pursuing its own projects when meeting in person is not possible.

Several members of the New Life group have joined the enquirers' group run by Brother Finnian SSF which has begun to meet monthly on-line via Zoom and shared their vocational stories with the members of the group. The two sisters joined the meeting in January 2021 for this purpose and hope to join later in 2021 for a purely Q&A session.

Sadly, two sisters have died in the year since the last report.

ACHIEVEMENTS AND PERFORMANCE (continued)

Hospitality

The offering of hospitality provides the opportunity for guests to increase awareness of God, through being alongside the sisters, sharing their worship, spirituality and environment, and engaging with the Community and its activities in practical and voluntary ways. Although it has not been possible to receive guests since the sisters moved out of the Convent for the building work, the sisters look forward to welcoming visitors to the new guest accommodation once it has been completed.



Guests' Cottages awaiting completion and landscaping

SLG Press

Due to Government requirements at the start of the pandemic and restrictions on space because of building work, SLG Press placed a moratorium on new orders during the first lockdown March-June 2020. Fulfilling orders was resumed onsite subsequently, once or twice weekly, within COVID safety guidelines, and this continued for the remainder of 2020. Staff worked chiefly from home. Editorial work was carried out remotely, and communication with authors and book production continued as usual; printing companies continued working throughout.

New publications

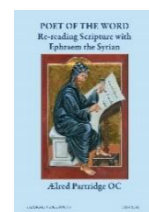
SLG Press continued to receive submissions for publication, some of which are now in print.

FP184 Mary Hansbury, *Shem'On the Graceful: Discourse on the Solitary Life*



FP186 James F. Wellington, *Journeying with the Jesus Prayer*

FP187 Aelred Partridge, *Poet of the Word: Re-reading Scripture with Ephraem the Syrian*



All books are published with a full publications list at the back and, where relevant, a select list of items from SLG Press in the same field (e.g. patristics).

ACHIEVEMENTS AND PERFORMANCE (continued)

SLG Press (continued)

New editions

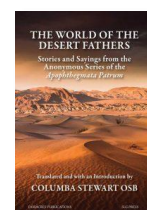
FP185 Esther de Waal, *God Under my Roof*. This was revised to include new content from the author, and a number of new poems; the book's Celtic initials were replaced with improvements. A new eBook was also produced.

FP70 Gonville Ffrench-Beytagh, *Facing Depression*. A new print edition was created.

FP95 Columba Stewart, *World of the Desert Fathers*

FP104 T. N. Rudd, *Growing Old with God*

FP123 Alexander Ryrie, *Prayer of the Heart*



All the above new and revised books can be reprinted from Press Ready PDF files.

Forthcoming publications

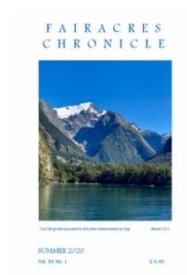
SLG Press is attempting to revitalise the contribution of sisters to its publications. Content has been received from several sisters for a small book about vocations, which will also include two older texts from past members of the Community. One sister has offered a Lenten book based on work done in her MA dissertation.

It is hoped that at least one submission for publication will come to fruition, and that there will be further submissions in the next financial year.

Fairacres Chronicle

The last two issues have contained excellent contributions. The perfect-bound format, implemented whilst still reducing costs, was well received by subscribers. The inclusion of images helped subscribers to stay in touch with the changes in the building project, even though they were not able to visit the Convent in person.

“Please excuse my presumption in emailing, but I wanted tell you the latest issue of the Chronicle is absolutely super. Really top quality. I enjoyed it and was inspired by it. Many, many thanks.”



A backlog of books for review in the *Fairacres Chronicle* has largely been cleared and a 'stable' of reviewers to call upon is being established.

eBooks

These are now produced in-house and it is hoped that the range can be extended to include a selection of out-of-print publications.

All in-print titles are gradually being listed on Google Books. Publications are now available for sale via Google Play as well as via Amazon.

ACHIEVEMENTS AND PERFORMANCE (continued)

SLG Press (continued)

SLG Press structure

SLG Press has employed a lay person as Editor since October 2019. A secular editor without specific theological training is a good representative of general readership, but this is supplemented by the ongoing full involvement in the editorial process of a sister.

Those who work within SLG Press are looking forward with anticipation to being able to move into the new offices and shop.



The new SLG Press offices and shop will be in this building

Providing grants in the furtherance of the Christian Religion

Making discretionary grants is subject to the view of the Board of Management on the necessary or appropriate use of charitable funds at any particular time. In the Board's view the funds are currently required to finance the Convent building project. The Board of Management does not anticipate making further grants from this fund during the building project, after which the Board of Management will take stock, bearing in mind the needs of the Community. It is anticipated that grants from the smaller funds (Gifts and Grants Fund and the Charitable Fund) will continue during this time.

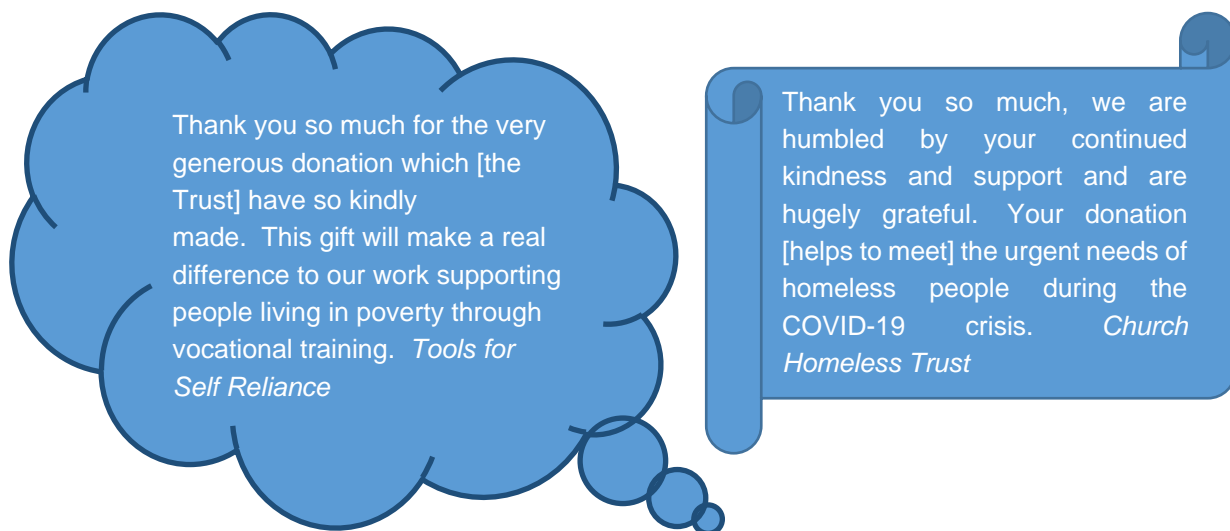
Over the past twelve months a total of £33,584 (2020 - £47,278) has been donated from the Gifts and Grants Fund and the Charitable Fund to a variety of individuals and institutions; a selection of responses is given below:

With gratitude I acknowledge the donation towards my Ignatian Spirituality Course fees and our ministry with young women. Thank you very much. It is a great help. *A Religious Sister*

Thank you so very much for your generous grant. Through it, you are helping us to teach and equip people to build a structure of regular prayer in their day. *Discovering Prayer*

ACHIEVEMENTS AND PERFORMANCE (continued)

Providing grants in the furtherance of the Christian Religion (continued)



Volunteering

The main volunteers for the Community are the sisters themselves, and the time provided is almost unquantifiable, both operationally and managerially. The time offered by volunteers outside the Community varies each year, but whenever provided, such volunteers offer invaluable support to SLG.

Due to COVID restrictions, the Community has been unable to receive help from outside volunteers over the past months. This has included the local priests who volunteer their time to provide a daily Eucharist for the Community in its Chapel. It has been a significant loss for the Community. Since March 2020, the Community has divided into three groups, each attending the Eucharist once a week when Government restrictions have permitted, and always following Government guidelines on social distancing. The Community looks forward to returning to the Convent, when the larger Chapel will enable social distancing and a return to more normal pattern of worship with both guests and local clergy.

COVID-19 and staff

The fifteen permanent staff have been affected to a greater or lesser extent by the COVID-19 pandemic during the financial year 2020-21. The Board of Management responded at pace and approved a Coronavirus policy before the Government announced 'stay at home' restrictions on 23 March 2020. Equally, staff quickly and effectively changed working patterns and location to fit the new circumstances. Six members of staff had to self-isolate at different stages during 2020, resulting in one reported case of COVID-19, but fortunately no staff deaths.

ACHIEVEMENTS AND PERFORMANCE (continued)

COVID-19 and staff (continued)

To mitigate against the risk of transmission and infection, four staff unable to work from home were placed on furlough, seven staff worked from home, and four staff continued to work on the premises. COVID-19-secure practices were quickly adopted, and risk assessments applied to staff working from home.

During lockdown and easing periods throughout the year, members of the Community with line management responsibility actively consulted staff and agreed flexible working practices that complied with the prevailing Government rules. Where staff returned to working regularly on the premises, safety training and risk assessments were undertaken to ensure they were COVID-19-secure. Mental health support via the charity's Employee Assistant Programme service provider was regularly sign-posted to staff, and compassionate leave was granted where the death of a family member occurred.

Operationally, staff creatively adapted working practices to provide continuity of service whether from home or on the premises. All in-person and on-site training ceased from March, whilst courses such as Basic Safeguarding, Safeguarding for Trustees, Safer Recruitment, Lone Working etc. were undertaken on-line. The Association of Provincial Bursars conference and professional association conferences were attended remotely, and one member of staff successfully completed their studies on-line to become a Chartered Manager. In September staff representatives socially-distanced when attending the Laying of the Foundation Stone ceremony and the funerals of two sisters in September and January respectively.

Agency workers stepped in to cover gaps when the Community required extra support or, for example, staff needed to self-isolate.



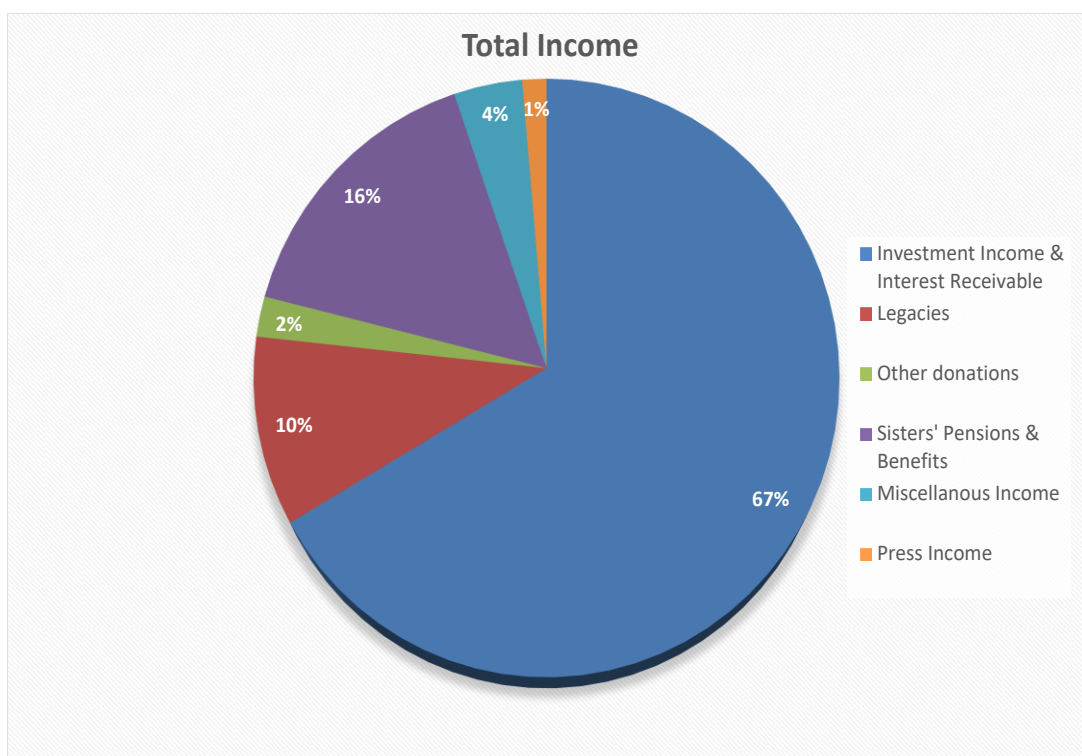
Sisters and Staff at the socially-distanced Foundation Stone Ceremony

Agency care workers exclusively dedicated their services to the Community members and the cleaning contractor extended their services to cover several properties at critical times. COVID-19 delivered one or two unforeseen benefits too. For example, the 'stay at home' rule enabled the charitable company to attract and rehire an agency administrator to support Bursary operations from their home base. Financial costs for furloughed staff were significantly offset by claims to the Government-funded Coronavirus Job Retention Scheme throughout the financial year. From 1 November, employment costs were lowered by the temporary reduction to hours for three previously furloughed staff and the temporary move to zero hours for a fourth individual. Staff sick absence fell dramatically to zero between April and September, with less than one week lost to sickness for the final six months of the financial year.

FINANCIAL REPORT FOR THE PERIOD

Results for the period

A summary of the results for the year can be found on page 32 of this annual report and financial statements.



Income for the year totalled £813,576 (2020 - £907,701). Of this figure £546,097 (2020 - £679,286) or 67% (2020 – 75%) derives from investment income and interest, highlighting the significant importance of the charitable company's investment portfolio to the day-to-day operation of the charitable company in supporting members of the Community and their ministry. Other income arises out of the pensions of individual sisters, general donations and legacies, and the operation of SLG Press. Donations and legacies (including pensions of individual sisters) during the year amounted to £228,427 (2020 - £210,700); the Board of Management is extremely grateful to all those who give so generously.

Expenditure during the year amounted to £1,137,142 (2020 - £1,139,348), with donations and grants payable amounting to £33,584 (2020 - £51,859) and £1,103,558 (2020 - £1,087,489) being expended on the support of the Community and enabling members to carry out their ministry.

Investment gains of £587,521 (2020 - £3,240,505) resulted in an overall net increase in funds for the year of £263,955 (2020 - £3,008,858).

FINANCIAL REPORT FOR THE PERIOD (continued)

Reserves policy and financial position

Reserves policy

As stated above, the charitable company aims to support the members of the Community of the Sisters of the Love of God and their ministry. The reader will discern from the Review of Activities that the charitable company carries out a diverse range of activities and is responsible for the care and support of sisters whose average age is increasing and whose needs are changing. The members of the Board of Management have examined the need for free reserves, i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. During the year, the members of the Board of Management have considered the charitable company's reserves policy in the light of future plans and the investment gains/losses caused by the volatile stock market, in part due to the uncertainties created by the COVID-19 pandemic (see below). Given the nature of the charitable company's work and its commitments, the Board of Management believes that the objective in the medium term should continue to be to have free reserves of approximately £2 million. The Board of Management, together with members of the Community, is continuing to look at the future strategy of the charitable company, specifically with regard to its organisation, the care of elderly sisters, property requirements and ministry. The level of free reserves will be kept under review in the light of the results of this work.

Financial position

The balance sheet shows total reserves of £30,619,917 (2020 - £30,355,962). Of this, £6,696,326 (2020 - £2,218,284) represents the value of properties and equipment used in the day-to-day work of the charitable company. The value of these assets, therefore, should not be regarded as available to meet the ongoing costs of the charitable company.

The Board of Management has set aside £9 million (2020 - £9 million) to meet the cost of the care and welfare of the sisters in their old age. These funds have been re-assessed during the period and considered carefully by the Board of Management in the light of the Community's own circumstances and information available generally concerning the needs of the elderly and the costs of providing care and assistance. The amount set aside has been calculated, using actuarial methods, to provide a modest sum towards the upkeep and care of the sisters in years to come. The building up of the old age and infirmity fund in future years will need to be balanced against the need to use the money for the furtherance of the other work of the charitable company.

A further £5,663,350 (2020 - £5.5 million) has been set aside in order to generate income which will be applied to make grants and donations to organisations with objects consistent with those of the charitable company.

The Board of Management has also set aside £5 million (2020 - £8.5 million) towards the cost of property and accommodation needs in the future, including the current building project.

Of the remaining funds, £172,874 (2020 - £160,953) (i.e. the Charitable Fund and other restricted funds) are restricted monies held for the specific purpose of funding future charitable donations and specific activities.

FINANCIAL REPORT FOR THE PERIOD (continued)

Reserves policy and financial position (continued)

Financial position (continued)

Free reserves available to support the work of the Community in the future, including the provision of grants and donations to other charitable organisations and those in need, are shown as general funds on the balance sheet and amounted to £4,087,367 at 31 January 2021 (2020 - £4,976,725).

This level of reserves is higher than the amount stated in the above reserves policy. Given the uncertainties created by the COVID-19 pandemic and in particular the volatility of world stock markets, this amount is deemed adequate but not excessive by the Board of Management. This report has outlined how the Charitable Company has responded to the COVID-19 pandemic and the Board of Management acknowledges and recognises the potential for the pandemic to continue to impact on the operations of the charity, its future plans, beneficiaries and stakeholders, as well as on wider society. However, it is not anticipated at the current time that the long-term goals, overall financial position or financial solvency of the charitable company will be adversely affected or threatened as a result.

Investment performance

During the year the charitable company's investments continued to perform well despite volatile market conditions, achieving an income yield of 3.1% (2020 – 3.2%). The market volatility resulted in much reduced capital yield of 2.7% compared with 15.1% in 2020. A loss was made on disposals made during the year due to the significant fall in investment markets around March 2020, but prices recovered across the remainder of the year resulting in the net gain position for the year of £587,521 (2020 - £3,240,505).

The investment managers continued to invest in accordance with the Board of Management's investment policy set out in this report. The charitable company's investments are held principally in order to generate income. Given this, the members of the Board of Management are satisfied that their investment objectives will be met in the long term.

PLANS FOR THE FUTURE

In addition to keeping under review the activities undertaken in the fulfilment of the Charitable Company's objects and the sustainability of these into the future, the specific plans for the Charitable Company in 2021-22 include:

- ◆ Continuing to care for sisters and enabling them to carry out their charitable work and ministry.
- ◆ Maintaining a framework of corporate and private prayer, making services available to the wider public insofar as is compatible with the building work and COVID-19 restrictions, and returning to normal worship patterns with guests as soon as possible.
- ◆ Completing the major building project, with management of the project and its funding. This will include continual assessment and implementation of policies relating to the COVID-19 pandemic, and the effects of the pandemic on the hoped-for timescale of the building project.

PLANS FOR THE FUTURE (continued)

- ◆ Planning for the move back from the temporary accommodation to the Convent once the buildings are complete.
- ◆ Continuing a period of reflection in 2021 and 2022 on the life of the Community and its expression, in preparation for a return to the renewed buildings.
- ◆ Continuing to share the Community's Christian faith, teachings and monastic tradition, hosting visits from several groups and supporting other religious communities. Running one retreat for Associates at Llangasty Retreat House in Wales, providing restrictions relating to the COVID-19 pandemic have been lifted sufficiently for this to be done safely.
- ◆ Continuing with vocational work including work with other Communities and local clergy in supporting vocations.
- ◆ Continuing to contribute to the General Synod of the Church of England through Sister Catherine, an elected religious communities' representative on the General Synod since February 2016 and also ex-officio a member of both the Oxford Diocesan Synod and the local Deanery Synod, and a member of the Diocesan Vacancies-in-See Committee.
- ◆ Continuing to contribute to the House of Bishops' Council on Relations between Bishops and Religious Communities through Sister Margaret Theresa, an elected member.
- ◆ Holding a Community Visitation and supporting other communities in their Visitations.
- ◆ Continuing to maintain contact with our neighbours and holding services and open gardens in celebration of the completion of the building work.
- ◆ Using particular endeavours during the pandemic to keep in touch with guests and Associates, including through the Fairacres Chronicle, SLG Press, the websites and personal correspondence.
- ◆ Continuing to assess the needs for support with finance, company secretarial and editorial work and administration, involving some restructuring of the staffing of the Bursary.
- ◆ Continuing the work of SLG Press.
- ◆ Continuing the review of safeguarding policies, together with holding safeguarding training to a higher level than in 2020-21.
- ◆ Continuing with some gifts and grants and with donations from the Charitable Fund.
- ◆ Keeping under review the property needs for the Community and charitable company for the time after the end of the building project.

GOVERNANCE, STRUCTURE AND MANAGEMENT

The Charitable Company, which is governed by Articles of Association, is constituted as a company limited by guarantee (Company Registration No. 990049 (England and Wales)) and is a registered charity (Charity Registration No. 261722).

The Advisory Council on the Relations of Bishops and Religious Communities of the Church of England offers guidance on the standards and descriptions accepted by the bishops in the name of the Church. Adherence to, and acceptance of variation of, the norms, and legal and pastoral oversight of the Community on behalf of the Church are entrusted to the appointed Visitor of the Community, The Right Reverend Michael Lewis, Bishop in Cyprus and the Gulf and President Bishop (Primate) of the Episcopal Church in Jerusalem and the Middle East.

The Charitable Company is administered by a Board of Management, members of which constitute directors for the purpose of company legislation and trustees for the purpose of charity legislation. There are currently five members who are appointed and hold office in accordance with the charitable company's governing document. The Community's Statutes require that the Reverend Mother is Chairperson of the Board of Management. The majority of Members of the Board of Management must always be Members of the charitable company and are appointed by the Reverend Mother or elected by Board of Management or by the Members of the charitable company in accordance with the provisions of the Articles, except in specific circumstances for terms of three years.

Care is taken to identify the skills needed by members of the Board of Management and any skill gaps are reviewed and considered when a member of the Board retires or resigns. As all members of the Board are members of the Community, they have a detailed knowledge of the work of the Charitable Company and of its structure and procedures.

The Board of Management is aware that there may in the future be insufficient available sisters to serve on the Board. A review took place in 2017, where the Board of Management considered carefully moving towards having one or more lay members and the implications of so doing and sought advice from its legal and financial professional advisors. The decision was made at that time to form an Advisory Group which would support of the Board of Management and not at this stage move towards lay trustees and a Terms of Reference document was approved by the Board of Management. The Advisory Group for the time being consists of financial and legal advisers. Others may be co-opted according to specialism and experience needed at any time. Under its terms, members of the Advisory Group attend not less than two board meetings in a given year and are available for consultation on any matter between Board meetings. The Board of Management wishes here to record its gratitude to members of the Advisory Group for their unfailing guidance and support at all times throughout the year.

The Board of Management has also brought up to date the Articles of Association of the charitable company, paving the way for a more flexible approach for the future. The new provision for electronic communication, a few months before the COVID-19 pandemic took hold, proved to be most timely, as all Board meetings have taken place exclusively by these means through the pandemic and should assist lay participation in the future.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Members of the Board of Management

The names of the members of the Board of Management who were in place on 31 January 2021 are set out as part of the reference and administrative details on page 1. Brief biographical details of each of the members are set out below.

Sister Clare-Louise (Clare Louise Marriott)

Sister Clare-Louise entered the Community in 1988. She has a university degree in Librarianship and Information Studies, and worked for three years as a nurse before joining SLG. She has served in most work departments of the Community, and was elected as Reverend Mother of the Community in June 2015. She is part of the Health and Safety Team, and is a member of a number of committees. She is also a director of SLG 2017 Limited.

Sister Avis Mary (Avis Mary Grainger)

Sister Avis Mary was called to the Bar by the Inner Temple in 1975, following which she worked for three years in the legal and company secretarial department of an international chemical company. She joined the Community in 1978 and is Prioress and ICT Manager. She is also at present undertaking the company secretarial work for the charitable company and for SLG 2017 Limited. She is a director of SLG 2017 Limited and is the member of the Board of each company primarily responsible for oversight of the finances of the two companies. Over the years she has been involved in most aspects of the Community's life and work, including financial and legal administration, ICT, staff management, care of the elderly and the various areas of household work. She was Editor of SLG Press 2006-13, when she was responsible for extensive modernisation.

Sister Christine (Christine Jane South)

Sister Christine entered the Community in 1968 after gaining a degree in French and Latin. She has worked for SLG Press from 1988-97 and from 2009 to the present, and has been Editor from 1992-97 and 2013-19. She has been responsible for several departments of the convent, including kitchen, sewing, garden and hospitality. She was Prioress from 1999-2002.

Sister Eve (Jennifer Gayle Foster)

Sister Eve entered SLG in October 1996, with a university degree in Spanish and Art History and certification to teach English as a foreign language. Before joining the Community she had gained experience as a library assistant and worked for seven years as a nanny. She has worked in many departments, including as Sister responsible for guests, maintenance and the kitchen. Currently she is responsible for the care of the elderly Sisters and for the sacristy and chapel. As part of her Board responsibilities, she assists with Risk Management and is Health and Safety Officer. She has served on the discretionary grant-making committee for several years. She is also a director of SLG 2017 Limited.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Members of the Board of Management (continued)

Sister Susan (Susan Shannon)

Sister Susan entered the Community in 1966 and has served in most work departments of the Convent. She was Bursar and Company Secretary from 1981-90 and a member of the Board for a number of years after that. She was Sister-in-Charge of one of the Community's small houses from 1991-96 and then Novice Guardian, until moving to New Zealand, where the Community ran a small retreat house, in 2002. She returned to Oxford in 2006 and is now working as Librarian and the Sister responsible for the garden and garden staff. She was the Sister for the bursary department for several years until January 2018. She read Classics at Royal Holloway College, University of London, and, before entering the Community, taught Latin and Greek in an independent school.

Members of the Board of Management of SLG 2017 Limited

The directors of SLG 2017 Limited are three sisters who are also members of the Board of Management of SLG Charitable Trust Limited and one independent director who is a Religious from an Anglican Order who is able to offer experience of overseeing a significant building project for his Order along with bursarial experience to complement that of the other Board Members. The Advisory Group for the charitable company, to supplement the skills of the Board Members and the Finance Manager, who also attends meetings, a representative of the charity's solicitors attends board meetings of SLG 2017 Limited wherever possible, to keep a legal watching brief.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Responsibilities of the Board of Management

The members of the Board of Management (who are also directors of SLG Charitable Trust Limited for the purposes of Company Law) are responsible for preparing the report of the Board of Management and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the members of the Board of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company, and of the charitable company and its subsidiary (the Group) and of the income and expenditure, of the Group for that period.

In preparing these financial statements, the Board of Management is required to:

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

The Board of Management is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable it to ensure that the financial statements comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each member of the Board of Management confirms that:

- ◆ so far as she is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ she has taken all the steps that she ought to have taken as a member of the Board of Management in order to make herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Board of Management is responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Structure and decision making

The Community determines (through its internal structures) major issues of policy affecting its way of life, and the Board of Management gives effect to these in making its financial decisions.

The Board of Management, which currently comprises five members, meets at least five times in each year with the Advisory Group in attendance at least twice a year. It is responsible for the policies, activities and assets of the charitable company and for seeing that charitable objects are met. It makes all major financial decisions and sets budgets and strategies for the charitable company, assisted by reports, suggestions and recommendations prepared by senior staff and members of the Community and the Advisory Group.

Management reporting lines are established and the Board of Management is briefed regularly about matters arising which require its attention. The day-to-day operational management of the charitable company's activities, and the implementation of policies, is delegated to the appropriate members of the Community or senior staff. A Scheme of Delegation was drawn up and approved by the Board of Management in 2015, guided by its legal advisors, and updated during 2016.

Key management

The members of the Board of Management consider that they comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis.

All members of the Board of Management are members of the Community, and whilst their living and personal expenses are borne by the charity, they receive no remuneration or reimbursements of expenses in connection with their duties as members of the Board of Management.

Risk management

The Board of Management is satisfied that the major risks to which the charitable company may be exposed, including those arising from the COVID-19 pandemic, have been identified, that reasonable measures are taken to mitigate them and that systems and procedures are in place to manage and control risk. The Board of Management recognises that systems of control can provide reasonable, but not absolute, assurance against ineffective or inappropriate use of resources, or fraud. It continues to review policies adopted and strategy in relation to risk, improving systems and management controls as necessary. Some of the work in response to risk management is ongoing from one financial year to the next.

The risk management strategy of the Board of Management is as follows:

- ◆ A sub-committee of the Board of Management conducts a review of the risks and principal risks and uncertainties faced by the charitable company at least annually, submitting the Risk Register compiled to the full Board of Management for approval;
- ◆ Policies, systems and procedures have been established and are implemented to mitigate the risks identified in the annual review;

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

- ◆ Procedures designed to reduce or manage any potential impact on the charitable company, should identified risks materialise, are in place and implemented;
- ◆ An extensive annual review of insurance and of the need for any additional policies takes place, the last review being in January 2021.

In early 2019 a completely revised Risk Register was compiled and approved by the Board of Management, using the above procedures and taking into account changed circumstances and new and increased risks identified. The major risks identified are related to funding; to the building project and associated matters; and to staffing (both sisters and staff), and these are dealt with by regular review, by attempting to reduce the risks and by insurance where appropriate. During the financial year to 31 January 2021, the risk register was reviewed at regular intervals.

The building project requires the use of funds set aside over the past few years for the project. The current volatility of the stock market carries the risk of capital and income losses on top of the costs budgeted for in the project, with implications for the project and for the future support of the Community. Aware of this risk, after consultation with their main investment manager, the Board of Management embarked upon a programme of investment sales at intervals, to spread the financial risk.

The project itself increases the risks to which the charity is exposed, including any unforeseen difficulties during the building process, delays, increased costs, etc. The Board of Management takes steps to reduce these risks through sound professional advice on all areas of the project, through financial controls and insurance. To protect the charitable company from unnecessary risk arising from any failure or default on the part of parties involved with the project, and to maximise the security of the charitable company's finances through this period, the charitable company set up its wholly owned trading subsidiary in August 2017, namely SLG 2017 Limited, through which the project is being progressed and administered. SLG 2017 Limited has its own Risk Register and reports on this to the charity for the charity's risk management.

Also among the main risks are those related to people and staffing. The building project and the pandemic have led to uncertainty for sisters concerning the timing of completion of the building work, and for staff with regard to the continuance of their work, in particular those with kitchen, domestic or caring work. The project will also create considerable extra work for some sisters and staff in 2021, when the time comes to move back to the renovated Convent. Steps are taken continually to reduce the risk of stress, through consultation and awareness. A further review of staffing of finance, compliance and other administrative areas will be required, along with some restructuring, when the building project and pandemic are a thing of the past (it is not currently appropriate to consider extra staff due to those factors). There is recognised to be an over-dependence on some staff and sisters in key roles, with associated risks and personal cost.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

The Board of Management is aware of the obligations of personal data protection enshrined in the General Data Protection Regulation (GDPR) and its principles of fairness and transparency; purpose limitation; data minimisation; accuracy; storage limitation; integrity and confidentiality (security) and accountability. The Board has taken, and is taking, steps to comply with the GDPR, is aware of the risks relating to data and information generally and is satisfied that good and robust procedures have been, or are being, put into place.

In response to the previously-recognised risk that the charitable company and Community may not be able to maintain existing organisational structures in the future, resulting from the diminishing number of sisters able to offer service in these areas, the Board of Management has an Advisory Group to support the Board of Management in its work and has revised its Articles of Association.

A key consideration for the Board of Management is awareness that in the very long term it is possible that the charitable company may lose its chief beneficiary. The Board of Management has actively encouraged the Community to consider its heritage and what it would be like to hand on. This in turn will inform the future charitable activities which may be undertaken by the charitable company.

Protection of children and vulnerable adults

The Board of Management recognises the absolute necessity of ensuring the protection and safeguarding of all those whom the charity serves, especially vulnerable adults and children, regardless of their background, gender, ethnicity, disability, sexuality or beliefs, and they take full responsibility for identifying, preventing, investigating and responding to all allegations or incidents of abuse. 'There is a commitment to fulfilling the requirements of the Church of England's 2015 Practice Guidance: Safeguarding in Religious Communities.' The statement of principles is followed by a commitment 'to follow legislation, guidance and recognised good practise' spelt out fully in six publications which are listed from Promoting a Safe Church (2006) to Promoting a Safer Church (2017).

Sister Rosemary stepped down from the role of designated safeguarding person (DSP) for the Community and staff in February 2020, following her successful tenure of this role and overseeing renewed dedication to safeguarding by the Community in line with Church of England guidance. Sister Eve was subsequently appointed to the DSP role and has actively engaged in the process of applying national changes to the safeguarding policy and procedures at a Community level.

The draft 'Safeguarding Children, Young People & Vulnerable Adults, Policy and Procedures' has been further revised, to respond to the national safeguarding policy and best practice revisions that continued to be disseminated throughout 2020. The draft document became applicable to both Community members and to the charity (i.e. to Company staff). Changes to the Diocese of Oxford Safeguarding team, the move into temporary accommodation for the building project and disruption due to COVID-19 delayed the review and approval of the draft Policy and Procedures. The review and approval by the Chapter took place in early March 2021.

Report of the Board of Management Year to 31 January 2021

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Protection of children and vulnerable adults (continued)

The Community participated in safeguarding training by completing the Foundation course on-line (formally known as C1) by the end of 2019.

Safeguarding training became embedded according to Safer Recruitment best practice in 2020, with new joiners automatically trained to Basic level safeguarding (formally known as C0) on entry. The Community engaged with specialist safeguarding training when two members and one staff undertook Safeguarding for Trustees in August and September, whilst two staff carried out Safer Recruitment training in December 2020. Further training will take place in 2021.

Disclosure and Barring Service (DBS) checks continued to be routinely applied to staff every three years, whilst five-year checks continued to be applicable to non-vulnerable sisters and the Warden.

Employees and volunteers

The members of the Board of Management wish to record their recognition of the professionalism and commitment of all their staff and volunteers. Their dedication, care and concern to support the Community and its way of life are very much appreciated.

Signed on behalf of the Board of Management:

Clare-Louise Marriott

(Clare-Louise Marriott (Sister Clare-Louise))

Approved by the Board of Management on: 17 May 2021

17th May 2021

Independent auditor's report to the members of SLG Charitable Trust Limited

Opinion

We have audited the financial statements of SLG Charitable Trust Limited (the 'charitable parent company') and of SLG Charitable Trust Limited and its subsidiary (the 'group') for the year ended 31 January 2021 which comprise the consolidated statement of financial activities, the group and charitable parent company balance sheets, the consolidated statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the group's and of the charitable parent company's affairs as at 31 January 2021 and of the group's income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 Board of Management's 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 group's and charitable parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the report of the Board of Management for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the report of the Board of Management has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the report of the Board of Management. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept by the charitable parent company; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures relating to remuneration of members of the Board of Management specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the Board of Management was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of the Board of Management

As explained more fully in the responsibilities of the Board of Management statement set out in the report of the Board of Management, the members of the Board of Management 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 Board of Management determines 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 members of the Board of Management are responsible for assessing the group's and the charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Management either intends to liquidate the group or the charitable parent company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We obtained an understanding of the legal and regulatory frameworks applicable to the group and charitable parent company and the sector in which it operates. We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and of the charitable parent company. We determined that the following laws and regulations were most significant: Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and safeguarding regulations;

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

- ◆ We understood how the group and charitable parent company are complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of the relevant minutes and correspondence from regulatory bodies; and
- ◆ We identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ Making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias;
- ◆ performed substantive testing on expenditure; and
- ◆ investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reading the minutes of meetings of those charged with governance;
- ◆ enquiring of management as to actual and potential litigation and claims; and
- ◆ reviewing correspondence with HMRC and the company's legal advisors.

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

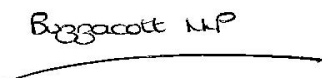
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of those charged with governance and management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

 Buzzacott LLP

Amanda Francis (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

27 May 2021

Consolidated statement of financial activities Year to 31 January 2021

	Notes	Un-restricted funds £	Restricted funds £	Total funds 2021 £	Un-restricted funds £	Restricted funds £	Total funds 2020 £
Income							
Donations and legacies	1	228,427	—	228,427	210,700	—	210,700
Investment income and interest receivable	2	541,267	4,830	546,097	676,148	3,138	679,286
Other income							
. Coronavirus job retention scheme grants		21,407	—	21,407	—	—	—
. Miscellaneous income		17,645	—	17,645	17,075	640	17,715
Total income		808,746	4,830	813,576	903,923	3,778	907,701
Expenditure							
Charitable activities							
. Charitable donations and grants payable	3	31,430	2,154	33,584	47,278	4,581	51,859
. Support of the members of the Community of the Sisters of the Love of God and their ministry	4	1,103,558	—	1,103,558	1,084,387	3,102	1,087,489
Total expenditure		1,134,988	2,154	1,137,142	1,131,665	7,683	1,139,348
Net (expenditure) income before gains on investments and transfers between funds	6	(326,242)	2,676	(323,566)	(227,742)	(3,905)	(231,647)
Net gains on investments	10	580,562	6,959	587,521	3,218,177	22,328	3,240,505
Net income before transfers between funds		254,320	9,635	263,955	2,990,435	18,423	3,008,858
Transfers between funds	15	(2,286)	2,286	—	(240)	240	—
Net income and net movement in funds for the year		252,034	11,921	263,955	2,990,195	18,663	3,008,858
Reconciliation of funds							
Total funds brought forward at 1 February 2020		30,195,009	160,953	30,355,962	27,204,814	142,290	27,347,104
Total funds carried forward at 31 January 2021		30,447,043	172,874	30,619,917	30,195,009	160,953	30,355,962

All of the group's activities derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the above statement of financial activities.

Balance sheets 31 January 2021

	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
Fixed assets					
Tangible assets	9	6,696,326	2,218,284	7,032,775	2,246,782
Investments	10	16,311,150	20,223,628	16,311,151	20,223,629
		23,007,476	22,441,912	23,343,926	22,470,411
Current assets					
Stocks	11	23,261	23,595	23,261	23,595
Debtors	12	399,905	298,023	289,425	309,429
Short term deposits		6,923,513	7,572,858	6,773,513	7,572,858
Cash at bank and in hand		903,562	142,323	834,230	95,514
		8,250,241	8,036,799	7,920,429	8,001,396
Liabilities					
Creditors: amounts falling due within one year	13	(637,800)	(122,749)	(307,989)	(87,347)
Net current assets		7,612,441	7,914,050	7,612,440	7,914,049
Total net assets		30,619,917	30,355,962	30,956,366	30,384,460
Funds and reserves					
Income funds					
Restricted funds	15	172,874	160,953	172,874	160,953
Unrestricted funds					
. Tangible fixed assets fund	16	6,696,326	2,218,284	7,032,775	2,246,782
. Designated funds	17	19,663,350	23,000,000	19,663,350	23,000,000
. General funds		4,087,367	4,976,725	4,087,367	4,976,725
. Non-charitable trading funds		—	—	—	—
		30,447,043	30,195,009	30,783,492	30,223,507
		30,619,917	30,355,962	30,956,366	30,384,460

Approved by the Board of Management
and signed on its behalf by:

Clare-Louise Marriott

(Clare-Louise Marriott (Sister Clare-Louise))

Approved by the Board of Management on: 17th May 2021 17 May 2021

SLG Charitable Trust Limited

Registered Company Number: 0990049 (England and Wales)

Consolidated statement of cash flows Year to 31 January 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(918,048)	(880,371)
Cash flows from investing activities:			
Investment income and interest received		596,693	720,281
Proceeds from disposal of investments		4,499,999	4,500,000
Purchase of tangible fixed assets		(4,066,750)	(447,689)
Net cash provided by investing activities		1,029,942	4,772,592
Change in cash and cash equivalents in the year		111,894	3,892,221
Cash and cash equivalents at 1 February 2020	B	7,715,181	3,822,960
Cash and cash equivalents at 31 January 2021	B	7,827,075	7,715,181

Notes to the statement of cash flows for the year to 31 January 2021

A Reconciliation of net movement in funds to net cash used in operating activities

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	263,955	3,008,858
Adjustments for:		
Depreciation charge	112,162	114,944
Gains on investments	(587,521)	(3,240,505)
Investment income and interest receivable	(546,097)	(679,286)
Decrease in stocks	334	1,010
Increase in debtors	(152,478)	(24,649)
Decrease in creditors	(8,403)	(60,743)
Net cash used in operating activities	(918,048)	(880,371)

B Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	903,562	142,323
Short term deposits	6,923,513	7,572,858
Total cash and cash equivalents	7,827,075	7,715,181

Principal accounting policies Year to 31 January 2021

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

Basis of preparation

These financial statements have been prepared for the year to 31 January 2021. Comparative information has been provided in respect to the year to 31 January 2020.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts. The financial statements are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charitable Company constitutes a public benefit entity as defined by FRS 102.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Board of Management and management to make significant judgements and estimates.

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

- ◆ estimating the income receivable from legacies of which the Charitable Company has been notified;
- ◆ estimating any provision required against slow moving or obsolete stock;
- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining on annual depreciation charge;
- ◆ determining the amount to be set aside as designated funds, and, in particular, estimating the required level of the old age and infirmity fund; and
- ◆ estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Critical accounting estimates and areas of judgement (continued)

As set out in these accounting policies under “going concern”, the Board of Management has considered the impact of the COVID-19 pandemic on the group and charity and has concluded that although there may be some negative consequences in respect to investment income and investment capital yields, it is appropriate for the group and charity to continue to prepare its accounts on a going concern basis.

Assessment of going concern

The Board of Management has assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Board of Management has made this assessment in respect to a period of at least one year from the date of approval of these financial statements.

The Board of Management acknowledge and recognise the continuing impact of the COVID-19 pandemic on the operations of the charity, its beneficiaries and stakeholders and on wider society. As well as the personal risk to health of its staff and the members of the Community, the charity may lose income through reduced investment returns although this has not occurred to date. It is not anticipated at the current time that the overall financial position of the charity will be adversely affected or its financial solvency threatened.

Therefore, the Board of Management has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the group or charity to continue as a going concern. The Board of Management is of the opinion that the group and charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above. With regard to the next accounting period, the year ending 31 January 2022, the most significant areas that affect the carrying value of the assets held by the group and charity are the level of investment return and the performance of the investment markets particularly due to the potential adverse impact on investment markets of COVID-19 and its aftermath. However, the charity and group have sufficient liquid and other reserves to meet all known liabilities within the next few years and consider themselves long term investors able to wait for an improvement in investment conditions and market stability.

Basis of consolidation

The results of the charity's wholly owned subsidiary, SLG 2017 Limited, have been consolidated into these financial statements on a line by line basis.

The charity has taken advantage of the exemptions in the Companies Act not to present a separate statement of financial activities. The income of SLG 2017 Limited for the year was £4,610,301 (2020 - £414,349) giving rise to a net profit £307,086 (2020 – net profit of £14,201) before gift aiding of taxable profits under deed of covenant.

Income recognition

Income is recognised in the period in which the group is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the group has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises donations, legacies, investment income, interest receivable and other income including the surplus on the disposal of tangible fixed assets.

Donations, including salaries, pensions and related income of individual religious received under Gift Aid or deed of covenant, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

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

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity. Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

Investment income is recognised once the amount to be paid as a dividend has been declared.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income relating to the Coronavirus Job Retention Scheme is credited to the statement of financial activities at the time the charitable company has become entitled to the grants and the amount receivable has become quantifiable.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the group to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings.

Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and donations, direct and support costs in respect to the support of members of the Congregation and enabling their ministry including governance costs.

Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

Expenditure on the support of members of the Community of the Sisters of the Love of God and their ministry enables the members to carry out the work of the Charitable Company in the areas of the advancement of the Christian religion and the relief of poverty.

All expenditure is stated inclusive of irrecoverable VAT

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

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

Support costs recorded as part of expenditure on the support of the community with 20% of them being deemed to relate to governance based on an estimate of time spent on such activities by employees.

Tangible fixed assets

All assets costing more than £500 with an expected useful life exceeding one year are capitalised.

◆ ***Freehold land and buildings***

Freehold land and buildings located in England are included in the financial statements at a valuation determined by the Board of Management with professional assistance, based on open market value as at 1 January 1998. As permitted under the transitional arrangements for FRS 102, the charity has elected to use this valuation as deemed cost.

Non-specialised buildings, i.e. those designed as, and used wholly or mainly for, private residential accommodation are not depreciated. Their value and condition are reviewed annually by the Board of Management, which is satisfied that their residual value is not materially less than their book value.

Specialised buildings, defined as those comprising large residential convents, are depreciated at 2% per annum on a straight line basis in order to write the buildings off over their estimated useful economic lives.

◆ ***Building improvements***

Building improvements in relation to Fellowship House are capitalised and depreciated over a twenty-year period on a straight line basis in order to write off the asset over its estimated useful life.

Building improvements in relation to works to the chapel have been capitalised and depreciated over a ten-year period on a straight line basis in order to write off the asset over its estimated useful life.

Building improvements in relation to ongoing work will not be depreciated until construction work is complete.

◆ ***Furniture, plant and equipment***

Expenditure on the purchase and replacement of furniture and household equipment is capitalised and depreciated over a five-year period on a straight line basis in order to write off each asset over its estimated useful life. Expenditure on plant comprises the cost of a heating boiler which has been capitalised and depreciated over a five-year period on a straight line basis and the cost of the installation of a lift which has been capitalised and depreciated over a ten year period on a straight line basis.

◆ ***Motor vehicles***

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

Fixed asset investments

Listed 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 quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Stocks

Stocks of publications for sale are valued at the lower of cost and net realisable value.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand. Cash placed in higher interest yielding accounts and deposits with fixed maturity dates or notice periods of less than one year have been disclosed as short term deposits.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Principal accounting policies Year to 31 January 2021

Fund accounting

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

The tangible fixed assets fund comprises the net book value of the Charitable Company's tangible fixed assets, the existence of which is fundamental to the Charitable Company being able to perform its charitable work and thereby achieve its charitable objectives. The value represented by such assets should not be regarded, therefore, as realisable.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the Charitable Company's charitable objects.

Pension costs

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 7. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

Services provided by members of the Community

For the purpose of these financial statements, no value has been placed on the administrative and other services provided by members of the Community of the Sisters of the Love of God.

1 Donations and legacies

	Unrestricted	
	Total funds 2021	Total funds 2020
	£	£
Pensions and attendance allowance of individual religious received under Gift Aid	130,322	142,154
Other donations (including Gift Aid)	18,012	57,055
Legacies	80,093	11,491
Total funds	228,427	210,700

2 Investment income and interest receivable

	Unrestricted funds	Restricted funds	Total funds 2021	Unrestricted funds	Restricted funds	Total funds 2020
	£	£	£	£	£	£
Income from common investment funds	495,783	4,830	500,613	640,061	3,138	643,199
Interest on short term deposits	45,289	—	45,289	35,843	—	35,843
Other bank interest receivable	195	—	195	244	—	244
Total funds	541,267	4,830	546,097	676,148	3,138	679,286

3 Charitable donations and grants payable

The Charitable Company makes donations and grants to both individuals and institutions in accordance with its grant making policy set out in the report of the Board of Management.

The donations and grants payable during the year were as follows:

	Unrestricted funds	Restricted funds	Total funds 2021	Unrestricted funds	Restricted funds	Total funds 2020
	£	£	£	£	£	£
Payable to individuals	2,060	—	2,060	6,000	—	6,000
Payable to institutions	29,370	2,154	31,524	41,278	4,581	45,859
Total funds	31,430	2,154	33,584	47,278	4,581	51,859

At 31 January 2021, the charity had no grant commitments in respect to grants awarded but payable only on the fulfilment of certain conditions (2020 – £nil).

During the year grants were paid to two individuals (2020 – four individuals).

3 Charitable donations and grants payable (continued)

Donations and grants paid to institutions during the period comprised the following:

	2021 £	2020 £
Donations and grants of £1,000 or more		
. Bibles for Children	—	1,000
. Bible Society	—	1,000
. Bible Reading Fellowship	—	1,000
. Carmelite Priory Renovation	—	1,000
. China Church Solidarity	—	1,000
. Christian Blind Mission	—	1,000
. Church Homeless Trust	1,000	1,000
. College of St Barnabas	—	
. Community of St Mary the Virgin	7,500	2,500
. Compassion Trust	—	1,000
. Christ Church Brondesbury PCC	—	1,500
. Cultural Exchange with China	(1,000)	1,000
. Diocese of Cyprus and the Gulf	1,000	1,000
. Discovering Prayer	2,000	—
. Friends of Quetta Hospital	—	1,000
. Harnhill Centre for Christian Healing	—	1,000
. Inclusive Church	—	1,000
. Interchurch Families	—	1,000
. Irish School of Ecumenics	—	1,000
. Langley House Trust	—	1,000
. Lee Abbey	1,000	—
. Li Tim Oi Foundation	—	1,000
. Magdalen Road Church	—	1,000
. Medaille Trust	—	1,000
. Mission Aviation Fellowship	—	1,000
. Mission in Hounslow Trust	—	1,000
. Monestire de St Benet de Montserrat	800	1,000
. Oxford Diocesan Board of Finance	2,500	2,500
. Religious of Mary Immaculate	1,000	—
. Saint Gabriel's Centre	1,000	—
. Sisters of Baltimore	1,000	—
. Society for Promoting Christian Knowledge	—	1,000
. St Gabriel's Centre Weoley	—	1,000
. St Mary's Parochial Church Council	1,000	—
. Taririo	—	1,000
. TEAR Fund	—	1,000
. The Wellspring Community	1,000	—
. Toybox Charity	—	1,000
. The Alcuin Club	—	1,000
. The Greenhouse Christian Centre	—	1,000
. The Society of the Sisters of Bethany	7,500	2,500
. The Tap Fund	1,000	1,000
	28,300	40,000
Donations and grants of under £1,000	3,224	5,859
Total grants paid to institutions	31,524	45,859

4 Support of the members of the Community of the Sisters of the Love of God and their ministry

Expenditure on the support of the members of the Community and their ministry enables the members to carry out the charitable work of the Charitable Company in the areas of the advancement of the Christian religion and education, and the relief of poverty and suffering. Such expenditure comprises:

	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Unrestricted funds £	Restricted funds £	Total funds 2020 £
Premises	274,053	—	274,053	158,270	—	158,270
Staff and agency costs	483,220	—	483,220	450,084	—	450,084
Sisters' living and personal expenses	99,461	—	99,461	149,665	—	149,665
Press	5,702	—	5,702	6,587	—	6,587
Education, training, Community development and spiritual renewal	3,336	—	3,336	8,347	3,102	11,449
Depreciation	112,162	—	112,162	114,944	—	114,944
Support office costs	63,507	—	63,507	109,192	—	109,192
Governance (note 5)	62,117	—	62,117	87,298	—	87,298
Total funds	1,103,558	—	1,103,558	1,084,387	3,102	1,087,489

5 Governance costs

	Unrestricted	
	Total funds 2021 £	Total funds 2020 £
Audit and accountancy fees	16,550	15,160
Other professional fees	10,999	26,974
Staff and agency costs	18,174	17,844
Other costs	16,394	27,320
Total funds	62,117	87,298

6 Net (expenditure) income before gains on investments and transfers between funds

This is stated after charging:

	2021 £	2020 £
Staff costs (note 7)	501,394	467,928
Auditor's remuneration (including VAT)		
. Statutory audit services	16,550	15,160
. Other: payroll, HR, taxation and advisory services	9,803	20,506
Operating lease rentals	10,032	3,528
Depreciation	112,162	114,944

7 Staff costs and remuneration of key management personnel

	2021 £	2020 £
Staff costs during the period were as follows:		
Wages and salaries	327,229	314,189
Social security costs	28,128	23,798
Other pension costs	27,306	25,274
	382,663	363,261
Payments to agency staff	118,731	104,667
	501,394	467,928

Payments to agency staff represent amounts payable to agency nursing staff (assisting with the care of elderly members of the Community of the Sisters of the Love of God) and domestic workers.

The average number of employees during the period was as follows:

	2021 No.	2020 No.
Support of members of the Community of the Sisters of the Love of God and their ministry	15	15

No employees earned £60,000 per annum or more (including taxable benefits) during the current or prior year.

Key management personnel

Key management personnel have been defined as the members of the Board of Management only in 2021 (2020 – members of the Board of Management). The total remuneration (including taxable benefits, employer's pension contributions and employer's national insurance contributions) paid to key management personnel during the year was £nil (2020-£nil).

Expenses of, remuneration of and transactions with members of the Board of Management

Members of the Board of Management are all members of the Community and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Community, are borne by the charity. No member of the Board of Management received any remuneration or reimbursement of expenses in connection with their duties as members of the Board of Management (2020 - none).

As members of the Community, none of the members of the Board of Management have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by members of the Board of Management to the charity was £12,613 (2020 - £12,095).

8 Taxation

SLG Charitable Trust Limited is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities as they fall within the various exemptions available to registered charities.

9 Tangible fixed assets

Group	Land and buildings		Building improvements £	Furniture, plant and equipment £	Motor vehicles £	Total £
	Specialised £	Non-specialised £				
Cost or valuation						
At 1 February 2020	2,500,000	10,000	727,739	366,039	28,674	3,632,452
Additions	—	—	4,585,332	4,872	—	4,590,204
At 31 January 2021	2,500,000	10,000	5,313,071	370,911	28,674	8,222,656
Cost	—	10,000	5,313,071	370,911	28,674	5,722,656
Deemed cost (1998 valuation)	2,500,000	—	—	—	—	2,500,000
	2,500,000	10,000	5,313,071	370,911	28,674	8,222,656
Depreciation						
At 1 February 2020	1,004,167	—	85,476	295,853	28,672	1,414,168
Charge for year	50,000	—	23,051	39,111	—	112,162
At 31 January 2021	1,054,167	—	108,527	334,964	28,672	1,526,330
Net book values						
At 31 January 2021	1,445,833	10,000	5,204,544	35,947	2	6,696,326
At 31 January 2020	1,495,833	10,000	642,263	70,186	2	2,218,284

9 Tangible fixed assets (continued)

Charity	Land and buildings		Building improvements	Furniture, plant and equipment	Motor vehicles	Total
	Specialised £	Non-specialised £				
Cost or valuation						
At 1 February 2020	2,500,000	10,000	756,237	366,039	28,674	3,660,950
Additions	—	—	4,893,283	4,872	—	4,898,155
At 31 January 2021	2,500,000	10,000	5,649,520	370,911	28,674	8,559,105
Cost	—	10,000	5,649,520	370,911	28,674	6,059,105
Deemed cost (1998 valuation)	2,500,000	—	—	—	—	2,500,000
	2,500,000	10,000	5,649,520	370,911	28,674	8,559,105
Depreciation						
At 1 February 2020	1,004,167	—	85,476	295,853	28,672	1,414,168
Charge for year	50,000	—	23,051	39,111	—	112,162
At 31 January 2021	1,054,167	—	108,527	334,964	28,672	1,526,330
Net book values						
At 31 January 2021	1,445,833	10,000	5,540,993	35,947	2	7,032,775
At 31 January 2020	1,495,833	10,000	670,761	70,186	2	2,246,782

As permitted under Financial Reporting Standard 102 (FRS 102), the Charitable Company has continued to adopt a policy of not revaluing its tangible fixed assets. The book value of the land and buildings is based on a Board of Management valuation made with professional assistance in 1998. As permitted under the transitional arrangements for FRS 102 (section 35), the charity has elected to use this valuation as deemed cost. Other tangible fixed assets are stated at cost.

It is likely that there are material differences between the open market values of the Charitable Company's land and buildings and their book values. These arise from the specialised nature of some properties and the effects of inflation. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of the Board of Management, is not justified in terms of the benefit to the users of the financial statements.

During the prior year work began on the major refurbishment and partial redevelopment of the charity's specialised buildings. Included within building improvements is £5,009,426 (Charity - £5,345,875) of costs in relation to this project which have not been depreciated as the work is ongoing. The value of the remaining work which has been contracted but not provided for in these financial statements is £3.2 million (2020 - £7.5 million).

10 Investments

Group	2021 £	2020 £
Listed investments		
Market value at 1 February 2020	20,223,628	21,483,123
Disposals (proceeds: £4,499,999; losses: £93,529)	(4,593,528)	(4,087,050)
Net unrealised gains on revaluation	681,050	2,827,555
Market value at 31 January 2021	16,311,150	20,223,628
Cost at 31 January 2021	4,476,166	5,802,923

10 Investments (continued)

Charity	Shares in subsidiary company £	Listed investments £	2021 £
Market value at 1 February 2020	1	20,223,628	20,223,629
Disposals (proceeds: £4,499,999; losses: £93,529)	—	(4,593,528)	(4,593,528)
Net unrealised gains on revaluation	—	681,050	681,050
Market value at 31 January 2021	1	16,311,150	16,311,151
Cost at 31 January 2021	1	4,476,166	4,476,167

Charity	Shares in subsidiary company £	Listed investments £	2020 £
Market value at 1 February 2019	1	21,483,123	21,483,124
Disposals (proceeds: £4,500,000; gains: £412,950)	—	(4,087,050)	(4,087,050)
Net unrealised gains on revaluation	—	2,827,555	2,827,555
Market value at 31 January 2020	1	20,223,628	20,223,629
Cost at 31 January 2020	1	5,802,923	5,802,924

Listed investments held at 31 January 2021 comprised principally of units in the Central Board of Finance of the Church of England Investment Fund, a United Kingdom common investment fund managed by CCLA Investment Management Limited.

Investment in subsidiary company

The charity owns 100% of the issued ordinary share capital of a subsidiary undertaking, SLG 2017 Limited, which is registered in England (Company registration number 10900867) and supplies building project development services to the charity. The company was incorporated on 4 August 2017, and its results for the year to 31 January 2021 and assets and liabilities at that date have been consolidated into these financial statements. Total income for the year was £4,610,301 (2020 - £414,349), gross profit was £345,224 (2020 - gross profit £31,543) and total administrative expenditure was £38,138 (2020 - £17,342). The net profit after taxation was £307,086 (2019 - net loss £14,201) and £307,086 was committed as a distribution to the charity under a gift aid compliant deed of covenant (2020 - £14,201).

11 Stock

	Group and Charity 2021 £	Group and Charity 2020 £
Goods for resale	23,261	23,595

12 Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Investment income and interest receivable	165,405	216,001	169,762	216,001
Legacies receivable	51,000	11,000	51,000	11,000
Other debtors	983	2,215	983	2,215
Prepayments and other accrued income	70,861	63,739	67,680	63,739
VAT recoverable	111,656	5,068	—	—
Amounts due from subsidiary	—	—	—	16,474
	399,905	298,023	289,425	309,429

13 Creditors: amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Press creditors	1,421	1,302	1,421	1,302
Social security and other taxes	9,930	10,035	9,930	10,035
Expense creditors	41,500	41,748	26,724	41,748
Building refurbishment	549,106	25,652	—	—
Deferred income and accruals	35,843	44,012	34,343	34,262
Amounts due to subsidiary	—	—	235,571	—
	637,800	122,749	307,989	87,347

14 Operating lease commitments

At 31 January 2021 the group and charity had the following future minimum commitments in respect to non-cancellable operating leases:

	Property		Office Equipment	
	2021 £	2020 £	2021 £	2020 £
Amounts due:				
Within one year	130,580	170,588	10,033	10,584
Within one to two years	30,852	104,302	6,505	6,844
Within two to five years	—	12,211	19,516	19,512
More than five years	—	—	244	6,504
	161,432	287,101	36,298	43,444

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes:

	At 1 February 2020 £	Income £	Expenditure £	Investment gains £	Transfers £	At 31 January 2021 £
Charitable fund	160,953	4,830	(2,154)	6,959	2,286	172,874

	At 1 February 2019 £	Income £	Expenditure £	Investment gains £	Transfers £	At 31 January 2020 £
Charitable fund	140,068	3,138	(4,581)	22,328	—	160,953
Inter-novitiate fund	2,222	640	(3,102)	—	240	—
	142,290	3,778	(7,683)	22,328	240	160,953

♦ *Charitable Fund*

The Charitable Fund comprises monies, held on a separate charitable trust dated 24 September 1966, to be used for the purpose of making grants and donations to registered charities selected by the Board of Management.

♦ *Inter-novitiate study*

This fund comprised monies to be used for the organisation of study days for novices from a number of Religious Orders. The remaining balance on this fund was paid over to another registered charity during the prior year who will continue the inter-novitiate activities.

16 Tangible fixed assets fund

Group	Total 2021 £	Total 2020 £
At 1 February 2020	2,218,284	1,885,539
Net movement in year	4,478,042	332,745
At 31 January 2021	6,696,326	2,218,284

Charity	Total 2021 £	Total 2020 £
At 1 February 2020	2,246,782	1,885,539
Net movement in year	4,785,993	361,243
At 31 January 2021	7,032,775	2,246,782

16 Tangible fixed assets fund (continued)

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

17 Designated funds

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

	At 1 February 2020 £	New designations £	Utilised or released £	At 31 January 2021 £
Old age and infirmity fund	9,000,000	—	—	9,000,000
Discretionary giving fund	5,500,000	163,350	—	5,663,350
Property fund	8,500,000	1,000,000	(4,500,000)	5,000,000
	23,000,000	1,163,350	(4,500,000)	19,663,350

	At 1 February 2019 £	New designations £	Utilised or released £	At 31 January 2020 £
Old age and infirmity fund	9,000,000	—	—	9,000,000
Discretionary giving fund	5,500,000	—	—	5,500,000
Property fund	8,500,000	—	—	8,500,000
	23,000,000	—	—	23,000,000

The funds have been designated for the following purposes:

Old age and infirmity fund

This fund consists of monies which the Board of Management has set aside in order to provide and care for the Sisters in their old age and infirmity. The value of the fund has been based on calculations prepared using actuarial principles.

Discretionary giving fund

This fund comprises investments set aside in order to produce an annual income to be applied in making grants and donations to organisations with objects consistent with those of the Charitable Company.

Property fund

This fund comprises monies set aside towards the cost of the Community's property and accommodation needs in the future, including the costs of constructing the new convent, as outlined in the report of the Board of Management, and towards embarking on other building work on the site at Fairacres, Oxford that will both further the objects of the charity and the work of the Community.

18 Analysis of net assets between funds

Group	General and non-charitable trading fund £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total funds 2021 £
Fund balances at 31 January 2021 are represented by:					
Tangible fixed assets	—	6,696,326	—	—	6,696,326
Investments	—	—	16,144,492	166,658	16,311,150
Net current assets	4,087,367	—	3,518,858	6,216	7,612,441
Total net assets	4,087,367	6,696,326	19,663,350	172,874	30,619,917

Group	General and non-charitable trading fund £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total funds 2020 £
Fund balances at 31 January 2020 are represented by:					
Tangible fixed assets	—	2,218,284	—	—	2,218,284
Investments	—	—	20,070,991	152,637	20,223,628
Net current assets	4,976,725	—	2,929,009	8,316	7,914,050
Total net assets	4,976,725	2,218,284	23,000,000	160,953	30,355,962

Charity	General fund £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total funds 2021 £
Fund balances at 31 January 2021 are represented by:					
Tangible fixed assets	—	7,032,775	—	—	7,032,775
Investments	1	—	16,144,492	166,658	16,311,151
Net current assets	4,087,366	—	3,518,858	6,216	7,612,440
Total net assets	4,087,367	7,032,775	19,663,350	172,874	30,956,366

Charity	General fund £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total funds 2020 £
Fund balances at 31 January 2020 are represented by:					
Tangible fixed assets	—	2,246,782	—	—	2,246,782
Investments	—	—	20,070,991	152,637	20,223,628
Net current assets	4,976,725	—	2,929,009	8,316	7,914,050
Total net assets	4,976,725	2,246,782	23,000,000	160,953	30,384,460

18 Analysis of net assets between funds (continued)

The above funds include accumulated unrealised gains on listed investments as follows:

Group and charity	2021 £	2020 £
Reconciliation of movements in unrealised gains on investment assets		
Accumulated unrealised gains at 1 February 2020	14,420,703	14,307,858
Net gains arising on revaluation in period	681,050	2,827,555
Less: released on disposal of investments	(3,266,769)	(2,714,710)
Accumulated unrealised gains at 31 January 2021	11,834,984	14,420,703

The charity's freehold land and buildings were purchased many years ago and precise figures for their historical cost are not available. However, it is known that the original purchase price was insignificant in today's terms. The above funds, therefore, include freehold land and buildings at net book values of £1,455,833 (2020 - £1,505,833) which, with the exception of negligible amounts, represent unrealised gains.

19 Related party transactions

There were no other related party transactions during the year other than those disclosed in note 7 (2020 – none).

20 Ultimate control

The members of the Charitable Company are all members of the Anglican religious community known as the Community of the Sisters of the Love of God, and as such the ultimate control of the Charitable Company lies with that Community. The Community does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the Community are vested in the Charitable Company, which undertakes all transactions entered into in the course of the Community's charitable activities.