

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

England & Wales · Charity number 800119

Details

Status Registered

Legal form Trust

Registered 1988-09-30

Register [View on the Charity Commission register](#)

Contact

Address 41 Murray Road
London
SW19 4PD

Phone 02089463564

Email admin@dothomuk-eire.org.uk

Website www.dothomuk-eire.org.uk

Activities

Objects: PROMOTION OF THE CHARITABLE WORK FOR THE TIME BEING CARRIED ON PROMOTED OR SUPPORTED BY THE DAUGHTERS OF THE HEART OF MARY BUT IF THE DAUGHTERS OF THE HEART OF MARY SHALL CEASE TO EXIST OR CARRY ON PROMOTE OR SUPPORT ANY CHARITABLE WORKS GENERAL CHARITABLE PURPOSES IN CONNECTION WITH THE ROMAN CATHOLIC RELIGION.

Activities: The charity's objective is the promotion of charitable work for the time being carried on, promoted or supported by the Daughters of the Heart of Mary. If the Daughters of the Heart of Mary shall cease to exist or carry out charitable work, then the trustees shall apply the charity's funds for general charitable purposes in connection with the Roman Catholic religion.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, Religious Activities
- **Who:** The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£251,428	£363,814	-	-
2023-12-31	£231,238	£368,294	-	-
2022-12-31	£272,574	£505,683	-	-
2021-12-31	£197,767	£381,209	-	-
2020-12-31	£217,791	£323,265	-	-

Trustees

Name	Role	Appointed
MARY Brogan	Chair	2025-08-08
Anne Boland		2021-09-02
EVA MCHALE		1992-07-27
GINA EASTWOOD		2003-08-21
GLORIA SUSAN BEG		2022-12-08
MARGARET BRENNAN		2003-08-21
MARY Alphonse		2025-08-08

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

England & Wales - Charity number 800119

Accounts

Charity registration number 800119 (England and Wales)

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Miss E McHale
Miss G Eastwood
Miss M Brogan
Miss M Brennan
Miss M Alphonse
Miss A Boland
Miss G Beg

Charity number

800119

Principal address

41 Murray Road
Wimbledon
London
SW19 4PD

Auditor

Richard Place Dobson Services Limited
Ground Floor
1 - 7 Station Road
Crawley
West Sussex
RH10 1HT

Bankers

National Westminster Bank plc
98 High Street
Wimbledon
London
SW19 5ZH

Solicitors

Pothecary Witham Weld
70 St George's Square
London
SW1V 3RD

Investment advisors

Charles Stanley & Company Limited
25 Ropemaker Street
London
EC2Y 9LY

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

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DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their annual report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The object of the Trust, as stated in the Trust deed, page 2, paragraph 3, and in the Constitutions of the Congregation are:

- (a) "to promote the charitable work for the time being carried on, promoted or supported by the Daughters of the Heart of Mary".
- (b) Following the example of Adelaide de Cice (the Foundress), Daughters of the Heart of Mary will feel intensely the suffering and distress of their contemporaries. They will protect life and will continue to promote the integral development of human persons... In solidarity with present and future generations, each member, according to her possibilities, will collaborate in promoting environmental justice and care for the Earth, our Common Home. (Constitutions, Chapter II Mission, paragraphs 14 and 15).
- (c) Main Strategies - To encourage and support the varied activities of individual Daughters of the Heart of Mary and the organisations with which they co-operate and to support the worldwide charitable work of the Society through:
 - i) grants in aid of these works;
 - ii) enabling Daughters of the Heart of Mary from other Provinces to pursue their qualifications and skills in these works in their own countries;
 - iii) providing accommodation for DHM students and financing their formation/further education here when courses are not available in their own country. We have news from our sisters/students who completed the courses and hear how their periods of study have helped them since their return to their homeland.

Public benefit

The charities trustees have referred to the guidance in the Charity Commissions general guidance on Public Benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, they have considered how planned activities will contribute to the aims and objectives they have set.

Background

In 1790 at the time that the Constitutional Assembly decreed the suppression of religious orders in France, Peter Joseph de Cloriviere received the inspiration of a new form of religious life that would be possible in any circumstances. Together with Marie Adelaide de Cice (who saw her project in his inspiration) he organised the first members, whom he called Daughters of the Heart of Mary, into a religious society.

This Religious Society came to England in 1846 and this was the first foundation outside France. The Provincial house is situated at 41 Murray Road which also serves as the Wimbledon community house.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Daughters of the Heart of Mary continue to serve the needs of many through charitable activities and support the disadvantages members of society.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Achievements and performance

Charitable activities

The year 2023 was marked by the General Chapter of the Congregation. The mission orientations galvanise the Sisters to prioritise their options to reaching out to the needy, most vulnerable and distressed. Accordingly, the focus of the Trust got strengthened further to reach out to the marginalised groups with certain priorities, such as homeless people, welfare of the families and children, support in building religious harmony, support to youth, peace building, collaboration with the other like-minded organisations for sustainable development in countries like Africa and Bangladesh, addressing environmental issues like food security, water access, and access to health services and rebuilding of life in war affected country Ukraine. Awareness of the Climate change disasters, adoption of a simple lifestyle, protection and conservation of bio-environment have also become part of the agenda in their list of options.

In particular,

- The sisters at Kirkby continue to work closely with their Parish with regard to family support, reaching out to the sick and the housebound, spiritual and material care of the patients in the hospitals, eco-friendly lifestyle and finding necessary help for the homeless and other needy immigrants living in their areas.
- The sisters at Wimbledon continue to reaching out to the vulnerable women rescued from trafficking, getting themselves involved in spiritual and moral education in collaboration with Jesuit Spirituality Centres in London and Glasgow, Jesuit Refugee Service Centre and Marist Refugee Centre in London , caring for parents with children in difficult situations in the neighbouring areas of St Alban, and supporting local Parish in its charitable activities.

We sincerely thank God for all the blessings upon us and on all our Trust activities for the poor and the marginalised. We also ask His grace to help us with His courage and strength, to continue to serve the poor and the needy.

Financial Support given

On the 10th June 2024, a support of £15,000 was given to Dr Sabir Michael, an asylum seeker in the USA, where he took refuge from 'fatwah' (death sentence) issued by a fundamental religious group in Pakistan. He and his family had to flee from his country over night to escape the persecutors. The support was to provide his family legal aid to start the process of asylum seeking, housing, schooling of his children and other such needs.

The Charity also provided care support to one of its members, by contributing to Nazareth House (a care Trust) in Birkenhead, Liverpool, a sum of around £6,300 each month, from April 2024 to May 2025.

Due to depletion of income to the Trust, it could not undertake more charity related commitment during the year 2024.

Safeguarding Training

Gloria Beg was helping some of the Trustees and other DHM sisters to enroll online with the Religious Life Safeguarding Services Group to renew their DBS certifications.

Ongoing collaboration takes place with Catholic Safeguarding Service Agency and Religious Life Safeguarding Services, through subscription and by attending their meetings . The DHM involved in the mission that serves the vulnerable adults and the Elderly are well aware of this need to protect and care the vulnerable people form any abuse. The also regularly renew their DBS through their organisation where they work as an employee or as a volunteer.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Investment performance

Global stock markets eased up in December as inflationary concerns returned, leading to a note of caution over the expected pace of US interest rate cuts over 2025. However, market returns were still strongly positive over the course of the year. In a repeat of 2023, one notable feature of the year as a whole was the exceptional performance of the US stock market and the increasing divergence with other global equities. Donald Trump's 'pro-business' election victory gave this already powerful trend an additional boost with risk-on assets reacting positively to messaging regarding tax cuts and de-regulation. This did not prevent concerns building about the level of concentration in the mega-cap technology stocks along with the overall rating of the US market which finished the year close to historic highs. Closer to home the FTSE 100 was boosted by the resurgence of the banking sector and the ongoing trend of M&A activity, with private equity and trade buyers alike attracted to the low valuations on offer, but sentiment was dampened by significant tax rises in Labour's first Budget and an increasing perception that UK economic growth was likely to slow in the short term. Rising bond yields were another trend to highlight as this increases borrowing costs for governments at a time when many are already running sizeable fiscal deficits.

The market value of the investments stood at £5,662,860 as at the 31st December 2024. Income generated during the year grew to £226,847 which equates to a closing yield of 4.0%. The total return (including income) from the portfolio during the year was 4.8%, which compares with figures of 9.0% and 10.7% for the MSCI PIMFA Income and MSCI PIMFA Balanced Indices respectively. Low portfolio exposure to the US has been a headwind during the period again, accentuated by the impact of rising bond yields on certain sectors with more of an income profile and on alternative asset funds. The breakdown of the portfolio (25% Fixed Interest, 26% UK Equities, 21% Overseas Equities, 4% Cash, 24% Alternative Assets) is deemed appropriate in view of the investment objectives and the level of income was in line with expectations.

Financial review

The Statement of Financial Activities on page 11 shows a net outgoing negative movement of funds of £24,973 (2023 net outgoing movement: £276,098). Also, a net gain on investment assets of £87,412 (2023 net loss: £139,043), and without these overall net losses, the charity had net outgoing resources of £112,386 (2023: £137,055).

Reserves Policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately a year's expenditure. In the event of a significant drop in the income, the free reserves are like a standby or working capital to help the charity to continue its activities.

Investment policy

The charity revised their Investment Policy, thanks to the investment manager and Charles Stanley.

The charity has an Investment Policy which was approved by the Trustees on 19th June 2024. Reflecting on our role as Trustees, we believe that this policy must reflect the social and Gospel values of the Catholic Church, both in the way we invest our money and in the way that it is used to enhance the quality of life for all people, spiritually and in their daily lives.

In view of this, no investment should be held in any company failing to evidence significant positive criteria set out within this policy.

The Trustees will work closely with their nominated investment fund manager who will monitor the portfolio in respect of the ethical guidelines, notify the Trustees of any significant developments and provide a full update at the annual meetings.

Future Plans

The future plans for the Charity involve carrying on the good work they are doing in the communities that they currently serve.

Audits and Independent examinations

The independently examined accounts and the report of activities for the year 2023 were successfully submitted to the Charity Commission, thanks to the team at Richard Place Dobson.

DHM Trust accounts submission to Egaraset from 2021 onwards

On 4 July 2022, a zoom meeting was held among the following members with regard to entry of Trust accounts in the Egaraset accounting system of Paris. General House team, Egaraset team and some members of the Trust. It was decided that from the accounting year 2021, the Walsh O'Brien Harnett of Ireland will submit the Annual Accounts in full details to the Provincial who will then forward them to the General Bursar in Paris. Another decision was that both the Auditors will use the format given by the Trustee to submit the Annual Accounts to Egaraset.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Diminishing Cash Flow

Discussions took place in June 2024 on the financial position and the cash flow during the Trust Meeting. Due to the reduced flow of funds during the financial year 2024 and the care related expenses, the Trustees decided to meet again on the 13th of September 2024, along with Darren Harding, Dhiren Patel and Alex Davis to analyse the projection of the flow of funds for the next 5 years. Minutes of that meeting is enclosed separately.

Based on the discussion held at that meeting, the following activities were undertaken:

As continuing of the care support for the DHM sisters is very important, some replenishment of the Province from the Reserve funds took place. It would be necessary in future to replenish the Reserve funds by taking some from the Investments. So far, no funds were transferred to the Reserve fund from the Investments.

It was decided in the September meeting that every year a review must be done on the flow of cash with the help of the auditors and investors. This would help us to planning for our future needs. This has to be done.

Some charity took place during the financial year 2024.

Support of £15,000 to Dr Sabir Michael, an asylum seeker (Pakistani) in the USA, was given (through a bank transfer on 10th June 2024), and through the Parish of Blessed Sacrament, Social Concerns, at Albany, New York. This money was given in aid of Dr Sabir and his family's residential costs, legal fees, and other travel/ sundries expenses towards the asylum-seeking action. The Parish Priest Fr Daniel Quinn and his Secretary Barbara Collen were regularly in touch with the Trust, informing about the progress of the Legal Case. Dr Sabir Michael and his family have been given the 'Alien and Social Security' numbers and now they are working on their legal status as 'Alien Resident'. Their lawyer is hopeful that they will obtain this soon. The family is now housed in a stable residential place and children are enrolled in school. The Trustees were given the update of the case and they approved that the balance money of \$3032 could be used by the Blessed Sacrament Parish for any other expenses of the Family in future.

No other charity contribution took place during this year as the Trustees decided to withhold from distribution of funds as charity during the year 2024.

Investment of the Reserve Fund for a shorter duration

In September-October 2024, Gloria Beg, with the help of Darren Harding, explored to invest £100,000 of the Reserve funds to earn some interest in the same NatWest Bank, for one year. This was finally achieved in November. With 95 days of notice this money could be withdrawn from the deposit, if this fund is necessary for any immediate need of the Trust. Even though the interest rate fluctuates, this amount invested is currently earning a low interest of around £287.61 every month.

Activities of the Communities

The two communities in Wimbledon and in Kirkby continued their regular activities of reaching out to the needy people around their residences and Parishes. The activities such as teaching English language to women rescued from trafficking, volunteering at the refugee centre in Wapping, London, serving the patients in the hospital fulfilling their material and spiritual needs, regular counselling and accompanying people who were distressed, organising prayer meetings and offering prayer support in the local parishes and providing other such help on a regular basis. Some of us do regular spiritual accompaniment to the needy people through London Jesuit Centre and Glasgow Jesuit Centre.

Here are some stories of cases helped by one of our DHM sisters volunteering in a shelter for the rescued trafficked women:

Hajira (name changed) was trafficked from one of the middle eastern countries. She lived in a small shed and worked for her traffickers all the time of the week without proper nourishment. She was rescued by the Police with the help of some neighbours and was brought to the shelter. She had a son who swallowed her meagre earnings and left nothing for her. Her health deteriorated. After she came to the shelter, the Police tried to find her traffickers and Hajira is currently regaining her strength and her health. She learns to speak and write English and has opened a bank account in her name. Her improvement is quick and she seems to be more confident in her capacity to stand on her own feet.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Lana (name changed) was trafficked from another east European country when she was 20 years old. She was forced into prostitution as soon as she arrived in London. She was beaten badly when she resisted. She became pregnant. She met one of her clients who helped her with a mobile phone. She then could contact her family in her country who got the Police involved. She was rescued and brought to the shelter in her 7 months pregnancy. With her cooperation the traffickers were arrested by the Police. Lana was given adequate medical care. She is now learning English language. She is in regular contact with her family. With the help of the International Justice Mission organisation, she will soon be rehabilitated in her home country.

Arrival of Mary Dominic from Paris under Minister of Religion Visa

Mary Dominic joined successfully the UK DHM mission on the 9th of May 2024. She has taken the charge of the Kirkby Community since 7th October 2024.

Safeguarding against Abuse/ DBS Check

Gloria Beg helped some of the Trustees and other DHM sisters to enrol online with the Religious Life Safeguarding Services Group to renew their DBS certificates.

Ongoing collaboration takes place with Catholic Safeguarding Service Agency and Religious Life Safeguarding Services, through subscription and by attending their meetings. The DHM involved in the mission that serves the vulnerable adults and the Elderly are well aware of this need to protect the vulnerable people from any abuse. They also regularly renew their DBS through their organisations where they work as an employee or as a volunteer.

DHM Province website is now up to date with the respective Policies for Data Privacy and Safeguarding. They will be reviewed every year by the Trustees.

DHM Archives

Mr Paul Shaw and Ms Margaret Williams from the UK Catholic Archives Society visited the DHM Archives in England on 12th July 2024 and gave their visit Report. This Report was submitted to the General Superior for her review. The Report suggested some ways and means of organising the documents and artifacts in the Archives and gave some website references to order materials for storing. (Report of their visit attached)

With the help of a local volunteer in the Parish (Ms Magdalene Rabalska) Mary Alphonse started the reorganisation of the Archives according to the Model List provided by the General Superior Martine Mary during her visit in March 2024. The work is progressing slowly, but steadily. The names and content of the materials are being entered on Word. We are hoping for a rapid progress in this work later during this year.

Conclusion

We are thankful to God and to all our benefactors for their timely help and care. May God bless each one of them with peace and happiness.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees are aware of the risks the charity may face and have established procedures to mitigate known risks where possible. Due to recent decline of the income from investments, and also based on a risk analysis which was done in 2023, and the increase in the care cost, the charity became restricted in its spending for the year 2024. However, the trustees are confident that the charity will continue to undertake its operations and fulfil all its financial liabilities and charity obligations.

It was noted that adequate insurance must be ensured for our property and taken consistently on a yearly basis. Our Investments are managed by Charles Stanley FCA registered investment fund so as to achieve the best financial outcome.

GDPR Policy

The Trustees continue to work and ensure compliance with GDPR, which came into effect in August 2022.

Registration of Safeguarding Services in UK

The 10 DHM sisters of England have been registered with Religious Life Safeguarding Services (RLSS) and with Catholic Safeguarding Services Agency (CSSA) for England and Wales by paying £200 annually. Henceforth, the DHM sisters their Reunions will be governed by the safeguarding policies of these organisations. This will be published in the website of the Province.

Events since the end of the year

Information relating to events since the end of the year is given in the notes to the financial statements.

Structure, governance and management

The name of the charity is Daughters of the Heart of Mary Charitable Trust. The charity was established by a charitable trust deed on 13 September 1988 and is registered with the Charity Commission under reference number 800119. The address of the principal office of the charity is 41 Murray Road, Wimbledon, London SW19 4PD.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)


FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees who served during the year and up to the date of signature of the financial statements were:

Miss E McHale
Miss G Eastwood
Miss M Brogan
Miss M Brennan
Miss M Alphonse
Miss A Boland
Miss G Beg

The power to appoint new trustees rests with the Provincial Superior.

The trustees' report was approved by the Board of Trustees.


Miss M Brogan
Provincial Superior
Dated: 7-10-2025

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

Opinion

We have audited the financial statements of Daughters of The Heart of Mary Charitable Trust (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. 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 charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud, the audit engagement team made enquiries of management, and those charged with governance, regarding the procedures relating to identifying, evaluating and complying with;

1. laws and regulations and whether they were aware of any instances of non-compliance;
2. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
3. the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, General Data Protection Regulations, Charities Act 2011, Charities Statement of Recommended Practice and employment law and regulations. We performed audit procedures to detect non-compliance, which may have a material impact on the financial statements. These included reviewing financial statement disclosures and evaluating advice received from external advisors. There were no significant laws and regulations we deemed as having an indirect impact on the financial statements.

1. Revenue recognition - we performed substantive and cut off testing procedures to confirm completeness of income.
2. Management override of controls - we reviewed large journals to discover any evidence of management override

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Place Dobson Services Limited

.....27/10/2025.....

**Chartered Accountants
Statutory Auditor**

Ground Floor
1 - 7 Station Road
Crawley
West Sussex
RH10 1HT

Richard Place Dobson is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

Current financial year		Unrestricted funds general 2024 £	Unrestricted funds Designated 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
	Notes					
Income and endowments from:						
Donations and legacies	3	297	-	-	297	1,475
Charitable activities	4	14,995	-	-	14,995	8,665
Investments	5	231,917	-	-	231,917	214,827
Other income	6	4,219	-	-	4,219	6,271
Total income		<u>251,428</u>	<u>-</u>	<u>-</u>	<u>251,428</u>	<u>231,238</u>
Expenditure on:						
Raising funds	7	51,344	-	-	51,344	50,714
Charitable activities	8	228,825	75,307	8,338	312,470	317,580
Total expenditure		<u>280,169</u>	<u>75,307</u>	<u>8,338</u>	<u>363,814</u>	<u>368,294</u>
Net gains/(losses) on investments	13	<u>87,413</u>	<u>-</u>	<u>-</u>	<u>87,413</u>	<u>(139,043)</u>
Net income/(expenditure)		<u>58,672</u>	<u>(75,307)</u>	<u>(8,338)</u>	<u>(24,973)</u>	<u>(276,099)</u>
Transfers between funds		<u>3,469</u>	<u>(3,469)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds	10	<u>62,141</u>	<u>(78,776)</u>	<u>(8,338)</u>	<u>(24,973)</u>	<u>(276,099)</u>
Reconciliation of funds:						
Fund balances at 1 January 2024		<u>178,896</u>	<u>9,188,910</u>	<u>8,338</u>	<u>9,376,144</u>	<u>9,652,243</u>
Fund balances at 31 December 2024		<u>241,037</u>	<u>9,110,134</u>	<u>-</u>	<u>9,351,171</u>	<u>9,376,144</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

Prior financial year		Unrestricted funds general 2023 £	Unrestricted funds Designated 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes				
Income and endowments from:					
Donations and legacies	3	1,475	-	-	1,475
Charitable activities	4	8,665	-	-	8,665
Investments	5	214,827	-	-	214,827
Other income	6	6,271	-	-	6,271
Total income		<u>231,238</u>	<u>-</u>	<u>-</u>	<u>231,238</u>
Expenditure on:					
Raising funds	7	50,714	-	-	50,714
Charitable activities	8	261,686	55,894	-	317,580
Total expenditure		<u>312,400</u>	<u>55,894</u>	<u>-</u>	<u>368,294</u>
Net gains/(losses) on investments	13	<u>(139,043)</u>	<u>-</u>	<u>-</u>	<u>(139,043)</u>
Net income		<u>(220,205)</u>	<u>(55,894)</u>	<u>-</u>	<u>(276,099)</u>
Transfers between funds		<u>314,069</u>	<u>(314,069)</u>	<u>-</u>	<u>-</u>
Net movement in funds	10	<u>93,864</u>	<u>(369,963)</u>	<u>-</u>	<u>(276,099)</u>
Reconciliation of funds:					
Fund balances at 1 January 2023		<u>85,032</u>	<u>9,558,873</u>	<u>8,338</u>	<u>9,652,243</u>
Fund balances at 31 December 2023		<u>178,896</u>	<u>9,188,910</u>	<u>8,338</u>	<u>9,376,144</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	15		3,291,713		3,338,960
Investments	16		5,450,357		5,420,318
			<u>8,742,070</u>		<u>8,759,278</u>
Current assets					
Debtors	17	17,231		13,761	
Cash at bank and in hand		616,491		626,350	
		<u>633,722</u>		<u>640,111</u>	
Creditors: amounts falling due within one year	18	(24,621)		(23,245)	
Net current assets			<u>609,101</u>		<u>616,866</u>
Total assets less current liabilities			<u>9,351,171</u>		<u>9,376,144</u>
The funds of the charity					
Restricted income funds	20		-		8,338
Unrestricted funds - general			241,037		178,896
Unrestricted funds - Designated	21		9,110,134		9,188,910
			<u>9,351,171</u>		<u>9,376,144</u>

The financial statements were approved by the trustees on 7-10-2025

Mary Brogan
Miss M Brogan
Provincial Superior

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

Daughters of The Heart of Mary Charitable Trust is a charity that promotes charitable work for the time being carried on.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. 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 measured with a degree of reasonable accuracy and the title to the asset has been transferred to the charity.

Investment income which includes dividends received, other listed investment income and interest receivable is included in the statement of financial activities in the year in which it is receivable.

Charitable activities income includes members' board income and royalties and is included in the statement of financial activities in the year to which it relates.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Costs of raising funds includes investment manager fees.

Charitable activities relate to the cost of serving the community and supporting trustee approved projects.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £250 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold Property	2% on cost
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	20% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Basic financial liabilities

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

1.9 Taxation

As a charity, the Trust is not subject to corporation tax or any other taxes on income and gains arising from its charitable objectives.

1.10 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	297	1,475

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

3 Income from donations and legacies (Continued)

4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Religious services provision	14,995	8,665

5 Investments

	general 2024 £	general 2023 £
Investment Income	226,852	210,397
Deposit account interest	5,065	4,430
	<u>231,917</u>	<u>214,827</u>

6 Other income

	general 2024 £	general 2023 £
Royalties	126	132
Other income	4,093	6,139
	<u>4,219</u>	<u>6,271</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

7 Raising funds

	general 2024 £	general 2023 £
<u>Investment management</u>	51,344	50,714
	<u>51,344</u>	<u>50,714</u>

8 Expenditure on charitable activities

	Direct charitable expenditure 2024 £	Direct charitable expenditure 2023 £
Direct costs		
Staff costs	40,903	41,198
Depreciation and impairment	47,337	47,853
Religious Services Provision	133,756	99,154
Payments to mission	26,093	87,840
Maintenance	29,174	9,761
	<u>277,263</u>	<u>285,806</u>
Share of support and governance costs (see note 9)		
Governance	35,207	31,774
	<u>312,470</u>	<u>317,580</u>
Analysis by fund		
Unrestricted funds - general	228,825	261,686
Unrestricted funds - Designated	75,307	55,894
Restricted funds	8,338	-
	<u>312,470</u>	<u>317,580</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

9 Support costs

	Support costs	Governance costs	2024	2023
	£	£	£	£
Accountancy and audit/independent examination	-	17,950	17,950	16,922
Legal and professional	-	16,895	16,895	14,536
Bank Charges	-	362	362	316
	<u>-</u>	<u>35,207</u>	<u>35,207</u>	<u>31,774</u>
Analysed between				
Charitable activities	-	35,207	35,207	31,774
	<u>-</u>	<u>35,207</u>	<u>35,207</u>	<u>31,774</u>

10 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	47,337	47,853
	<u>47,337</u>	<u>47,853</u>

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

The trustees are also members of the congregation. Some members are maintained by the charity and the cost of the premises, meals and other living expenses in respect of such members is paid either to them or on their behalf by the charity.

12 Employees

Employment costs	2024	2023
	£	£
Wages and salaries	37,859	38,409
Other pension costs	3,044	2,789
	<u>40,903</u>	<u>41,198</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

13 Gains and losses on investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Gains/(losses) arising on:		
Revaluation of investments	38,997	(157,374)
Sale of investments	48,416	18,331
	<u>87,413</u>	<u>(139,043)</u>

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

15 Tangible fixed assets

	Freehold Property £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2024	3,839,975	145,061	13,893	3,998,929
At 31 December 2024	<u>3,839,975</u>	<u>145,061</u>	<u>13,893</u>	<u>3,998,929</u>
Depreciation and impairment				
At 1 January 2024	508,949	137,037	13,893	659,879
Depreciation charged in the year	46,133	1,204	-	47,337
At 31 December 2024	<u>555,082</u>	<u>138,241</u>	<u>13,893</u>	<u>707,216</u>
Carrying amount				
At 31 December 2024	<u>3,284,893</u>	<u>6,820</u>	<u>-</u>	<u>3,291,713</u>
At 31 December 2023	<u>3,330,936</u>	<u>8,024</u>	<u>-</u>	<u>3,338,960</u>

16 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2024 & 31 December 2024	<u>5,420,318</u>
Carrying amount	
At 31 December 2024	<u>5,420,318</u>
At 31 December 2023	<u>5,420,318</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

16 Fixed asset investments (Continued)

Historical cost:
2024: £4,306,922
2023: £4,322,540

There were no investments held at the year end which were valued over 5% of the total portfolio market value. Revaluation reserves of £1,143,435 (2023: 1,097,778) are included within the designated funds.

17 Debtors

	2024	2023
Amounts falling due within one year:	£	£
Other debtors	6,302	2,827
Prepayments and accrued income	10,929	10,934
	17,231	13,761
	17,231	13,761

18 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other creditors	24,621	23,245
	24,621	23,245

19 Retirement benefit schemes

	2024	2023
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	3,044	2,789
	3,044	2,789

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2024	Resources expended	At 31 December 2024
	£	£	£
Mission fund	8,338	(8,338)	-
	8,338	(8,338)	-
Previous year:	At 1 January 2023	Resources expended	At 31 December 2023
	£	£	£
	8,338	-	8,338
	8,338	-	8,338

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

20 Restricted funds (Continued)

The income to the Missions restricted fund is received in the form of donations from sources outside the charity for the purpose of donating money to mission work.

21 Unrestricted funds - Designated

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

	At 1 January 2024 £	Resources expended £	Transfers £	At 31 December 2024 £
Maintenance fund	5,420,899	(29,174)	-	5,391,725
Property fund	3,330,936	(46,133)	-	3,284,803
Provincial fund	351,152	-	(3,469)	347,683
Communities fund	15,923	-	-	15,923
Special projects fund	20,000	-	-	20,000
Property maintenance fund	50,000	-	-	50,000
	<u>9,188,910</u>	<u>(75,307)</u>	<u>(3,469)</u>	<u>9,110,134</u>

Previous year:	At 1 January 2023 £	Resources expended £	Transfers £	At 31 December 2023 £
Maintenance fund	5,547,660	(9,761)	(117,000)	5,420,899
Property fund	3,377,069	(46,133)	-	3,330,936
Provincial fund	448,221	-	(97,069)	351,152
Communities fund	15,923	-	-	15,923
Special projects fund	120,000	-	(100,000)	20,000
Property maintenance fund	50,000	-	-	50,000
	<u>9,558,873</u>	<u>(55,894)</u>	<u>(314,069)</u>	<u>9,188,910</u>

The Maintenance fund is held to provide for the maintenance of members as they grow older and invested to maximise the return on the charity's assets. Included within the maintenance fund is unrealised gains on investments of £1,143,435 (2023 - £1,097,778).

The Property fund represents the funds necessarily set aside for the charity's occupation of the land and buildings. The movement in the year represents the depreciation charge.

The Provincial fund is set aside by the trustees for the financial needs of the Provincial.

The Community fund is set aside for the needs of the individual houses.

The Special Projects funds represents monies set aside for assistance that the Trustees intend to make to projects.

The Property Maintenance fund is set aside for the repairs and maintenance of the Charities Properties.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

22 Analysis of net assets between funds

	Unrestricted funds 2024 £	Designated funds 2024 £	Restricted funds 2024 £	Total 2024 £
Fund balances at 31 December 2024 are represented by:				
Tangible assets	6,820	3,284,893	-	3,291,713
Investments	-	5,450,357	-	5,450,357
Current assets/(liabilities)	225,879	374,884	8,338	609,101
	<u>232,699</u>	<u>9,110,134</u>	<u>8,338</u>	<u>9,351,171</u>

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 December 2023 are represented by:				
Tangible assets	8,024	3,330,936	-	3,338,960
Investments	(127,342)	5,547,660	-	5,420,318
Current assets/(liabilities)	35,081	573,447	8,338	616,866
	<u>(84,237)</u>	<u>9,452,043</u>	<u>8,338</u>	<u>9,376,144</u>

23 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

England & Wales - Charity number 800119

Accounts

Charity registration number 800119

**DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Miss E McHale Miss G Eastwood Miss M Brogan Miss M Brennan Miss M Alphonse Miss A Boland Miss G Beg
Charity number	800119
Principal address	41 Murray Road Wimbledon London SW19 4PD
Independent examiner	Richard Place Dobson Services Limited Ground Floor 1 - 7 Station Road Crawley West Sussex RH10 1HT
Bankers	National Westminster Bank plc 98 High Street Wimbledon London SW19 5ZH
Solicitors	Pothecary Witham Weld 70 St George's Square London SW1V 3RD
Investment advisors	Charles Stanley & Company Limited 55 Bishopsgate London EC2N 3AS

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

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DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The object of the Trust, as stated in the Trust deed, page 2, paragraph 3 is:

(a) "to promote the charitable work for the time being carried on, promoted or supported by the Daughters of the Heart of Mary".

(b) To relieve the material or spiritual suffering of others "through their efforts for human development, through educational, cultural and social activities which contribute to the changing of mentalities and attitudes...participating in solidarity with mankind". (Constitutions - Daughters of the Heart of Mary - Chapter V)

(c) Main Strategies - To encourage and support the varied activities of individual Daughters of the Heart of Mary and the organisations with which they co-operate and to support the worldwide charitable work of the Society through:

- i) grants in aid of these works;
- ii) enabling Daughters of the Heart of Mary from other Provinces to pursue their qualifications and skills in these works in their own countries;
- iii) providing accommodation for DHM students and financing their formation/further education here when courses are not available in their own country. We have news from our sisters/students who completed the courses and hear how their periods of study have helped them since their return to their homeland.

Public benefit

The charities trustees have referred to the guidance in the Charity Commissions general guidance on Public Benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, they have considered how planned activities will contribute to the aims and objectives they have set.

Background

In 1790 at the time that the Constitutional Assembly decreed the suppression of religious orders in France, Peter Joseph de Cloriviere received the inspiration of a new form of religious life that would be possible in any circumstances. Together with Marie Adelaide de Cice (who saw her project in his inspiration) he organised the first members, whom he called Daughters of the Heart of Mary, into a religious society.

This Society came to England in 1846 and this was the first foundation outside France. The Provincial house is situated at 41 Murray Road which also serves as the Wimbledon community house.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

This religious Society came to England in 1846 and this was the first foundation outside France. Daughters of the Heart of Mary continue to serve the needs of many through charitable activities and support the disadvantaged members of society.

On the 31st March 2009 the status of the England/Ireland Province was changed to that of a Region. The Regional house is situated at 41 Murray Road which also serves as the Wimbledon community house.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

Charitable activities

The year 2023 was marked by the General Chapter of the Congregation. The mission orientations galvanise the Sisters to prioritise their options to reaching out to the needy, most vulnerable and distressed. Accordingly, the focus of the Trust got strengthened further to reach out to the marginalised groups with certain priorities, such as homeless people, welfare of the families and children, support in building religious harmony, support to youth, peace building, collaboration with the other like-minded organisations for sustainable development in countries like Africa and Bangladesh, like food security, water access, and access to health services and rebuilding of life in war affected country Ukraine. Awareness of the Climate change disasters, adoption of a simple lifestyle, protection and conservation of bio-environment have also become part of the agenda in their list of options.

In particular,

- The sisters at Kirkby continue to work closely with their Parish with regard to family support, reaching out to the sick and the housebound, spiritual and material care of the patients in the hospitals, eco-friendly lifestyle and finding necessary help for the homeless and other needy immigrants living in their areas.
- The sisters at Wimbledon continue to reaching out to the vulnerable women rescued from trafficking, getting themselves involved in spiritual and moral education in collaboration with Jesuit Spirituality Centres in London and Glasgow, Jesuit Refugee Service Centre and Marist Refugee Centre in London, caring for parents with children in difficult situations in the neighbouring areas of St Alban, and supporting local Parish in its charitable activities.

We sincerely thank God for all the blessings upon us and on all our Trust activities for the poor and the marginalised. We also ask His grace to help us with His courage and strength, to continue to serve the poor and the needy.

Financial Support given

- On the 8th February, **£10,000** was given to **Embrace the Middle East** in support of earthquake victims in Syria and Turkey. The decision was taken online through email circulation.

- On the 13th of July, following organisations were given donations:

Jesuit Refugee Services UK - £20,000 - To establish a Shelter for the Refugees in Brixton. This decision was made through the circular email sent to Trustees after the Trust Meeting on 29th June, as the request came a few days after the meeting. Now the shelter has been inaugurated, and it can house at least 10 refugees.

Aid to the Churches in Need - £5,000 - To extend help to churches in Syria and Lebanon, which are in the process of rebuilding.

UNHCR UK - £5,000 – To build shelters for the homeless in Ukraine, who are affected by the continuing war situation.

SPICMA - £10,000 – For the food security of school children in Africa, especially in Kenya and Ethiopia.

Archbishop of Southwark diocese - £2,000 – in support of the diocese's effort to shelter a homeless family in one of the parishes of the diocese.

Marriage Care - £1,000 – in support of Marriage Counselling services rendered in Parishes in London. Currently a room in the premises of the Wimbledon house is also given for the use of couple counselling sessions.

Sacred Heart Parish, Wimbledon, £3000 – towards the financial needs of the Church and its outreach activities and to meet deficit of the Church expenses.

- 19th October 2023:

L'Arche, UK – £5,000 – In support of the care of the disabled in the UK centres.

CAFOD UK, - £20,000 – In support of climate change programmes in Bangladesh.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Safeguarding Training

Some of the Trustees underwent safeguarding training given by Religious Life Safeguarding Service (RLSS) during the year 2023.

Mary Alphonse: Basic Safeguarding Training, on 22nd March 2023

Trustees: Trustees Safeguarding Training, 4th May 2023 (all Trustees attended this training and each one received the certificate of RLSS.

Mary Alphonse: Safeguarding training for Leaders, 4th April 2023

Gloria Beg: Safeguard Lead Training, sometime in March 2023

Investment performance

Despite a higher interest rate environment the US economy was surprisingly resilient over the course of the year, buoyed by significant government spending programmes. A short period of market volatility in the first quarter linked to a regional banking crisis was swiftly forgotten as the emerging theme of generative artificial intelligence started to dominate the investment landscape. The large-cap technology companies were the main beneficiaries and delivered out-sized returns which in turn pushed US indices higher. Other global economies and markets were more sluggish, particularly China which experienced a sharp contraction in the property sector, but indices enjoyed a rally heading into the year end as sentiment became more positive. The improvement was prompted by indications that inflation was falling sharply and that monetary policy was therefore having the desired effect. This led to a shift in tone from the Federal Reserve and the expectation that interest rates would start to fall sooner in 2024 than had formerly been anticipated.

The market value of the investments stood at £5,626,300 as at the 31st December 2023. Income generated during the year came to £210,390 which equates to a closing yield of 3.7%. The total return (including income) from the portfolio during the year was 0.6%, which compares with figures of 9.1% and 10.1% for the MSCI PIMFA Income and MSCI PIMFA Balanced Indices respectively. The disappointing relative performance is linked to the low US exposure, discount-widening across the investment trust holdings and poor returns from sectors such as consumer goods and pharmaceuticals. The breakdown of the portfolio (23% Fixed Interest, 27% UK Equities, 19% Overseas Equities, 4% Cash, 27% Alternative Assets) is deemed appropriate in view of the investment objectives and the level of income is satisfactory.

Financial review

The Statement of Financial Activities on page 11 shows a net outgoing movement of funds of £276,098 (2022 net outgoing movement: £723,568). Also, a net loss on investment assets of £139,043 (2022 net loss: £490,459), and without these overall net losses, the charity had net outgoing resources of £137,055 (2022: £233,109).

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Reserves Policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately a year's expenditure. In the event of a significant drop in the income, the free reserves are like a standby or working capital to help the charity to continue its activities. However, this was lower during the 2022 year given the uncertainty following the pandemic, but the charity aim to get the funds back to a level that is in line with policy stated above.

Investment policy

The charity divested from fossil fuels from 6 September 2021 onwards and accordingly they have revised their Investment Policy, thanks to the investment manager and Charles Stanley.

The charity has an Investment Policy which was approved by the Trustees on 25th August 2022. Reflecting on our role as Trustees, we believe that this policy must reflect the social and Gospel values of the Catholic Church, both in the way we invest our money and in the way that it is used to enhance the quality of life for all people, spiritually and in their daily lives.

In view of this, no investment should be held in any company failing to evidence significant positive criteria set out within this policy.

The Trustees will work closely with their nominated investment fund manager who will monitor the portfolio in respect of the ethical guidelines, notify the Trustees of any significant developments and provide a full update at the annual meetings.

Future Plans

The future plans for the Charity involve carrying on the good work they are doing in the communities that they currently serve.

Audits and Independent examinations

The independently examined accounts and the report of activities for the year 2021 were successfully submitted to the Charity Commission on 31 October 2022, thanks to the team at Richard Place Dobson.

DHM Trust accounts submission to Egaraset from 2021 onwards

On 4 July 2022, a zoom meeting was held among the following members with regard to entry of Trust accounts in the Egaraset accounting system of Paris. General House team, Egaraset team and some members of the Trust. It was decided that from the accounting year 2021, the Ronan of Ireland will submit the Annual Accounts in full details to the Provincial who will then forward them to the General Bursar in park. Another decision was that both the Auditors will use the format given by the Trustee to submit the Annual Accounts to Egaraset.

Obtaining Irish Visa

In September 2021, with the verbal agreement of the trustees, Miss M Alphonse received £20,000 into her float account in HSBC, from the Province Accounts for the purpose of obtaining one year Irish visa for her travel needs to Dublin. It was a requirement to show adequate funds in her Float account of the bank which then was submitted for the visa purpose.

Activities of the Common Houses in Wimbledon and Kirkby

- The heating system of the Community House in Kirkby was refurbished.

- Several small repair works were undertaken for the Community House at Wimbledon. This seems to be on increase as the house is getting older.

- Severe Covid restrictions continued this year too which affected the charitable activities. However, activities such as Retreat Guidance, telephonic counselling, urgent services to the needy elderly, handicapped, house-bound, and immigrants were undertaken for the year 2022 in Kirkby, Blackpool and in London. Spiritual support was given over the phone by some members to the housebound.

- Towards the end of the year, in October, the Province was happy to receive the visit of the General Superior and her Council to London and Kirkby. Their presence and encouragement was very much appreciated by everyone.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees are aware of the risks the charity may face and have established procedures to mitigate known risks where possible. Covid-19 has already had an impact on operations and investments. However, the trustees are confident that the charity will continue to undertake its operations and fulfil all its financial liabilities and charity obligations.

It was noted that adequate insurance must be ensured for our property and taken consistently on a yearly basis. Our Investments are managed by Charles Stanley FCA registered investment fund so as to achieve the best financial outcome.

The Trustees continue to work to ensure compliance with GDPR which came into effect in August 2022.

GDPR Policy

The GDPR Policy has been drafted this year. Miss M Brennan, a trustee reworked the GDPR policy and prepared draft Privacy Policy according to the requirements of Charitable Trust needs in Ireland. This was then referred to an expert for the Jesuit congregation in the UK. Based on recommendations a draft has been prepared for the DHM Charitable Trust in the UK. It needs to be approved by the Trustees.

Registration of Safeguarding Services in UK

The 10 DHM sisters of England have been registered with Religious Life Safeguarding Services (RLSS) and with Catholic Safeguarding Services Agency (CSSA) for England and Wales for the year 2022 by paying £200 for each one. Henceforth, the DHM sisters their Reunions will be governed by the safeguarding policies of these organisations. This will be published in the website of the Province.

Events since the end of the year

Information relating to events since the end of the year is given in the notes to the financial statements.

Structure, governance and management

The name of the charity is Daughters of the Heart of Mary Charitable Trust. The charity was established by a charitable trust deed on 13 September 1988 and is registered with the Charity Commission under reference number 800119. The address of the principal office of the charity is 41 Murray Road, Wimbledon, London SW19 4PD.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

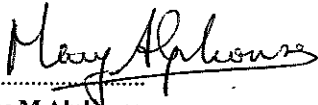
FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees who served during the year and up to the date of signature of the financial statements were:

Miss E McHale
Miss G Eastwood
Miss M Brogan
Miss M Brennan
Miss M Alphonse
Miss A Boland
Miss G Beg

The power to appoint new trustees rests with the Provincial Superior.

The trustees' report was approved by the Board of Trustees.



Miss M Alphonse

Provincial Superior

Dated: ...18/10/24...

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

I report to the trustees on my examination of the financial statements of Daughters of The Heart of Mary Charitable Trust (the charity) for the year ended 31 December 2023.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

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

Independent examiner's statement

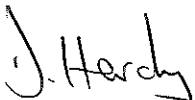
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Darren Harding ACA, FCCA, DChA

Richard Place Dobson

Ground Floor

1 - 7 Station Road

Crawley

West Sussex

RH10 1HT

Dated: ...18/10/24

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Current financial year		Unrestricted funds general 2023 £	Unrestricted funds Designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
Income and endowments from:						
Donations and legacies	3	1,475	-	-	1,475	54,712
Charitable activities	4	8,665	-	-	8,665	11,850
Investments	5	214,827	-	-	214,827	205,909
Other income	6	6,271	-	-	6,271	103
Total income		<u>231,238</u>	<u>-</u>	<u>-</u>	<u>231,238</u>	<u>272,574</u>
Expenditure on:						
Raising funds	7	50,714	-	-	50,714	54,812
Charitable activities	8	261,686	55,894	-	317,580	450,871
Total expenditure		<u>312,400</u>	<u>55,894</u>	<u>-</u>	<u>368,294</u>	<u>505,683</u>
Net gains/(losses) on investments	13	<u>(139,043)</u>	<u>-</u>	<u>-</u>	<u>(139,043)</u>	<u>(490,459)</u>
Net expenditure		<u>(220,205)</u>	<u>(55,894)</u>	<u>-</u>	<u>(276,099)</u>	<u>(723,568)</u>
Transfers between funds		<u>314,069</u>	<u>(314,069)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds	10	<u>93,864</u>	<u>(369,963)</u>	<u>-</u>	<u>(276,099)</u>	<u>(723,568)</u>
Reconciliation of funds:						
Fund balances at 1 January 2023		<u>85,032</u>	<u>9,558,873</u>	<u>8,338</u>	<u>9,652,243</u>	<u>10,375,811</u>
Fund balances at 31 December 2023		<u>178,896</u>	<u>9,188,910</u>	<u>8,338</u>	<u>9,376,144</u>	<u>9,652,243</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Prior financial year		Unrestricted funds general 2022 £	Unrestricted funds Designated 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes				
Income and endowments from:					
Donations and legacies	3	54,712	-	-	54,712
Charitable activities	4	11,850	-	-	11,850
Investments	5	205,909	-	-	205,909
Other income	6	103	-	-	103
Total income		<u>272,574</u>	<u>-</u>	<u>-</u>	<u>272,574</u>
Expenditure on:					
Raising funds	7	54,812	-	-	54,812
Charitable activities	8	254,807	196,064	-	450,871
Total expenditure		<u>309,619</u>	<u>196,064</u>	<u>-</u>	<u>505,683</u>
Net gains/(losses) on investments	13	<u>(490,459)</u>	<u>-</u>	<u>-</u>	<u>(490,459)</u>
Net income		<u>(527,504)</u>	<u>(196,064)</u>	<u>-</u>	<u>(723,568)</u>
Transfers between funds		<u>518,071</u>	<u>(518,071)</u>	<u>-</u>	<u>-</u>
Net movement in funds	10	<u>(9,433)</u>	<u>(714,135)</u>	<u>-</u>	<u>(723,568)</u>
Reconciliation of funds:					
Fund balances at 1 January 2022		<u>94,465</u>	<u>10,273,008</u>	<u>8,338</u>	<u>10,375,811</u>
Fund balances at 31 December 2022		<u>85,032</u>	<u>9,558,873</u>	<u>8,338</u>	<u>9,652,243</u>

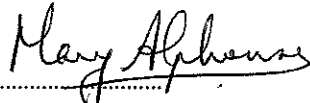
DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	15		3,338,960		3,386,813
Investments	16		5,420,318		5,547,660
			<u>8,759,278</u>		<u>8,934,473</u>
Current assets					
Debtors	17	13,761		9,319	
Cash at bank and in hand		626,350		732,161	
			<u>640,111</u>		<u>741,480</u>
Creditors: amounts falling due within one year	18	(23,245)		(23,710)	
Net current assets			<u>616,866</u>		<u>717,770</u>
Total assets less current liabilities			<u>9,376,144</u>		<u>9,652,243</u>
Net assets excluding pension liability			<u>9,376,144</u>		<u>9,652,243</u>
The funds of the charity					
Restricted income funds	20		8,338		8,338
Unrestricted funds - general			178,896		85,032
Unrestricted funds - Designated	21		9,188,910		9,558,873
			<u>9,376,144</u>		<u>9,652,243</u>

The financial statements were approved by the trustees on ...18/10/24



 Miss M Alphonse
 Provincial Superior

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Daughters of The Heart of Mary Charitable Trust is a charity that promotes charitable work for the time being carried on.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. 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 measured with a degree of reasonable accuracy and the title to the asset has been transferred to the charity.

Investment income which includes dividends received, other listed investment income and interest receivable is included in the statement of financial activities in the year in which it is receivable.

Charitable activities income includes members' board income and royalties and is included in the statement of financial activities in the year to which it relates.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Costs of raising funds includes investment manager fees.

Charitable activities relate to the cost of serving the community and supporting trustee approved projects.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £250 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold Property	2% on cost
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	20% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Basic financial liabilities

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

1.9 Taxation

As a charity, the Trust is not subject to corporation tax or any other taxes on income and gains arising from its charitable objectives.

1.10 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2 Critical accounting estimates and judgements

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

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

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	1,475	2,180
Legacies receivable	-	52,532
	<u>1,475</u>	<u>54,712</u>

4 Income from charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Religious services provision		
Religious services provision	8,665	11,850
	<u>8,665</u>	<u>11,850</u>

5 Investments

	general 2023 £	general 2022 £
Investment Income	210,397	205,091
Deposit account interest	4,430	818
	<u>214,827</u>	<u>205,909</u>

6 Other income

	general 2023 £	general 2022 £
Royalties	132	103
Other income	6,139	-
	<u>6,271</u>	<u>103</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 Raising funds

	general 2023 £	general 2022 £
<u>Investment management</u>	50,714	54,812
	<u>50,714</u>	<u>54,812</u>

8 Expenditure on charitable activities

	Direct charitable expenditure 2023 £	Direct charitable expenditure 2022 £
Direct costs		
Staff costs	41,198	40,993
Depreciation and impairment	47,853	47,854
Religious Services Provision	99,154	96,001
Payments to mission	87,840	179,873
Maintenance	9,761	59,324
	<u>285,806</u>	<u>424,045</u>
Share of support and governance costs (see note 9)		
Governance	31,774	26,826
	<u>317,580</u>	<u>450,871</u>
Analysis by fund		
Unrestricted funds - general	261,686	254,807
Unrestricted funds - Designated	55,894	196,064
	<u>317,580</u>	<u>450,871</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

9 Support costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Accountancy and audit/independent examination	-	16,922	16,922	17,520
Legal and professional	-	14,536	14,536	9,007
Bank Charges	-	316	316	299
	-	31,774	31,774	26,826
Analysed between				
Charitable activities	-	31,774	31,774	26,826

10 Net movement in funds

	2023	2022
	£	£
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	47,853	47,854

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

The trustees are also members of the congregation. Some members are maintained by the charity and the cost of the premises, meals and other living expenses in respect of such members is paid either to them or on their behalf by the charity.

12 Employees

Employment costs	2023	2022
	£	£
Wages and salaries	38,409	38,340
Other pension costs	2,789	2,653
	41,198	40,993

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

13 Gains and losses on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gains/(losses) arising on:		
Revaluation of investments	(157,374)	(490,459)
Sale of investments	18,331	-
	<u>(139,043)</u>	<u>(490,459)</u>

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

15 Tangible fixed assets

	Freehold Property £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2023	3,839,975	145,061	13,893	3,998,929
At 31 December 2023	<u>3,839,975</u>	<u>145,061</u>	<u>13,893</u>	<u>3,998,929</u>
Depreciation and impairment				
At 1 January 2023	462,906	135,317	13,893	612,116
Depreciation charged in the year	46,133	1,720	-	47,853
At 31 December 2023	<u>509,039</u>	<u>137,037</u>	<u>13,893</u>	<u>659,969</u>
Carrying amount				
At 31 December 2023	<u>3,330,936</u>	<u>8,024</u>	<u>-</u>	<u>3,338,960</u>
At 31 December 2022	<u>3,377,069</u>	<u>9,744</u>	<u>-</u>	<u>3,386,813</u>

16 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2023 & 31 December 2023	5,547,660
Carrying amount	
At 31 December 2023	<u>5,547,660</u>
At 31 December 2022	<u>5,547,660</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

16 Fixed asset investments

(Continued)

Historical cost:
2023: £4,322,540
2022: £4,318,301

There were no investments held at the year end which were valued over 5% of the total portfolio market value. Revaluation reserves of £1,097,778 (2022: 1,229,359) are included within the designated funds.

17 Debtors

	2023	2022
Amounts falling due within one year:	£	£
Other debtors	2,827	2,556
Prepayments and accrued income	10,934	6,763
	<u>13,761</u>	<u>9,319</u>

18 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other creditors	<u>23,245</u>	<u>23,710</u>

19 Retirement benefit schemes

Defined contribution schemes	2023	2022
	£	£
Charge to profit or loss in respect of defined contribution schemes	<u>2,789</u>	<u>2,653</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023	At 31 December 2023
	£	£
	<u>8,338</u>	<u>8,338</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20 Restricted funds

(Continued)

Previous year:	At 1 January	At 31 December
	2022	2022
	£	£
Mission fund	8,338	8,338

The income to the Missions restricted fund is received in the form of donations from sources outside the charity for the purpose of donating money to mission work.

21 Unrestricted funds - Designated

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

	At 1 January 2023	Resources expended	Transfers	At 31 December 2023
	£	£	£	£
Maintenance fund	5,547,660	(9,761)	(117,000)	5,420,899
Property fund	3,377,069	(46,133)	-	3,330,936
Provincial fund	448,221	-	(97,069)	351,152
Communities fund	15,923	-	-	15,923
Special projects fund	120,000	-	(100,000)	20,000
Property maintenance fund	50,000	-	-	50,000
	<u>9,558,873</u>	<u>(55,894)</u>	<u>(314,069)</u>	<u>9,188,910</u>
Previous year:	At 1 January 2022	Resources expended	Transfers	At 31 December 2022
	£	£	£	£
Maintenance fund	6,156,775	-	(609,115)	5,547,660
Property fund	3,423,202	46,133	-	3,469,335
Provincial fund	521,427	-	(73,206)	448,221
Communities fund	1,604	-	14,319	15,923
Special Projects Fund	120,000	90,607	90,607	301,214
Property maintenance fund	50,000	59,324	59,324	168,648
	<u>10,273,008</u>	<u>(196,064)</u>	<u>(518,071)</u>	<u>9,558,873</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Unrestricted funds - Designated

(Continued)

The Maintenance fund is held to provide for the maintenance of members as they grow older and invested to maximise the return on the charity's assets. Included within the maintenance fund is unrealised gains on investments of £1,097,778. (2022 - £1,229,359).

The Property fund represents the funds necessarily set aside for the charity's occupation of the land and buildings. The movement in the year represents the depreciation charge.

The Provincial fund is set aside by the trustees for the financial needs of the Provincial.

The Community fund is set aside for the needs of the individual houses.

The Special Projects funds represents monies set aside for assistance that the Trustees intend to make to projects.

The Property Maintenance fund is set aside for the repairs and maintenance of the Charities Properties.

22 Analysis of net assets between funds

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 December 2023 are represented by:				
Tangible assets	8,024	3,330,936	-	3,338,960
Investments	(127,342)	5,547,660	-	5,420,318
Current assets/(liabilities)	35,081	573,447	8,338	616,866
	<u>(84,237)</u>	<u>9,452,043</u>	<u>8,338</u>	<u>9,376,144</u>

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 December 2022 are represented by:				
Tangible assets	9,744	3,377,069	-	3,386,813
Investments	-	5,547,660	-	5,547,660
Current assets/(liabilities)	75,288	634,144	8,338	717,770
	<u>85,032</u>	<u>9,558,873</u>	<u>8,338</u>	<u>9,652,243</u>

23 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

England & Wales - Charity number 800119

Accounts

Charity registration number 800119

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Miss E McHale Miss G Eastwood Miss M Brogan Miss M Brennan Miss M Alphonse Miss A Boland Miss G Beg	(Appointed 8 December 2022)
Charity number	800119	
Principal address	41 Murray Road Wimbledon London SW19 4PD	
Auditor	Richard Place Dobson Services Limited Ground Floor 1 - 7 Station Road Crawley West Sussex RH10 1HT	
Bankers	National Westminster Bank plc 98 High Street Wimbledon London SW19 5ZH	
Solicitors	Pothecary Witham Weld 70 St George's Square London SW1V 3RD	
Investment advisors	Charles Stanley & Company Limited 55 Bishopsgate London EC2N 3AS	

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

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DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The object of the Trust, as stated in the Trust deed, page 2, paragraph 3 is:

- (a) "to promote the charitable work for the time being carried on, promoted or supported by the Daughters of the Heart of Mary".
- (b) To relieve the material or spiritual suffering of others "through their efforts for human development, through educational, cultural and social activities which contribute to the changing of mentalities and attitudes...participating in solidarity with mankind". (Constitutions - Daughters of the Heart of Mary - Chapter V)
- (c) Main Strategies - To encourage and support the varied activities of individual Daughters of the Heart of Mary and the organisations with which they co-operate and to support the worldwide charitable work of the Society through:
 - i) grants in aid of these works;
 - ii) enabling Daughters of the Heart of Mary from other Provinces to pursue their qualifications and skills in these works in their own countries;
 - iii) providing accommodation for DHM students and financing their formation/further education here when courses are not available in their own country. We have news from our sisters/students who completed the courses and hear how their periods of study have helped them since their return to their homeland.

Public benefit

The charities trustees have referred to the guidance in the Charity Commissions general guidance on Public Benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, they have considered how planned activities will contribute to the aims and objectives they have set.

Background

In 1790 at the time that the Constitutional Assembly decreed the suppression of religious orders in France, Peter Joseph de Cloriviere received the inspiration of a new form of religious life that would be possible in any circumstances. Together with Marie Adelaide de Cice (who saw her project in his inspiration) he organised the first members, whom he called Daughters of the Heart of Mary, into a religious society.

This Society came to England in 1846 and this was the first foundation outside France. The Provincial house is situated at 41 Murray Road which also serves as the Wimbledon community house.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

This religious Society came to England in 1846 and this was the first foundation outside France. Daughters of the Heart of Mary continue to serve the needs of many through charitable activities and support the disadvantaged members of society.

On the 31st March 2009 the status of the England/Ireland Province was changed to that of a Region. The Regional house is situated at 41 Murray Road which also serves as the Wimbledon community house.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

Charitable activities

The Daughters of the Heart of Mary Charitable Trust (DHM) continues to serve the needs of many through charitable activities and to support the disadvantaged members of society. Activities in the educational, social and pastoral fields reach out to such people through social work, assistance to the disabled, home visiting, catechesis, prayer groups and in the past, visits to prisons and a daily presence at court, work with unmarried mothers and staffing of a project with Westminster Council for young girls arriving at Victoria Station.

A Sister Tutor wrote a book which was used for training nurses and translated into six languages, an Orphanage was established and two Hostels were administered and a Hospital Visiting Society was established. We also administered two Convalescent Homes.

one member saw the need for a Parish Church and from that small beginning three other parishes have been established. Two of our members make sandwiches twice monthly and they are delivered to the Parish to be taken to those who are sleeping rough on the streets of London.

As Daughters of the Heart of Mary we are particularly conscious of women and make every opportunity to favour their particular concerns. Daughters of the Heart of Mary in England and Ireland are involved in various activities according to the need and place of their work.

The North West of England suffered badly during the pandemic lockdown and subsequent introduction of tier system. Kirkby and Blackpool were at level 4 throughout.

As we had some warning as to what was likely to happen, we were aware that the house would have to stop vulnerable groups from meetings. Since all the Churches were closed for public worship, many were at loss. We tried to prepare elderly and vulnerable parishioners by providing examples of Spiritual Communion and prayer. As our preparation, we were letting those with internet access be aware of online Church services and helped them to get connected. When the lockdown came into effect, we had moved to virtual house meeting via Skype, and discussed the need to focus on what could be done rather than what we could not do.

During the lockdown one DHM Sister was furloughed and one was classed as very vulnerable. The house visiting had to be stopped, but we made efforts to visit people and chat through windows or in gardens with masks on. One DHM sister in Blackpool was appointed by the local Council to work for the Red Cross by acting as taxi to take people needing to go to hospital appointments. In Liverpool the sister on furlough was in process of volunteering at the vaccination centres, until she was recalled to help in the chaplaincy.

In both towns we helped to provide and deliver food parcels which became in need, elderly people unable to meet families or friends need to hear a friendly voice by phone or to see a person in their garden even became a lifeline. Some help providing catechises for younger children was asked for in Blackpool, this was done virtually, (via Zoom) along with helping families in financial stress. Help was given in Liverpool with money for the breakfast-club for families who lost their jobs in the early days of Covid.

Also, an attempt was made to encourage the churches to make efforts toward reducing carbon emissions by 2030 as requested following Laudato Si. A number of Zoom meetings took place regarding this. In Blackpool during lockdown many Homeless and refugees were housed in hotels which couldn't open to the general public. When the Lockdown was lifted, despite the government request that there be a grace period in Blackpool, a holiday area, suddenly these people were put back as rough sleepers. It was necessary to try and arrange food parcels and help claimants through the system. Some immigrants were sadly forcibly moved to cities for deportation. We helped obtain clothes and food. Families found it difficult because shops were not accepting the vouchers. Again, food parcels were arranged and financial aid given. Because Covid testing in some areas was difficult and children were told they couldn't go back to school without clear Covid test transport to test centres had to be arranged in Covid secure ways. It is expected that as we move forward the Church will allow our houses to open again for groups in a Covid secure way.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

In Wimbledon, through various Charitable organisations in London as well as in the world, we reached out to people in need of oxygen cylinders, PPE, medical intervention, food, and other financial needs. Telephone contacts were regularly done with people in need.

One DHM sister continued her work with immigrants and victims of trafficking through online and personal accompaniment.

No groups were received due to the pandemic restrictions. We are hoping to begin again in the near future when the new academic year begins.

Financial Support given

Financial support had been sent to the following organisations:

1. Mercy Ships for eye surgeries of children in Africa - £5,000
2. CAFOD (Emergency Appeal for Afghanistan refugees) - £20,000
3. CAFOD in support of climate change - £10,000
4. Mission Direct (Helping Children with epilepsy in Sierra Leone) - £5,000
5. Aid to the Churches in Need (houses for women and children in Nigeria) - £10,000
6. Médecins sans Frontières - £10,000
7. Catholic Marriage Care, Northampton - £5,000
8. World Villages for Children UK (for children in Mexico) - £3,000
9. Refugee Action Manchester - £5,000
10. Action Aid UK - £25,000

Sending support to Haiti was not done for the following reasons:

- Several emails were sent to the Provincial of Canada asking for a project. Due to political unrest in Haiti, we were advised to wait. However, A representative of Haiti expressed they need funds and they promised to write a project in the near future, in consultation with the Provincial.
- Other small gifts were distributed to organisations: UNHCR for a Syrian Family support £75.00, St Mungo's pandemic support £500, Lifeboats £500 for the support of one Life Saver, Shelter Box £590 for one family affected by cyclone in Philippines, sick and retires clergy of Southwark Diocese £1,000, JRS £1,000, ACN UK £1,000 for Christmas Aid to Churches, and Macmillan Cancer Support £1,000. These small donations were acknowledged and thanked for from these organisations.
- We received reports and thanks for the larger donations from Marriage Care, Doctors of the World, ACN for the support of Nigerian Church, Action Aid (for the intervention in India affected by Corona Delta virus), Refugee Action Manchester, CAFOD for the support of Afghanistan and Climate Change and World Villages of Children. The organisations Mission Direct and Mercy Ships have sent their appeals once again, but have not sent us any particular reports for the amounts received.
- Million Minutes has sent a global report of their activities in 2020-2021 and also a proposal to fund the salary of a Catholic Social Teaching officer.

Investment performance

2022 was the year that central banks belatedly took action to curb surging inflationary pressures. The Ukrainian conflict caused a further spike in energy and food prices at a time when supply-side constraints, rising commodity prices and labour shortages were already pushing the cost of living higher. The result was a period of rapid interest rate increases which necessitated a big adjustment for markets following a decade of low or even negative rates and loose monetary policy. This in turn had a knock-on effect on asset prices and it was a year when virtually all asset classes fell. Long-dated bonds and growth equities experienced the sharpest declines but there were better returns from previously out of favour sectors such as resources and financials which explains the relative out-performance by the UK market. Towards the end of the year concerns grew about the prospects for a recession given the higher cost of finance, but for investors there was the consolation of being able to generate an income at last from cash on deposit and short-dated bonds.

The market value of the investments stood at £5,810,758 (including bank and cash) as at the 31st December 2022. Income generated during the year came to £201,690 which equates to a yield of 3.2%. The total return (including income) from the portfolio during the year was -5.5%, which compares with figures of -8.5% and -8.1% for the MSCI PIMFA Income and MSCI PIMFA Balanced Indices respectively. The breakdown of the portfolio (20% Fixed Interest, 24% UK Equities, 17% Overseas Equities, 5% Cash, 34% Alternative Assets) is deemed appropriate in view of the investment objectives and the level of income is satisfactory.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Financial review

The Statement of Financial Activities on page 11 shows a net outgoing movement of funds of £723,568 (2021 net incoming movement: £411,168). Also, a net loss on investment assets of £490,459 (2021 net gain: £594,610), and without these overall net gains, the charity had net outgoing resources of £233,109 (2021: £183,442).

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately a year's expenditure. In the event of a significant drop in the income, the free reserves are like a standby or working capital to help the charity to continue its activities. However, this was lower during the 2022 year given the uncertainty following the pandemic, but the charity aim to get the funds back to a level that is in line with policy stated above.

Investment policy

The charity divested from fossil fuels from 6 September 2021 onwards and accordingly they have revised their Investment Policy, thanks to the investment manager and Charles Stanley.

The charity has an Investment Policy which was approved by the Trustees on 25th August 2022. Reflecting on our role as Trustees, we believe that this policy must reflect the social and Gospel values of the Catholic Church, both in the way we invest our money and in the way that it is used to enhance the quality of life for all people, spiritually and in their daily lives.

In view of this, no investment should be held in any company failing to evidence significant positive criteria set out within this policy.

The Trustees will work closely with their nominated investment fund manager who will monitor the portfolio in respect of the ethical guidelines, notify the Trustees of any significant developments and provide a full update at the annual meetings.

FUTURE PLANS

The future plans for the Charity involve carrying on the good work they are doing in the communities that they currently serve.

Audits and Independent examinations

The independently examined accounts and the report of activities for the year 2021 were successfully submitted to the Charity Commission on 31 October 2022, thanks to the team at Richard Place Dobson.

DHM Trust accounts submission to Egaraset from 2021 onwards

On 4 July 2022, a zoom meeting was held among the following members with regard to entry of Trust accounts in the Egaraset accounting system of Paris. General House team, Egaraset team and some members of the Trust. It was decided that from the accounting year 2021, the Ronan of Ireland will submit the Annual Accounts in full details to the Provincial who will then forward them to the General Bursar in park. Another decision was that both the Auditors will use the format given by the Trustee to submit the Annual Accounts to Egaraset.

Obtaining Irish Visa

In September 2021, with the verbal agreement of the trustees, Miss M Alphonse received £20,000 into her float account in HSBC, from the Province Accounts for the purpose of obtaining one year Irish visa for her travel needs to Dublin. It was a requirement to show adequate funds in her Float account of the bank which then was submitted for the visa purpose.

Activities of the Common Houses in Wimbledon and Kirkby

- The heating system of the Community House in Kirkby was refurbished.
- Several small repair works were undertaken for the Community House at Wimbledon. This seems to be on increase as the house is getting older.
- Severe Covid restrictions continued this year too which affected the charitable activities. However, activities such as Retreat Guidance, telephonic counselling, urgent services to the needy elderly, handicapped, house-bound, and immigrants were undertaken for the year 2022 in Kirkby, Blackpool and in London. Spiritual support was given over the phone by some members to the housebound.
- Towards the end of the year, in October, the Province was happy to receive the visit of the General Superior and her Council to London and Kirkby. Their presence and encouragement was very much appreciated by everyone.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees are aware of the risks the charity may face and have established procedures to mitigate known risks where possible. Covid-19 has already had an impact on operations and investments. However, the trustees are confident that the charity will continue to undertake its operations and fulfil all its financial liabilities and charity obligations.

It was noted that adequate insurance must be ensured for our property and taken consistently on a yearly basis. Our Investments are managed by Charles Stanley FCA registered investment fund so as to achieve the best financial outcome.

The Trustees continue to work to ensure compliance with GDPR which came into effect in August 2022.

GDPR Policy

The GDPR Policy has been drafted this year. Miss M Brennan, a trustee reworked the GDPR policy and prepared draft Privacy Policy according to the requirements of Charitable Trust needs in Ireland. This was then referred to an expert for the Jesuit congregation in the UK. Based on recommendations a draft has been prepared for the DHM Charitable Trust in the UK. It needs to be approved by the Trustees.

Registration of Safeguarding Services in UK

The 10 DHM sisters of England have been registered with Religious Life Safeguarding Services (RLSS) and with Catholic Safeguarding Services Agency (CSSA) for England and Wales for the year 2022 by paying £200 for each one. Henceforth, the DHM sisters their Reunions will be governed by the safeguarding policies of these organisations. This will be published in the website of the Province.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

Structure, governance and management

The name of the charity is Daughters of the Heart of Mary Charitable Trust. The charity was established by a charitable trust deed on 13 September 1988 and is registered with the Charity Commission under reference number 800119. The address of the principal office of the charity is 41 Murray Road, Wimbledon, London SW19 4PD.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

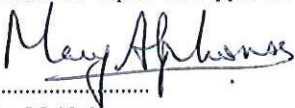
FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees who served during the year and up to the date of signature of the financial statements were:

Miss A Coughlan (Resigned 1 January 2022)
Miss E McHale
Miss G Eastwood
Miss M Brogan
Miss M Brennan
Miss M Alphonse
Miss A Boland
Miss G Beg (Appointed 8 December 2022)

The power to appoint new trustees rests with the Provincial Superior.

The trustees' report was approved by the Board of Trustees.


.....
Miss M Alphonse
Provincial Superior
Dated: 19th Oct. 2020

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

Opinion

We have audited the financial statements of Daughters of The Heart of Mary Charitable Trust (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. 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 charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud, the audit engagement team made enquiries of management, and those charged with governance, regarding the procedures relating to identifying, evaluating and complying with;

1. laws and regulations and whether they were aware of any instances of non-compliance;
2. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
3. the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, General Data Protection Regulations, Charities Act 2011, Charities Statement of Recommended Practice and employment law and regulations. We performed audit procedures to detect non-compliance, which may have a material impact on the financial statements. These included reviewing financial statement disclosures and evaluating advice received from external advisors. There were no significant laws and regulations we deemed as having an indirect impact on the financial statements.

1. Revenue recognition - this was tested substantively for rental and lease income, we performed proof in total testing over grant income
2. Management override of controls - we reviewed management accounts and large journals to discover any evidence of management override

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Richard Place Dobson Services Ltd

Richard Place Dobson Services Limited

26/10/2023

Chartered Accountants
Statutory Auditor

Ground Floor
1 - 7 Station Road
Crawley
West Sussex
RH10 1HT

Richard Place Dobson is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Income and endowments from:						
Donations and legacies	3	54,712	-	-	54,712	468
Religious services provision	4	11,850	-	-	11,850	13,507
Investments	5	205,909	-	-	205,909	183,746
Other income	6	103	-	-	103	46
Total income		272,574	-	-	272,574	197,767
Expenditure on:						
Raising funds	7	54,812	-	-	54,812	55,038
Charitable activities	8	254,807	196,064	-	450,871	326,171
Total expenditure		309,619	196,064	-	505,683	381,209
Net gains/(losses) on investments	12	(490,459)	-	-	(490,459)	594,610
Net (outgoing)/incoming resources before transfers		(527,504)	(196,064)	-	(723,568)	411,168
Gross transfers between funds		518,071	(518,071)	-	-	-
Net movement in funds		(9,433)	(714,135)	-	(723,568)	411,168
Fund balances at 1 January 2022		94,465	10,273,008	8,338	10,375,811	9,964,643
Fund balances at 31 December 2022		85,032	9,558,873	8,338	9,652,243	10,375,811

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £
Income and endowments from:					
Donations and legacies	3	168	-	300	468
Religious services provision	4	13,507	-	-	13,507
Investments	5	183,746	-	-	183,746
Other income	6	46	-	-	46
Total income		<u>197,467</u>	<u>-</u>	<u>300</u>	<u>197,767</u>
Expenditure on:					
Raising funds	7	<u>55,038</u>	<u>-</u>	<u>-</u>	<u>55,038</u>
Charitable activities	8	<u>166,390</u>	<u>159,781</u>	<u>-</u>	<u>326,171</u>
Total expenditure		<u>221,428</u>	<u>159,781</u>	<u>-</u>	<u>381,209</u>
Net gains/(losses) on investments	12	<u>594,610</u>	<u>-</u>	<u>-</u>	<u>594,610</u>
Net (outgoing)/incoming resources before transfers		<u>570,649</u>	<u>(159,781)</u>	<u>300</u>	<u>411,168</u>
Gross transfers between funds		<u>(554,110)</u>	<u>554,110</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>16,539</u>	<u>394,329</u>	<u>300</u>	<u>411,168</u>
Fund balances at 1 January 2021		<u>77,926</u>	<u>9,878,679</u>	<u>8,038</u>	<u>9,964,643</u>
Fund balances at 31 December 2021		<u><u>94,465</u></u>	<u><u>10,273,008</u></u>	<u><u>8,338</u></u>	<u><u>10,375,811</u></u>


DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	14		3,386,813		3,429,149
Investments	15		5,547,660		6,156,775
			<u>8,934,473</u>		<u>9,585,924</u>
Current assets					
Debtors	16	9,319		6,886	
Cash at bank and in hand		732,161		801,588	
		<u>741,480</u>		<u>808,474</u>	
Creditors: amounts falling due within one year	17	(23,710)		(18,587)	
Net current assets			<u>717,770</u>		<u>789,887</u>
Total assets less current liabilities			<u>9,652,243</u>		<u>10,375,811</u>
Income funds					
Restricted funds	18		8,338		8,338
<u>Unrestricted funds</u>					
Designated funds	19	9,558,873		10,273,008	
General unrestricted funds		85,032		94,465	
		<u>9,643,905</u>		<u>10,367,473</u>	
			<u>9,652,243</u>		<u>10,375,811</u>

The financial statements were approved by the Trustees on ...19/10/2023



 Miss M Alphonse
 Trustee

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

Daughters of The Heart of Mary Charitable Trust is a charity that promotes charitable work for the time being carried on.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. 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 measured with a degree of reasonable accuracy and the title to the asset has been transferred to the charity.

Investment income which includes dividends received, other listed investment income and interest receivable is included in the statement of financial activities in the year in which it is receivable.

Charitable activities income includes members' board income and royalties and is included in the statement of financial activities in the year to which it relates.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Costs of raising funds includes investment manager fees.

Charitable activities relate to the cost of serving the community and supporting trustee approved projects.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £250 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold Property	2% on cost
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	20% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Basic financial liabilities

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

1.9 Taxation

As a charity, the Trust is not subject to corporation tax or any other taxes on income and gains arising from its charitable objectives.

1.10 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2 Critical accounting estimates and judgements

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

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

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	2,180	168	300	468
Legacies receivable	52,532	-	-	-
	<u>54,712</u>	<u>168</u>	<u>300</u>	<u>468</u>

4 Religious services provision

	2022 £	2021 £
Religious services provision	<u>11,850</u>	<u>13,507</u>

5 Investments

	general 2022 £	general 2021 £
Investment Income	205,091	183,746
Deposit account interest	818	-
	<u>205,909</u>	<u>183,746</u>

6 Other income

	general 2022 £	general 2021 £
Royalties	<u>103</u>	<u>46</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Raising funds

	general 2022 £	general 2021 £
<u>Investment management</u>	54,812	55,038
	<u>54,812</u>	<u>55,038</u>

8 Charitable activities

	Direct charitable expenditure 2022 £	Direct charitable expenditure 2021 £
Staff costs	40,993	34,319
Depreciation and impairment	47,854	48,681
Religious Services Provision	96,001	94,421
Payments to mission	179,873	126,000
Maintenance	59,324	13,648
	<u>424,045</u>	<u>317,069</u>
Share of governance costs (see note 9)	26,826	9,102
	<u>450,871</u>	<u>326,171</u>
Analysis by fund		
Unrestricted funds - general	254,807	166,390
Unrestricted funds - designated	196,064	159,781
	<u>450,871</u>	<u>326,171</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Support costs

	Support costs	Governance costs	2022	2021
	£	£	£	£
Accountancy and audit/independent examination	-	17,520	17,520	8,640
Legal and professional	-	9,007	9,007	210
Bank Charges	-	299	299	252
	<u>-</u>	<u>26,826</u>	<u>26,826</u>	<u>9,102</u>
Analysed between Charitable activities	-	26,826	26,826	9,102
	<u>-</u>	<u>26,826</u>	<u>26,826</u>	<u>9,102</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

The trustees are also members of the congregation. Some members are maintained by the charity and the cost of the premises, meals and other living expenses in respect of such members is paid either to them or on their behalf by the charity.

11 Employees

Employment costs	2022	2021
	£	£
Wages and salaries	38,340	31,698
Other pension costs	2,653	2,621
	<u>40,993</u>	<u>34,319</u>

12 Net gains/(losses) on investments

	Unrestricted funds general 2022	Unrestricted funds general 2021
	£	£
Revaluation of investments	(490,459)	594,610
	<u>(490,459)</u>	<u>594,610</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Tangible fixed assets

	Freehold Property £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2022	3,839,975	139,543	13,893	3,993,411
Additions	-	5,518	-	5,518
At 31 December 2022	<u>3,839,975</u>	<u>145,061</u>	<u>13,893</u>	<u>3,998,929</u>
Depreciation and impairment				
At 1 January 2022	416,773	133,596	13,893	564,262
Depreciation charged in the year	46,133	1,721	-	47,854
At 31 December 2022	<u>462,906</u>	<u>135,317</u>	<u>13,893</u>	<u>612,116</u>
Carrying amount				
At 31 December 2022	<u>3,377,069</u>	<u>9,744</u>	<u>-</u>	<u>3,386,813</u>
At 31 December 2021	<u>3,423,202</u>	<u>5,947</u>	<u>-</u>	<u>3,429,149</u>

15 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2022	6,156,775
Additions	180,219
Valuation changes	(489,506)
Disposals	(299,828)
At 31 December 2022	<u>5,547,660</u>
Carrying amount	
At 31 December 2022	<u>5,547,660</u>
At 31 December 2021	<u>6,156,775</u>

Historical cost:

2022: £4,318,301
2021: £4,377,219

There were no investments held at the year end which were valued over 5% of the total portfolio market value.

Revaluation reserves of £1,229,359 (2021: £1,779,543) are included within the designated funds.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

15 Fixed asset investments (Continued)

16 Debtors		2022	2021
		£	£
Amounts falling due within one year:			
Other debtors		2,556	1,100
Prepayments and accrued income		6,763	5,786
		<u>9,319</u>	<u>6,886</u>

17 Creditors: amounts falling due within one year		2022	2021
		£	£
Other creditors		23,710	18,587
		<u>23,710</u>	<u>18,587</u>

18 Restricted funds

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

	Movement in funds		Movement in funds		Balance at 31 December 2022
	Balance at 1 January 2021	Incoming resources	Balance at 1 January 2022	Incoming resources	
	£	£	£	£	£
Mission fund	8,038	300	8,338	-	8,338
	<u>8,038</u>	<u>300</u>	<u>8,338</u>	<u>-</u>	<u>8,338</u>

The income to the Missions restricted fund is received in the form of donations from sources outside the charity for the purpose of donating money to mission work.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

19 Designated funds

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

	Balance at 1 January 2021	Resources expended	Transfers	Balance at 31 December 2021
	£	£	£	£
Maintenance fund	5,665,838	-	490,937	6,156,775
Property fund	3,515,468	(46,133)	(46,133)	3,423,202
Provincial Fund	530,316	-	(8,889)	521,427
Communities fund	17,057	-	(15,453)	1,604
Special Projects Fund	100,000	(100,000)	120,000	120,000
Property Maintenance Fund	50,000	(13,648)	13,648	50,000
	<u>9,878,679</u>	<u>(159,781)</u>	<u>554,110</u>	<u>10,273,008</u>

	Balance at 1 January 2022	Resources expended	Transfers	Balance at 31 December 2022
	£	£	£	£
Maintenance fund	6,156,775	-	(609,115)	5,547,660
Property fund	3,423,202	(46,133)	-	3,377,069
Provincial Fund	521,427	-	(73,206)	448,221
Communities fund	1,604	-	14,319	15,923
Special Projects Fund	120,000	(90,607)	90,607	120,000
Property Maintenance Fund	50,000	(59,324)	59,324	50,000
	<u>10,273,008</u>	<u>(196,064)</u>	<u>(518,071)</u>	<u>9,558,873</u>

The Maintenance fund is held to provide for the maintenance of members as they grow older and invested to maximise the return on the charity's assets. Included within the maintenance fund is unrealised gains on investments of £1,229,359 (2021 - £1,779,543).

The Property fund represents the funds necessarily set aside for the charity's occupation of the land and buildings. The movement in the year represents the depreciation charge.

The Provincial fund is set aside by the trustees for the financial needs of the Provincial.

The Community fund is set aside for the needs of the individual houses.

The Special Projects funds represents monies set aside for assistance that the Trustees intend to make to projects.

The Property Maintenance fund is set aside for the repair and maintenance of the Charities Properties.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

20 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 December 2022 are represented by:				
Tangible assets	9,744	3,377,069	-	3,386,813
Investments	-	5,547,660	-	5,547,660
Current assets/(liabilities)	75,288	634,144	8,338	717,770
	<u>85,032</u>	<u>9,558,873</u>	<u>8,338</u>	<u>9,652,243</u>

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2021 are represented by:				
Tangible assets	5,947	3,423,202	-	3,429,149
Investments	-	6,156,775	-	6,156,775
Current assets/(liabilities)	88,518	693,031	8,338	789,887
	<u>94,465</u>	<u>10,273,008</u>	<u>8,338</u>	<u>10,375,811</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

England & Wales - Charity number 800119

Accounts

Charity registration number 800119

**DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Miss A Coughlan Miss E McHale Miss G Eastwood Miss M Brogan Miss M Brennan Miss M Alphonse Miss A Boland	(Appointed 31 August 2021)
Charity number	800119	
Principal address	41 Murray Road Wimbledon London SW19 4PD	
Independent examiner	Darren Harding ACA, FCCA, DChA Richard Place Dobson Ground Floor 1 - 7 Station Road Crawley West Sussex RH10 1HT	
Bankers	National Westminster Bank plc 98 High Street Wimbledon London SW19 5ZH	
Solicitors	Pothecary Witham Weld 70 St George's Square London SW1V 3RD	
Investment advisors	Charles Stanley & Company Limited 55 Bishopsgate London EC2N 3AS	

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

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DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The object of the Trust, as stated in the Trust deed, page 2, paragraph 3 is:

(a) "to promote the charitable work for the time being carried on, promoted or supported by the Daughters of the Heart of Mary".

(b) To relieve the material or spiritual suffering of others "through their efforts for human development, through educational, cultural and social activities which contribute to the changing of mentalities and attitudes...participating in solidarity with mankind". (Constitutions - Daughters of the Heart of Mary - Chapter V)

(c) Main Strategies - To encourage and support the varied activities of individual Daughters of the Heart of Mary and the organisations with which they co-operate and to support the worldwide charitable work of the Society through:

- i) grants in aid of these works;
- ii) enabling Daughters of the Heart of Mary from other Provinces to pursue their qualifications and skills in these works in their own countries;
- iii) providing accommodation for DHM students and financing their formation/further education here when courses are not available in their own country. We have news from our sisters/students who completed the courses and hear how their periods of study have helped them since their return to their homeland.

Public benefit

The charities trustees have referred to the guidance in the Charity Commissions general guidance on Public Benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, they have considered how planned activities will contribute to the aims and objectives they have set.

Background

In 1790 at the time that the Constitutional Assembly decreed the suppression of religious orders in France, Peter Joseph de Cloriviere received the inspiration of a new form of religious life that would be possible in any circumstances. Together with Marie Adelaide de Clce (who saw her project in his inspiration) he organised the first members, whom he called Daughters of the Heart of Mary, into a religious society.

This Society came to England in 1846 and this was the first foundation outside France. The Provincial house is situated at 41 Murray Road which also serves as the Wimbledon community house.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

This religious Society came to England in 1846 and this was the first foundation outside France. Daughters of the Heart of Mary continue to serve the needs of many through charitable activities and support the disadvantaged members of society.

On the 31st March 2009 the status of the England/Ireland Province was changed to that of a Region. The Regional house is situated at 41 Murray Road which also serves as the Wimbledon community house.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance

Charitable activities

The Daughters of the Heart of Mary Charitable Trust (DHM) continues to serve the needs of many through charitable activities and to support the disadvantaged members of society. Activities in the educational, social and pastoral fields reach out to such people through social work, assistance to the disabled, home visiting, catechesis, prayer groups and in the past, visits to prisons and a daily presence at court, work with unmarried mothers and staffing of a project with Westminster Council for young girls arriving at Victoria Station.

A Sister Tutor wrote a book which was used for training nurses and translated into six languages, an Orphanage was established and two Hostels were administered and a Hospital Visiting Society was established. We also administered two Convalescent Homes.

one member saw the need for a Parish Church and from that small beginning three other parishes have been established. Two of our members make sandwiches twice monthly and they are delivered to the Parish to be taken to those who are sleeping rough on the streets of London.

As Daughters of the Heart of Mary we are particularly conscious of women and make every opportunity to favour their particular concerns. Daughters of the Heart of Mary in England and Ireland are involved in various activities according to the need and place of their work.

The North West of England suffered badly during the pandemic lockdown and subsequent introduction of tier system. Kirkby and Blackpool were at level 4 throughout.

As we had some warning as to what was likely to happen, we were aware that the house would have to stop vulnerable groups from meetings. Since all the Churches were closed for public worship, many were at loss. We tried to prepare elderly and vulnerable parishioners by providing examples of Spiritual Communion and prayer. As our preparation, we were letting those with internet access be aware of online Church services and helped them to get connected. When the lockdown came into effect, we had moved to virtual house meeting via Skype, and discussed the need to focus on what could be done rather than what we could not do.

During the lockdown one DHM Sister was furloughed and one was classed as very vulnerable. The house visiting had to be stopped, but we made efforts to visit people and chat through windows or in gardens with masks on. One DHM sister in Blackpool was appointed by the local Council to work for the Red Cross by acting as taxi to take people needing to go to hospital appointments. In Liverpool the sister on furlough was in process of volunteering at the vaccination centres, until she was recalled to help in the chaplaincy.

In both towns we helped to provide and deliver food parcels which became in need, elderly people unable to meet families or friends need to hear a friendly voice by phone or to see a person in their garden even became a lifeline. Some help providing catechises for younger children was asked for in Blackpool, this was done virtually, (via Zoom) along with helping families in financial stress. Help was given in Liverpool with money for the breakfast-club for families who lost their jobs in the early days of Covid.

Also, an attempt was made to encourage the churches to make efforts toward reducing carbon emissions by 2030 as requested following Laudato Si. A number of Zoom meetings took place regarding this. In Blackpool during lockdown many Homeless and refugees were housed in hotels which couldn't open to the general public. When the Lockdown was lifted, despite the government request that there be a grace period in Blackpool, a holiday area, suddenly these people were put back as rough sleepers. It was necessary to try and arrange food parcels and help claimants through the system. Some immigrants were sadly forcibly moved to cities for deportation. We helped obtain clothes and food. Families found it difficult because shops were not accepting the vouchers. Again, food parcels were arranged and financial aid given. Because Covid testing in some areas was difficult and children were told they couldn't go back to school without clear Covid test transport to test centres had to be arranged in Covid secure ways. It is expected that as we move forward the Church will allow our houses to open again for groups in a Covid secure way.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

In Wimbledon, through various Charitable organisations in London as well as in the world, we reached out to people in need of oxygen cylinders, PPE, medical intervention, food, and other financial needs. Telephone contacts were regularly done with people in need.

One DHM sister continued her work with immigrants and victims of trafficking through online and personal accompaniment.

No groups were received due to the pandemic restrictions. We are hoping to begin again in the near future when the new academic year begins.

Financial aid given to projects of the Society

During the year the charity gave £9,466 (2020: £52,783) to various charitable projects whose aims are commensurate with the charity's aims and objectives.

Financial Support given

Financial support had been sent to the following organisations:

1. Mercy Ships for eye surgeries of children in Africa - £5,000
2. CAFOD (Emergency Appeal for Afghanistan refugees) - £20,000
3. CAFOD in support of climate change - £10,000
4. Mission Direct (Helping Children with epilepsy in Sierra Leone) - £5,000
5. Aid to the Churches in Need (houses for women and children in Nigeria) - £10,000
6. Médecins sans Frontières - £10,000
7. Catholic Marriage Care, Northampton - £5,000
8. World Villages for Children UK (for children in Mexico) - £3,000
9. Refugee Action Manchester - £5,000
10. Action Aid UK - £25,000

Sending support to Haiti was not done for the following reasons:

- Several emails were sent to the Provincial of Canada asking for a project. Due to political unrest in Haiti, we were advised to wait. However, A representative of Haiti expressed they need funds and they promised to write a project in the near future, in consultation with the Provincial.

- Other small gifts were distributed to organisations: UNHCR for a Syrian Family support £75.00, St Mungo's pandemic support £500, Lifeboats £500 for the support of one Life Saver, Shelter Box £590 for one family affected by cyclone in Philippines, sick and retires clergy of Southwark Diocese £1,000, JRS £1,000, ACN UK £1,000 for Christmas Aid to Churches, and Macmillan Cancer Support £1,000. These small donations were acknowledged and thanked for from these organisations.

- We received reports and thanks for the larger donations from Marriage Care, Doctors of the World, ACN for the support of Nigerian Church, Action Aid (for the intervention in India affected by Corona Delta virus), Refugee Action Manchester, CAFOD for the support of Afghanistan and Climate Change and World Villages of Children. The organisations Mission Direct and Mercy Ships have sent their appeals once again, but have not sent us any particular reports for the amounts received.

- Million Minutes has sent a global report of their activities in 2020-2021 and also a proposal to fund the salary of a Catholic Social Teaching officer.

Investment performance

Despite the emergence of new variants of Covid-19 during the year, which led to the re-introduction of travel and social restrictions in certain parts of the world, 2021 was a year of recovery from the impact of the pandemic. The global economy moved back into expansion mode with global GDP surpassing its pre-pandemic level. This was reflected in market indices and the return of dividends, both of which substantially recovered from the shocks of 2020. Inflation became a growing concern with the level of price rises exceeding central bank forecasts. This was a reflection not only of the release of pent-up demand as economics opened up following the easing of restrictions, but also of residual scarring to supply chains which caused significant disruption to global trade flows. Having initially classified these pressures as "transitory", policymakers made moves to start tightening financial conditions towards the end of the year.

The market value of the investments stood at £6,355,024 as at 31st December 2021. Income generated during the year came to £183,739 which equates to a yield of 3.2%. The total return (including income) from the portfolio during the year was 12.5%, which compares with figures of 10.4% and 12.5% for the MSCI PIMFA Income and MSCI PIMFA Balance Indices respectively. The breakdown of the portfolio (21% Fixed Interest, 25% UK Equities, 18% Overseas Equities, 3% Cash, 33% Alternative Assets) is deemed appropriate in view of the investment objectives and the level of income is satisfactory.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

The Statement of Financial Activities on page 7 shows a net income movement in funds of £411,168 (2020 net outgoing movement: £457,469). Also, a net gain on investment assets of £594,610 (2020 net loss: £351,995), and without these overall net gains, the charity had net outgoing resources of £183,442 (2020: £105,474).

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately a year's expenditure. In the event of a significant drop in the income, the free reserves are like a standby or working capital to help the charity to continue its activities. However, this was lower during the 2021 year given the uncertainty around Covid, but the charity aim to get the funds back to a level that is in line with policy stated above.

Investment policy

The charity divested from fossil fuels from 6 September 2021 onwards and accordingly they have revised their Investment Policy, thanks to the investment manager and Charles Stanley.

The charity has an Investment Policy which was approved by the Trustees on 25th August 2022. Reflecting on our role as Trustees, we believe that this policy must reflect the social and Gospel values of the Catholic Church, both in the way we invest our money and in the way that it is used to enhance the quality of life for all people, spiritually and in their daily lives.

In view of this, no investment should be held in any company failing to evidence significant positive criteria set out within this policy.

The Trustees will work closely with their nominated investment fund manager who will monitor the portfolio in respect of the ethical guidelines, notify the Trustees of any significant developments and provide a full update at the annual meetings.

FUTURE PLANS

The future plans for the Charity involve carrying on the good work they are doing in the communities that they currently serve.

Audits

The audited statement of accounts and the report of activities for the year 2020 were successfully submitted to the Charity Commission on 31 October 2021, thanks to the team at Richard Place Dobson.

DHM Trust accounts submission to Egaraset from 2021 onwards

On 4 July 2022, a zoom meeting was held among the following members with regard to entry of Trust accounts in the Egaraset accounting system of Paris. General House team, Egaraset team and some members of the Trust. It was decided that from the accounting year 2021, the Ronan of Ireland will submit the Annual Accounts in full details to the Provincial who will then forward them to the General Bursar in park. Another decision was that both the Auditors will use the format given by the Trustee to submit the Annual Accounts to Egaraset.

Obtaining Irish Visa

In September 2021, with the verbal agreement of the trustees, Miss M Alphonse received £20,000 into her float account in HSBC, from the Province Accounts for the purpose of obtaining one year Irish visa for her travel needs to Dublin. It was a requirement to show adequate funds in her Float account of the bank which then was submitted for the visa purpose.

Activities of the Common Houses in Wimbledon and Kirkby

- The heating system of the Community House in Kirkby was refurbished.
- Several small repair works were undertaken for the Community House at Wimbledon. This seems to be on increase as the house is getting older.
- Severe Covid restrictions continued this year too which affected the charitable activities. However, activities such as Retreat Guidance, telephonic counselling, urgent services to the needy elderly, handicapped, house-bound, and immigrants were undertaken for the year 2021 in Kirkby, Blackpool and in London. Spiritual support was given over the phone by some members to the housebound.
- Towards the end of the year, in October, the Province was happy to receive the visit of the General Superior and her Council to London and Kirkby. Their presence and encouragement was very much appreciated by everyone.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees are aware of the risks the charity may face and have established procedures to mitigate known risks where possible. Covid-19 has already had an impact on operations and investments. However, the trustees are confident that the charity will continue to undertake its operations and fulfil all its financial liabilities and charity obligations.

It was noted that adequate insurance must be ensured for our property and taken consistently on a yearly basis. Our Investments are managed by Charles Stanley FCA registered investment fund so as to achieve the best financial outcome.

The Trustees continue to work to ensure compliance with GDPR which came into effect in August 2022.

GDPR Policy

Several drafts were tried to write the GDPR Policy. Miss M Brennan, a trustee reworked the GDPR policy and prepared draft Privacy Policy according to the requirements of Charitable Trust needs in Ireland. This was then referred to an expert for the Jesuit congregation in the UK. Based on recommendations a draft has been prepared for the DHM Charitable Trust in the UK. It needs to be approved by the Trustees.

Registration of Safeguarding Services in UK

The 10 DHM sisters of England have been registered with Religious Life Safeguarding Services (RLSS) and with Catholic Safeguarding Services Agency (CSSA) for England and Wales for the year 2021 by paying £200 for each one. Henceforth, the DHM sisters their Reunions will be governed by the safeguarding policies of these organisations. This will be published in the website of the Province.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

Structure, governance and management

The name of the charity is Daughters of the Heart of Mary Charitable Trust. The charity was established by a charitable trust deed on 13 September 1988 and is registered with the Charity Commission under reference number 800119. The address of the principal office of the charity is 41 Murray Road, Wimbledon, London SW19 4PD.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees who served during the year and up to the date of signature of the financial statements were:

Miss A Coughlan

Miss E McHale

Miss G Eastwood

Miss M Brogan

Miss M Brennan

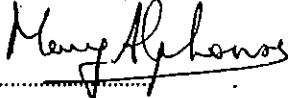
Miss M Alphonse

Miss A Boland

(Appointed 31 August 2021)

The power to appoint new trustees rests with the Provincial Superior.

The trustees' report was approved by the Board of Trustees.



Miss M Alphonse

Provincial Superior

Dated: 7th Oct. 2022

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

I report to the trustees on my examination of the financial statements of Daughters of The Heart of Mary Charitable Trust (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

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

Independent examiner's statement

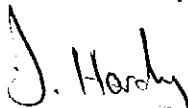
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Darren Harding ACA, FCCA, DChA

Richard Place Dobson

Ground Floor

1 - 7 Station Road

Crawley

West Sussex

RH10 1HT

Dated:13/10/2022.....

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Current financial year		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
	Notes					
<u>Income and endowments from:</u>						
Donations and legacies	3	168	-	300	468	2,750
Religious services provision	4	13,507	-	-	13,507	23,750
Investments	5	183,746	-	-	183,746	185,459
Other income	6	46	-	-	46	5,832
Total income		197,467	-	300	197,767	217,791
<u>Expenditure on:</u>						
Raising funds	7	55,038	-	-	55,038	51,062
Charitable activities	8	166,390	159,781	-	326,171	272,203
Total expenditure		221,428	159,781	-	381,209	323,265
Net gains/(losses) on investments	12	594,610	-	-	594,610	(351,995)
Net incoming/(outgoing) resources before transfers		570,649	(159,781)	300	411,168	(457,469)
Net incoming/(outgoing) resources before transfers		570,649	(159,781)	300	411,168	(457,469)
Gross transfers between funds		(554,110)	554,110	-	-	-
Net movement in funds		16,539	394,329	300	411,168	(457,469)
Fund balances at 1 January 2021		77,926	9,878,679	8,038	9,964,643	10,422,112
Fund balances at 31 December 2021		94,465	10,273,008	8,338	10,375,811	9,964,643

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Prior financial year		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes				
<u>Income and endowments from:</u>					
Donations and legacies	3	2,150	-	600	2,750
Religious services provision	4	23,750	-	-	23,750
Investments	5	185,459	-	-	185,459
Other income	6	5,832	-	-	5,832
Total income		217,191	-	600	217,791
<u>Expenditure on:</u>					
Raising funds	7	51,062	-	-	51,062
Charitable activities	8	166,918	105,285	-	272,203
Total expenditure		217,980	105,285	-	323,265
Net gains/(losses) on investments	12	(351,995)	-	-	(351,995)
Net incoming/(outgoing) resources before transfers		(352,784)	(105,285)	600	(457,469)
Gross transfers between funds		239,938	(239,938)	-	-
Net movement in funds		(112,846)	(345,223)	600	(457,469)
Fund balances at 1 January 2020		190,772	10,223,902	7,438	10,422,112
Fund balances at 31 December 2020		77,926	9,878,679	8,038	9,964,643

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		3,429,149		3,477,830
Investments	14		6,156,775		5,665,838
			9,585,924		9,143,668
Current assets					
Debtors	16	6,886		8,777	
Cash at bank and in hand		801,588		830,751	
			808,474		839,528
Creditors: amounts falling due within one year	17	(18,587)		(18,553)	
Net current assets			789,887		820,975
Total assets less current liabilities			10,375,811		9,964,643
Income funds					
Restricted funds	18		8,338		8,038
<u>Unrestricted funds</u>					
Designated funds	19	10,273,008		9,878,679	
General unrestricted funds		94,465		77,926	
			10,367,473		9,956,605
			10,375,811		9,964,643

The financial statements were approved by the Trustees on 25th Aug. 2022

Mary Alphonse

.....
Miss M Alphonse
Trustee

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Daughters of The Heart of Mary Charitable Trust is a charity that promotes charitable work for the time being carried on.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. 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 measured with a degree of reasonable accuracy and the title to the asset has been transferred to the charity.

Investment income which includes dividends received, other listed investment income and interest receivable is included in the statement of financial activities in the year in which it is receivable.

Charitable activities income includes members' board income and royalties and is included in the statement of financial activities in the year to which it relates.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Costs of raising funds includes investment manager fees.

Charitable activities relate to the cost of serving the community and supporting trustee approved projects.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £250 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold Property	2% on cost
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	20% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Basic financial liabilities

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

1.9 Taxation

As a charity, the Trust is not subject to corporation tax or any other taxes on income and gains arising from its charitable objectives.

1.10 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2 Critical accounting estimates and judgements

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

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

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations and legacies	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	168	300	468	2,150	600	2,750
					2021 £	2020 £
					13,507	23,750
					general 2021 £	general 2020 £
Investment Income					183,746	185,065
Deposit account interest					-	394
					183,746	185,459
					general 2021 £	general 2020 £
Royalties					46	95
Other Income					-	250
HMRC Furlough Grant					-	5,487
					46	5,832
					general 2021 £	general 2020 £
Investment management					55,038	51,062

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Raising funds		(Continued)	
		55,038	51,062
8 Charitable activities			
		Direct charitable expenditure 2021 £	Direct charitable expenditure 2020 £
Staff costs		34,319	38,670
Depreciation and impairment		48,681	48,866
Religious Services Provision		94,421	113,053
Payments to mission		126,000	50,043
Maintenance		13,648	9,109
		<u>317,069</u>	<u>259,741</u>
Share of governance costs (see note 9)		9,102	12,462
		<u>326,171</u>	<u>272,203</u>
Analysis by fund			
Unrestricted funds - general		166,390	166,918
Unrestricted funds - designated		159,781	105,285
		<u>326,171</u>	<u>272,203</u>
9 Support costs			
		Support costs £	Governance costs £
		2021 £	2020 £
Accountancy	-	8,640	8,640
Legal and professional	-	210	2,430
Bank Charges	-	252	125
		<u>-</u>	<u>-</u>
		<u>9,102</u>	<u>12,462</u>
Analysed between Charitable activities	-	9,102	12,462

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

The trustees are also members of the congregation. Some members are maintained by the charity and the cost of the premises, meals and other living expenses in respect of such members is paid either to them or on their behalf by the charity.

11 Employees

Employment costs	2021 £	2020 £
Wages and salaries	31,698	36,127
Other pension costs	2,621	2,543
	<u>34,319</u>	<u>38,670</u>

12 Net gains/(losses) on investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Revaluation of investments	<u>594,610</u>	<u>(351,995)</u>

13 Tangible fixed assets

	Freehold Property £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2021	<u>3,839,975</u>	<u>139,543</u>	<u>13,893</u>	<u>3,993,411</u>
At 31 December 2021	<u>3,839,975</u>	<u>139,543</u>	<u>13,893</u>	<u>3,993,411</u>
Depreciation and impairment				
At 1 January 2021	<u>370,640</u>	<u>132,547</u>	<u>12,394</u>	<u>515,581</u>
Depreciation charged in the year	<u>46,133</u>	<u>1,049</u>	<u>1,499</u>	<u>48,681</u>
At 31 December 2021	<u>416,773</u>	<u>133,596</u>	<u>13,893</u>	<u>564,262</u>
Carrying amount				
At 31 December 2021	<u>3,423,202</u>	<u>5,947</u>	<u>-</u>	<u>3,429,149</u>
At 31 December 2020	<u>3,469,335</u>	<u>6,996</u>	<u>1,499</u>	<u>3,477,830</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2021	5,665,838
Additions	324,512
Valuation changes	551,832
Disposals	(385,407)
At 31 December 2021	<u>6,156,775</u>
Carrying amount	
At 31 December 2021	<u>6,156,775</u>
At 31 December 2020	<u>5,665,838</u>

There were no investment holdings which exceeded 5% of the total.

The original cost of the investment was £4,377,230 (2020: £4,393,846).

15 Financial instruments	2021	2020
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	<u>6,156,775</u>	<u>5,665,838</u>
16 Debtors	2021	2020
Amounts falling due within one year:	£	£
Other debtors	1,100	2,991
Prepayments and accrued income	5,786	5,786
	<u>6,886</u>	<u>8,777</u>
17 Creditors: amounts falling due within one year	2021	2020
	£	£
Other creditors	<u>18,587</u>	<u>18,553</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

18 Restricted funds

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

	Movement in funds		Movement in funds		Balance at 31 December 2021
	Balance at 1 January 2020	Incoming resources	Balance at 1 January 2021	Incoming resources	
	£	£	£	£	£
Mission fund	7,438	600	8,038	300	8,338
	<u>7,438</u>	<u>600</u>	<u>8,038</u>	<u>300</u>	<u>8,338</u>

The income to the Missions restricted fund is received in the form of donations from sources outside the charity for the purpose of donating money to mission work.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Designated funds

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

	Balance at 1 January 2020	Resources expended	Transfers	Balance at 31 December 2020
	£	£	£	£
Maintenance fund	5,986,310	(46,133)	(274,339)	5,665,838
Property fund	3,515,468	-	-	3,515,468
Provincial Fund	561,907	-	(31,591)	530,316
Communities fund	10,217	-	6,840	17,057
Special Projects Fund	100,000	(50,043)	50,043	100,000
Property Maintenance Fund	50,000	(9,109)	9,109	50,000
	<u>10,223,902</u>	<u>(105,285)</u>	<u>(239,938)</u>	<u>9,878,679</u>

	Balance at 1 January 2021	Resources expended	Transfers	Balance at 31 December 2021
	£	£	£	£
Maintenance fund	5,665,838	-	490,937	6,156,775
Property fund	3,515,468	(46,133)	(46,133)	3,423,202
Provincial Fund	530,316	-	(8,889)	521,427
Communities fund	17,057	-	(15,453)	1,604
Special Projects Fund	100,000	(100,000)	120,000	120,000
Property Maintenance Fund	50,000	(13,648)	13,648	50,000
	<u>9,878,679</u>	<u>(159,781)</u>	<u>554,110</u>	<u>10,273,008</u>

The Maintenance fund is held to provide for the maintenance of members as they grow older and invested to maximise the return on the charity's assets. Included within the maintenance fund is unrealised gains on investments of £1,779,543 (2020 - £1,271,993).

The Property fund represents the funds necessarily set aside for the charity's occupation of the land and buildings. The movement in the year represents the depreciation charge.

The Provincial fund is set aside by the trustees for the financial needs of the Provincial.

The Community fund is set aside for the needs of the individual houses.

The Special Projects funds represents monies set aside for assistance that the Trustees intend to make to projects.

The Property Maintenance fund is set aside for the repair and maintenance of the Charities Properties.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2021 are represented by:				
Tangible assets	5,947	3,423,202	-	3,429,149
Investments	-	6,156,775	-	6,156,775
Current assets/(liabilities)	88,518	693,031	8,338	789,887
	<u>94,465</u>	<u>10,273,008</u>	<u>8,338</u>	<u>10,375,811</u>

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2020 are represented by:				
Tangible assets	-	3,477,830	-	3,477,830
Investments	-	5,665,838	-	5,665,838
Current assets/(liabilities)	77,926	735,011	8,038	820,975
	<u>77,926</u>	<u>9,878,679</u>	<u>8,038</u>	<u>9,964,643</u>

21 Covid-19

As direct consequences of the Coronavirus (COVID-19) pandemic, and in accordance with the UK government guidelines, the Daughters of the Heart of Mary ceased all activity that included face to face meetings and large groups of people on 21 March 2020 for an indeterminate period, however, they were still able to provide support as a listening presence in the community.

The trustees are aware of the risks the charity may face and have established procedures to mitigate known risks where possible. Covid-19 has already had an impact on operations and investments. However, the trustees are confident that the charity will continue to undertake its operations and fulfil all its financial liabilities and charity obligations. No adjustments have been to any figures in the accounts as a result of the pandemic.

22 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

England & Wales - Charity number 800119

Accounts

**DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Miss A Coughlan Miss E McHale Miss G Eastwood Miss M Brogan Miss M Brennan Miss M Alphonse	(Appointed 26 August 2020)
Charity number	800119	
Bankers	National Westminster Bank plc 98 High Street Wimbledon London SW19 5ZH	
Solicitors	Potheadary Witham Weld 70 St George's Square London SW1V 3RD	
Investment advisors	Charles Stanley & Company Limited 55 Bishopsgate London EC2N 3AS	

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

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DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The object of the Trust, as stated in the Trust deed, page 2, paragraph 3 is:

- (a) "to promote the charitable work for the time being carried on, promoted or supported by the Daughters of the Heart of Mary".
- (b) To relieve the material or spiritual suffering of others "through their efforts for human development, through educational, cultural and social activities which contribute to the changing of mentalities and attitudes...participating in solidarity with mankind". (Constitutions - Daughters of the Heart of Mary - Chapter V)
- (c) Main Strategies - To encourage and support the varied activities of individual Daughters of the Heart of Mary and the organisations with which they co-operate and to support the worldwide charitable work of the Society through:
 - i) grants in aid of these works;
 - ii) enabling Daughters of the Heart of Mary from other Provinces to pursue their qualifications and skills in these works in their own countries;
 - iii) providing accommodation for DHM students and financing their formation/further education here when courses are not available in their own country. We have news from our sisters/students who completed the courses and hear how their periods of study have helped them since their return to their homeland.

Public benefit

The charities trustees have referred to the guidance in the Charity Commissions general guidance on Public Benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, they have considered how planned activities will contribute to the aims and objectives they have set.

Background

In 1790 at the time that the Constitutional Assembly decreed the suppression of religious orders in France, Peter Joseph de Cloriviere received the inspiration of a new form of religious life that would be possible in any circumstances. Together with Marie Adelaide de Cice (who saw her project in his inspiration) he organised the first members, whom he called Daughters of the Heart of Mary, into a religious society.

This Society came to England in 1846 and this was the first foundation outside France. The Provincial house is situated at 41 Murray Road which also serves as the Wimbledon community house.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

This religious Society came to England in 1846 and this was the first foundation outside France. Daughters of the Heart of Mary continue to serve the needs of many through charitable activities and support the disadvantaged members of society.

On the 31st March 2009 the status of the England/Ireland Province was changed to that of a Region. The Regional house is situated at 41 Murray Road which also serves as the Wimbledon community house.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance

Charitable activities

The Daughters of the Heart of Mary Charitable Trust (DHM) continues to serve the needs of many through charitable activities and to support the disadvantaged members of society. Activities in the educational, social and pastoral fields reach out to such people through social work, assistance to the disabled, home visiting, catechesis, prayer groups and in the past, visits to prisons and a daily presence at court, work with unmarried mothers and staffing of a project with Westminster Council for young girls arriving at Victoria Station.

A Sister Tutor wrote a book which was used for training nurses and translated into six languages, an Orphanage was established and two Hostels were administered and a Hospital Visiting Society was established. We also administered two Convalescent Homes.

one member saw the need for a Parish Church and from that small beginning three other parishes have been established. Two of our members make sandwiches twice monthly and they are delivered to the Parish to be taken to those who are sleeping rough on the streets of London.

As Daughters of the Heart of Mary we are particularly conscious of women and make every opportunity to favour their particular concerns. Daughters of the Heart of Mary in England and Ireland are involved in various activities according to the need and place of their work.

The North West of England suffered badly during the pandemic lockdown and subsequent introduction of tier system. Kirkby and Blackpool were at level 4 throughout.

As we had some warning as to what was likely to happen, we were aware that the house would have to stop vulnerable groups from meetings. Since all the Churches were closed for public worship, many were at loss. We tried to prepare elderly and vulnerable parishioners by providing examples of Spiritual Communion and prayer. As our preparation, we were letting those with internet access be aware of online Church services and helped them to get connected. When the lockdown came into effect, we had moved to virtual house meeting via Skype, and discussed the need to focus on what could be done rather than what we could not do.

During the lockdown one DHM Sister was furloughed and one was classed as very vulnerable. The house visiting had to be stopped, but we made efforts to visit people and chat through windows or in gardens with masks on. One DHM sister in Blackpool was appointed by the local Council to work for the Red Cross by acting as taxi to take people needing to go to hospital appointments. In Liverpool the sister on furlough was in process of volunteering at the vaccination centres, until she was recalled to help in the chaplaincy.

In both towns we helped to provide and deliver food parcels which became in need, elderly people unable to meet families or friends need to hear a friendly voice by phone or to see a person in their garden even became a lifeline. Some help providing catechises for younger children was asked for in Blackpool, this was done virtually, (via Zoom) along with helping families in financial stress. Help was given in Liverpool with money for the breakfast-club for families who lost their jobs in the early days of Covid.

Also, an attempt was made to encourage the churches to make efforts toward reducing carbon emissions by 2030 as requested following Laudato Si. A number of Zoom meetings took place regarding this. In Blackpool during lockdown many Homeless and refugees were housed in hotels which couldn't open to the general public. When the Lockdown was lifted, despite the government request that there be a grace period in Blackpool, a holiday area, suddenly these people were put back as rough sleepers. It was necessary to try and arrange food parcels and help claimants through the system. Some immigrants were sadly forcibly moved to cities for deportation. We helped obtain clothes and food. Families found it difficult because shops were not accepting the vouchers. Again, food parcels were arranged and financial aid given. Because Covid testing in some areas was difficult and children were told they couldn't go back to school without clear Covid test transport to test centres had to be arranged in Covid secure ways. It is expected that as we move forward the Church will allow our houses to open again for groups in a Covid secure way.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

In Wimbledon, through various Charitable organisations in London as well as in the world, we reached out to people in need of oxygen cylinders, PPE, medical intervention, food, and other financial needs. Telephone contacts were regularly done with people in need.

One DHM sister continued her work with immigrants and victims of trafficking through online and personal accompaniment.

No groups were received due to the pandemic restrictions. We are hoping to begin again in the near future when the new academic year begins.

Financial aid given to projects of the Society

During the year the charity gave £52,783 (2019: £19,700) to various charitable projects whose aims are commensurate with the charity's aims and objectives.

Investment performance

2020 was a year dominated by the impact of the Covid-19 pandemic on health, everyday lives and the global economy. From a business perspective the effects were far-reaching but some sectors such as Travel and Leisure were particularly damaged by the suspension of economic activity and the impositions of lockdowns and other restrictions as the virus spread across the world. Governments and central banks responded to the crisis by launching a broad spread of support programmes backed up by a liquidity surge which dwarfed the response to the Financial Crisis over a decade ago in terms of scale. This has important implications for the future given the debts that have been accumulated and the next challenge will be how to bring these policies to a close, but for now the focus has been on stabilisation and recovery. Equity markets rallied over the summer and were further boosted towards the end of the year by positive news on the vaccine front. However, the FTSE 100 still finished in double-digit negative territory and lagged international peers with some markets, most notably the tech-heavy US, touching new highs.

The market value of the investments stood at £5,824,668 as at the 31st December 2020. Income generated during the year came to £185,112 which equates to a yield of 3.2%. The total return (including income) from the portfolio during the year was -3.4%, which compares with figures of 1.9% and 2.0% for the MSCI PIMFA Income and MSCI PIMFA Balanced Indices respectively. The breakdown of the portfolio (21% Fixed Interest, 27% UK Equities, 18% Overseas Equities, 32% Alternative Assets, 2% Cash) is deemed appropriate in view of the investment objectives. The fall in income year-on-year reflects the sharp decline in dividend payments by companies in response to the crisis. Markets have advanced in 2021 and at the time of writing the value of the portfolio has got back to above closing 2019 levels.

Financial review

The Statement of Financial Activities on page 7 shows a net outgoing movement in funds of £457,469 (2019 net incoming movement: £459,614). Also, a net loss on investment assets of £351,995 (2019 net gain: £557,796), and without these overall net gains, the charity had net outgoing resources of £105,474 (2019: £98,182).

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately a year's expenditure. In the event of a significant drop in the income, the free reserves are like a standby or working capital to help the charity to continue its activities. However, this lower during the 2020 year given the uncertainty around Covid, but the charity aim to get the funds back to a level that is in line with policy stated above.

Investment policy

The charity has an Investment Policy which was approved by the Trustees on 31st August 2018. Reflecting on our role as Trustees, we believe that this policy must reflect the social and Gospel values of the Catholic Church, both in the way we invest our money and in the way that it is used to enhance the quality of life for all people, spiritually and in their daily lives.

In view of this, no investment should be held in any company failing to evidence significant positive criteria set out within this policy.

The Trustees will work closely with their nominated investment fund manager who will monitor the portfolio in respect of the ethical guidelines, notify the Trustees of any significant developments and provide a full update at the annual meetings.

FUTURE PLANS

The future plans for the Charity involve carrying on the good work they are doing in the communities that they currently serve.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees are aware of the risks the charity may face and have established procedures to mitigate known risks where possible. Covid-19 has already had an impact on operations and investments. However, the trustees are confident that the charity will continue to undertake its operations and fulfil all its financial liabilities and charity obligations.

It was noted that adequate insurance must be ensured for our property and taken consistently on a yearly basis. Our Investments are managed by Charles Stanley FCA registered investment fund so as to achieve the best financial outcome.

The Trustees continue to work to ensure compliance with GDPR which came into effect in May 2018.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

Structure, governance and management

The name of the charity is Daughters of the Heart of Mary Charitable Trust. The charity was established by a charitable trust deed on 13 September 1988 and is registered with the Charity Commission under reference number 800119. The address of the principal office of the charity is 41 Murray Road, Wimbledon, London SW19 4PD.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees who served during the year and up to the date of signature of the financial statements were:

Miss A Coughlan

Miss E McHale

Miss G Eastwood

Miss M Brogan

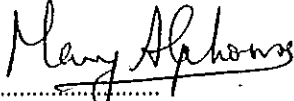
Miss M Brennan

Miss M Alphonse

(Appointed 26 August 2020)

The power to appoint new trustees rests with the Provincial Superior.

The trustees' report was approved by the Board of Trustees.



.....
Miss M Alphonse

Provincial Superior

Dated: ...26/10/2021

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

I report to the trustees on my examination of the financial statements of Daughters of The Heart of Mary Charitable Trust (the charity) for the year ended 31 December 2020.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

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

Independent examiner's statement

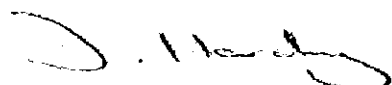
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Darren Harding ACA FCCA DChA
Richard Place Dobson Services Limited
1-7 Station Road
Crawley
West Sussex
RH10 1HT

Dated: 28 October 2021

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Current financial year

	Notes	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
<u>Income and endowments from:</u>						
Donations and legacies	3	2,150	-	600	2,750	2,911
Religious services provision	4	23,750	-	-	23,750	12,030
Investments	5	185,459	-	-	185,459	215,853
Other income	6	5,832	-	-	5,832	1,616
Total income		217,191	-	600	217,791	232,410
<u>Expenditure on:</u>						
Raising funds	7	51,062	-	-	51,062	54,801
Charitable activities	8	166,918	105,285	-	272,203	275,791
Total resources expended		217,980	105,285	-	323,265	330,592
Net gains/(losses) on investments	12	(351,995)	-	-	(351,995)	557,796
Net (outgoing)/incoming resources before transfers		(352,784)	(105,285)	600	(457,469)	459,614
Net (outgoing)/incoming resources before transfers		(352,784)	(105,285)	600	(457,469)	459,614
Gross transfers between funds		239,938	(239,938)	-	-	-
Net movement in funds		(112,846)	(345,223)	600	(457,469)	459,614
Fund balances at 1 January 2020		190,772	10,223,902	7,438	10,422,112	9,962,498
Fund balances at 31 December 2020		77,926	9,878,679	8,038	9,964,643	10,422,112

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Prior financial year

	Notes	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £
<u>Income and endowments from:</u>					
Donations and legacies	3	2,311	-	600	2,911
Religious services provision	4	12,030	-	-	12,030
Investments	5	215,853	-	-	215,853
Other income	6	1,616	-	-	1,616
Total income		231,810	-	600	232,410
<u>Expenditure on:</u>					
Raising funds	7	54,801	-	-	54,801
Charitable activities	8	162,405	113,386	-	275,791
Total resources expended		217,206	113,386	-	330,592
Net gains/(losses) on investments	12	557,796	-	-	557,796
Net (outgoing)/incoming resources before transfers		572,400	(113,386)	600	459,614
Gross transfers between funds		(515,205)	516,401	(1,196)	-
Net movement in funds		57,195	403,015	(596)	459,614
Fund balances at 1 January 2019		133,577	9,820,887	8,034	9,962,498
Fund balances at 31 December 2019		190,772	10,223,902	7,438	10,422,112

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	13		3,477,830		3,524,592
Investments	14		5,665,838		6,086,310
			<u>9,143,668</u>		<u>9,610,902</u>
Current assets					
Debtors	16	8,777		3,881	
Cash at bank and in hand		830,751		828,934	
			<u>839,528</u>		<u>832,815</u>
Creditors: amounts falling due within one year	17	(18,553)		(21,605)	
Net current assets			820,975		811,210
Total assets less current liabilities			<u>9,964,643</u>		<u>10,422,112</u>
Income funds					
Restricted funds	18		8,038		7,438
<u>Unrestricted funds</u>					
Designated funds	19	9,878,679		10,223,902	
General unrestricted funds		77,926		190,772	
			<u>9,956,605</u>		<u>10,414,674</u>
			<u>9,964,643</u>		<u>10,422,112</u>

The financial statements were approved by the Trustees on ^{2nd} Sept 2021

Mary Alphonse

Miss M Alphonse
Trustee

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. 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 measured with a degree of reasonable accuracy and the title to the asset has been transferred to the charity.

Investment income which includes dividends received, other listed investment income and interest receivable is included in the statement of financial activities in the year in which it is receivable.

Charitable activities income includes members' board income and royalties and is included in the statement of financial activities in the year to which it relates.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.4 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Costs of raising funds includes investment manager fees.

Charitable activities relate to the cost of serving the community and supporting trustee approved projects.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £250 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold Property	2% on cost
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	20% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial liabilities

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

1.9 Taxation

As a charity, the Trust is not subject to corporation tax or any other taxes on income and gains arising from its charitable objectives.

1.10 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £
Donations and gifts	2,150	600	2,750	436	600	1,036
Legacies receivable	-	-	-	1,875	-	1,875
	<u>2,150</u>	<u>600</u>	<u>2,750</u>	<u>2,311</u>	<u>600</u>	<u>2,911</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Religious services provision

	2020 £	2019 £
Religious services provision	23,750	12,030

5 Investments

	general 2020 £	general 2019 £
Investment Income	185,065	214,962
Deposit account interest	394	891
	<u>185,459</u>	<u>215,853</u>

6 Other income

	general 2020 £	general 2019 £
Royalties	95	92
Other income	250	1,524
HMRC Furlough Grant	5,487	-
	<u>5,832</u>	<u>1,616</u>

7 Raising funds

	general 2020 £	general 2019 £
<u>Investment management</u>	51,062	54,801
	<u>51,062</u>	<u>54,801</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Charitable activities

	Direct charitable expenditure 2020 £	Direct charitable expenditure 2019 £
Staff costs	38,670	34,001
Depreciation and impairment	48,866	48,713
Religious Services Provision	113,053	104,423
Payments to mission	50,043	15,655
Maintenance	9,109	51,598
	<u>259,741</u>	<u>254,390</u>
Share of governance costs (see note 9)	12,462	21,401
	<u>272,203</u>	<u>275,791</u>
Analysis by fund		
Unrestricted funds - general	166,918	162,405
Unrestricted funds - designated	105,285	113,386
	<u>272,203</u>	<u>275,791</u>

9 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Accountancy	-	9,907	9,907	-	14,132	14,132
Legal and professional	-	2,430	2,430	-	6,887	6,887
Bank Charges	-	125	125	-	382	382
	<u>-</u>	<u>12,462</u>	<u>12,462</u>	<u>-</u>	<u>21,401</u>	<u>21,401</u>
Analysed between Charitable activities	<u>-</u>	<u>12,462</u>	<u>12,462</u>	<u>-</u>	<u>21,401</u>	<u>21,401</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

The trustees are also members of the congregation. Some members are maintained by the charity and the cost of the premises, meals and other living expenses in respect of such members is paid either to them or on their behalf by the charity.

11 Employees

Employment costs	2020 £	2019 £
Wages and salaries	36,127	31,955
Other pension costs	2,543	2,046
	<u>38,670</u>	<u>34,001</u>

12 Net gains/(losses) on investments

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Revaluation of investments	<u>(351,995)</u>	<u>557,796</u>

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

13 Tangible fixed assets

	Freehold Property £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2020	3,839,975	137,439	13,893	3,991,307
Additions	-	2,104	-	2,104
At 31 December 2020	3,839,975	139,543	13,893	3,993,411
Depreciation and impairment				
At 1 January 2020	324,507	131,313	10,895	466,715
Depreciation charged in the year	46,133	1,234	1,499	48,866
At 31 December 2020	370,640	132,547	12,394	515,581
Carrying amount				
At 31 December 2020	3,469,335	6,996	1,499	3,477,830
At 31 December 2019	3,515,468	6,126	2,998	3,524,592

14 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2020	6,086,310
Additions	361,306
Valuation changes	(343,329)
Disposals	(438,448)
At 31 December 2020	5,665,839
Carrying amount	
At 31 December 2020	5,665,839
At 31 December 2019	6,086,310

Historical cost of the fixed asset investment as at 2020 was £4,393,846 (2019: £4,280,535).

There were no investments with a value of 5% or more of the market value held at the year end.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15	Financial instruments	2020	2019
		£	£
	Carrying amount of financial assets		
	Instruments measured at fair value through profit or loss	5,665,838	6,086,310
		<u> </u>	<u> </u>
16	Debtors	2020	2019
		£	£
	Amounts falling due within one year:		
	Other debtors	2,991	3,044
	Prepayments and accrued income	5,786	837
		<u> </u>	<u> </u>
		<u>8,777</u>	<u>3,881</u>
17	Creditors: amounts falling due within one year	2020	2019
		£	£
	Other creditors	18,553	21,605
		<u> </u>	<u> </u>

18 Restricted funds

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

	Movement in funds			Movement in funds		
	Balance at 1 January 2019	Incoming resources	Transfers	Balance at 1 January 2020	Incoming resources	Balance at 31 December 2020
	£	£	£	£	£	£
Mission fund	8,034	600	(1,196)	7,438	600	8,038
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The income to the Missions restricted fund is received in the form of donations from sources outside the charity for the purpose of donating money to mission work.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

19 Designated funds

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

	Balance at 1 January 2019	Resources expended	Transfers	Investments gains/losses	Balance at 31 December 2019
	£	£	£	£	£
Maintenance fund	5,400,000	-	(67,253)	653,563	5,986,310
Property fund	3,561,601	(46,133)	-	-	3,515,468
Provincial Fund	749,272	-	(187,365)	-	561,907
Communities fund	10,014	-	203	-	10,217
Special Projects Fund	50,000	(15,655)	65,655	-	100,000
Property Maintenance Fund	50,000	(51,598)	51,598	-	50,000
	<u>9,820,887</u>	<u>(113,386)</u>	<u>(137,162)</u>	<u>653,563</u>	<u>10,223,902</u>

	Balance at 1 January 2020	Resources expended	Transfers	Investments gains/losses	Balance at 31 December 2020
	£	£	£	£	£
Maintenance fund	5,986,310	46,133	(274,339)	-	5,665,838
Property fund	3,515,468	-	-	-	3,515,468
Provincial Fund	561,907	-	(31,591)	-	530,316
Communities fund	10,217	-	6,840	-	17,057
Special Projects Fund	100,000	50,043	50,043	-	100,000
Property Maintenance Fund	50,000	9,109	9,109	-	50,000
	<u>10,223,902</u>	<u>105,285</u>	<u>(239,938)</u>	<u>-</u>	<u>9,878,679</u>

The Maintenance fund is held to provide for the maintenance of members as they grow older and invested to maximise the return on the charity's assets. Included within the maintenance fund is unrealised gains on investments of £1,271,993 (2019 - £1,805,755).

The Property fund represents the funds necessarily set aside for the charity's occupation of the land and buildings. The movement in the year represents the depreciation charge.

The Provincial fund is set aside by the trustees for the financial needs of the Provincial.

The Community fund is set aside for the needs of the individual houses.

The Special Projects funds represents monies set aside for assistance that the Trustees intend to make to projects.

The Property Maintenance fund is set aside for the repair and maintenance of the Charities Properties.

DAUGHTERS OF THE HEART OF MARY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

20 Analysis of net assets between funds

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2020 are represented by:				
Tangible assets	-	3,477,830	-	3,477,830
Investments	-	5,665,838	-	5,665,838
Current assets/(liabilities)	77,926	735,011	8,038	820,975
	<u>77,926</u>	<u>9,878,679</u>	<u>8,038</u>	<u>9,964,643</u>

	Unrestricted funds 2019 £	Designated funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2019 are represented by:				
Tangible assets	-	3,524,592	-	3,524,592
Investments	-	6,086,310	-	6,086,310
Current assets/(liabilities)	190,772	613,000	7,438	811,210
	<u>190,772</u>	<u>10,223,902</u>	<u>7,438</u>	<u>10,422,112</u>

21 Covid-19

As direct consequences of the Coronavirus (COVID-19) pandemic, and in accordance with the UK government guidelines, the Daughters of the Heart of Mary ceased all activity that included face to face meetings and large groups of people on 21 March 2020 for an indeterminate period, however, they were still able to provide support as a listening presence in the community.

The trustees are aware of the risks the charity may face and have established procedures to mitigate known risks where possible. Covid-19 has already had an impact on operations and investments. However, the trustees are confident that the charity will continue to undertake its operations and fulfil all its financial liabilities and charity obligations. No adjustments have been to any figures in the accounts as a result of the pandemic.

22 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).