

**The English
Province of
the Congregation
of the Sisters
of St Joseph
of Annecy
Charitable
Trust**

Annual Report and Accounts

31 December 2019

Charity Registration Number
232835



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Reference and administrative details of the charity, its trustees and advisers

Trustees	<p>Sister Susan Armond (appointed 1 February 2020)</p> <p>Sister Dorothy Butler (retired 1 February 2020)</p> <p>Sister Marianne Donnelly</p> <p>Sister Margaret Fox</p> <p>Sister Breda Gainey (retired 1 September 2019)</p> <p>Sister Teresa Kolb</p> <p>Sister Mary Gretta O'Connor (appointed 1 February 2020)</p> <p>Sister Alice O'Dwyer (retired 1 February 2020)</p> <p>Sister Bridget Pritchard (appointed 1 February 2020)</p> <p>(The trustees are incorporated under the Charities Act 2011)</p>
Provincial Superior (Sister Provincial)	<p>Sister Breda Gainey (until 1 September 2019)</p> <p>Sister Margaret Fox (from 1 September 2019)</p>
Provincial Bursar	Sister Teresa Kolb
Provincial House	<p>173 Chepstow Road</p> <p>Newport</p> <p>NP19 8GH</p>
Charity registration number	232835
Auditor	<p>Buzzacott LLP</p> <p>130 Wood Street</p> <p>London</p> <p>EC2V 6DL</p>
Bankers	<p>The Royal Bank of Scotland plc</p> <p>1 Redheughs Avenue</p> <p>Edinburgh</p> <p>EH12 9JN</p>
Investment managers	<p>UBS Wealth Management (UK) Limited</p> <p>5 Broadgate</p> <p>London</p> <p>EC2M 2AN</p>
Solicitors	<p>Rubin Lewis O'Brien</p> <p>Gwent House</p> <p>Gwent Square</p> <p>Cwmbran</p> <p>South Wales</p> <p>NP44 1PL</p>

Report of the trustees Year to 31 December 2019

The trustees present their statutory report together with the accounts of The English Province of the Congregation of the Sisters of St Joseph of Annecy Charitable Trust (the charity) for the year ended 31 December 2019.

The accounts have been prepared in accordance with the accounting policies set out on pages 40 to 46 of the attached accounts 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 United Kingdom and Republic of Ireland (FRS 102).

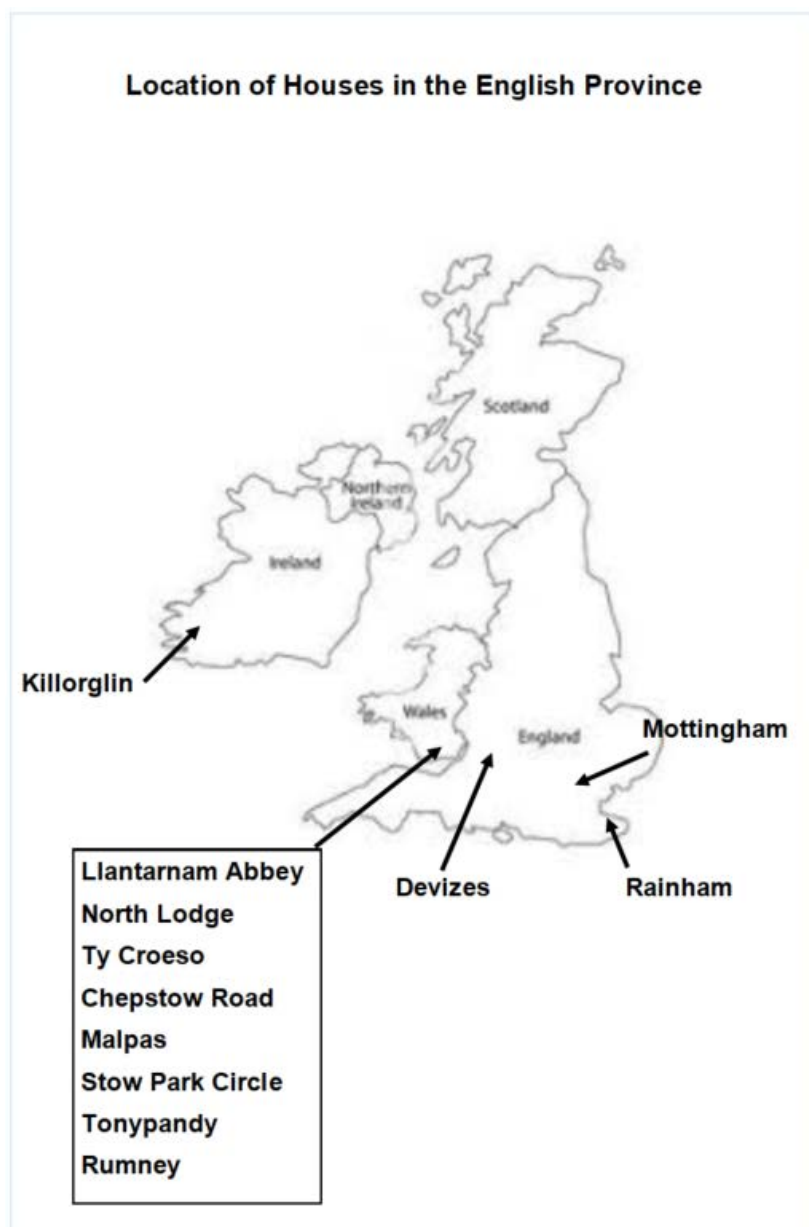
Introduction



The Sisters of St Joseph of Annecy (the Congregation) is an international Roman Catholic Congregation supporting 434 finally professed and 60 junior professed sisters, as well as 28 women in initial formation, worldwide. It was founded in France in 1650 where its Generalate is located, and is divided into a number of distinct Provinces and Regions across the world.

The accounts accompanying this report are the accounts of the charitable trust on which the assets of the Congregation in England and Wales are held and through which its finances operate.

Introduction (continued)



The English Province has houses in various parts of England and Wales, with one community in Killorglin, Co Kerry, Ireland.

Mission

Worship and Prayer

Members of the Congregation are given the opportunity for private worship and to continue to develop their knowledge and trust in Jesus and the Church through quiet prayer, study of the Gospel and spiritual development. In addition, members of the Congregation celebrate and pray with the wider community including people of all faiths and none. They do this through the provision of spiritual guidance or by just being available to listen in times of need, through the giving of retreats and the celebration of the Liturgy through prayer groups and church services.

The English Province of the Congregation of the Sisters of St Joseph of Annecy Charitable Trust

Report of the trustees Year to 31 December 2019

Mission (continued)

Social and pastoral work

Many members of the Congregation are involved in various forms of social or pastoral work throughout the country, including care of the elderly, family support, safe houses for the victims of human trafficking, acting as governors in local schools, chaplaincy in hospitals, prisons, retreat work and the conducting of funeral services. The sisters aim to help, in particular, the poor and marginalised in society regardless of their personal background, faith, and gender or individual circumstances.

Overseas missionary work

The charity also helps support sisters working in education, healthcare and social work in India, Senegambia, Tanzania, Kenya and Congo, thereby helping some of the world's poorest and most disadvantaged people. The sister appointed as Missionary Development Officer has attended a number of training courses with, and made monitoring visits to, projects funded by Misesan Cara.

Principal Aims, Activities and Policies

Activities and specific objectives

The charity aims to support the religious and other charitable works carried on by the English Province of the Congregation and its members. When setting the aims of the charity, the trustees have complied with their duty under section 17 of the Charities Act 2011 to have regard to the Charity Commission's guidance on public benefit. The trustees believe that they have demonstrated in detail throughout this report the ways in which the charity has been faithful to this guidance.

The works of the charity fall into the main areas of: caring for members of the Congregation; education; healthcare; social and pastoral care; the advancement of religion; and overseas missionary development. Each of these is considered in turn below:

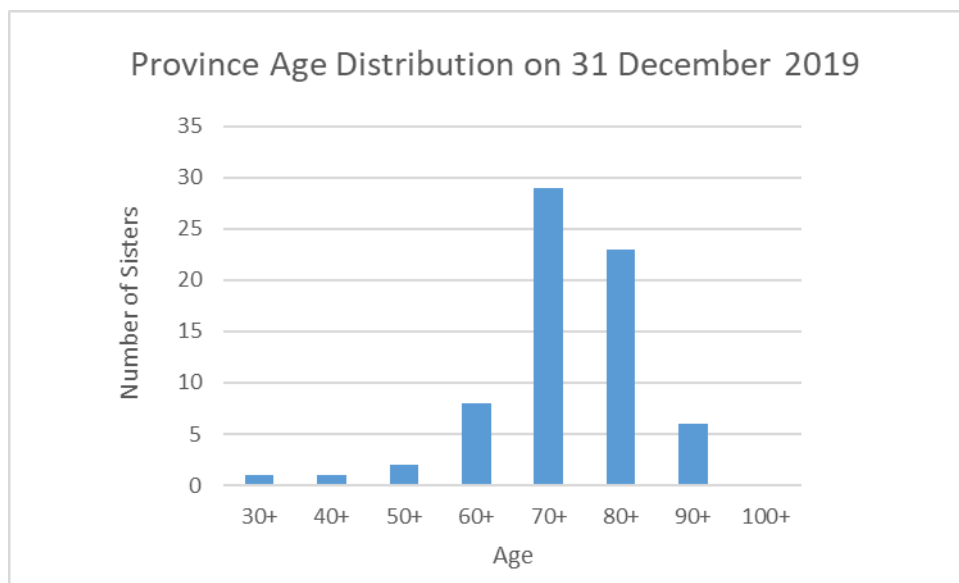
Caring for the members of the Congregation

In common with many religious congregations in Great Britain, the age profile of the members of the Congregation in this Province is increasing as existing members grow older and the number of new vocations becomes minimal. The age profile of the finally professed sisters in Great Britain is shown graphically below:

Principal Aims, Activities and Policies (continued)

Activities and specific objectives (continued)

Caring for the members of the Congregation (continued)



The Congregation has a legal and moral obligation to provide care for its members, none of whom has resources of her own, and all of whom have devoted a significant part of their lives to education, nursing and social and pastoral work with the poorer members of society. As the age profile of the sisters increases, so does the cost of providing care.

Over the next decade the number of sisters needing more care is likely to increase given the age profile. Reflecting society in general there has been an increase in the number of sisters diagnosed with dementia. Caring for them within a community context is proving to be challenging and will require specific planning in the coming years. As a consequence, the trustees are giving careful thought to the implications for the members of the Province, property and finance.

Education

The sisters work in education at all levels continues and sisters are engaged in various areas of education in the state system such as teaching in schools; supporting school based Sacramental programmes, school governance and adult education. In education, the sisters endeavour to uphold the ethos of the Catholic faith, which aims to provide a sound moral background to inspire and prepare young people for the challenges that lie ahead.

Healthcare

The sisters' presence in healthcare has changed over time, with sisters continuing to nurse but also expanding into complementary therapies. The Province also operates a Home for the elderly in Killorglin, Ireland which, though not part of the charity, is financially supported by it as necessary.

Principal Aims, Activities and Policies (continued)

Activities and specific objectives (continued)

Social and pastoral care

Sisters are engaged in social and pastoral care in their own establishments and in the areas in which their convents are located. These comprise community based programmes and parish work, counselling, and family support. Ministries undertaken by individual sisters include: education at various levels; promoting recent Church teaching on care of the earth; nursing; care of the elderly; Canon Law consultancy; visiting in hospitals; supporting people with mental health issues; spiritual direction; leading of funeral services and bereavement support; retreat work; holistic therapy; victims of human trafficking; Ecumenism and Christian unity; and overseas missionary and developmental work.

Advancement of religion

The Congregation operates the Ty Croeso Centre at Llantarnam Abbey, “where all can experience God’s love through relationships with themselves, with others and with all of creation, an oasis where all feel welcomed and valued, a place where people can find the time and space to feel renewed and enriched in order to discover the deeper meaning and direction in life” (Vision Statement). The Centre is open to groups and individuals as a place for spirituality and retreats, day or weekend conferences and a variety of other local needs. The use of this Centre has continued to grow and is well known in the locality as a haven of peace where people of all faiths and none may come.



The advancement of the Roman Catholic religion permeates all the work of the members of the Congregation. Individual sisters in their diverse ministries are happy to witness their Founder’s charism of unconditional love. This love they share especially with the “poorest and most neglected”, remembering that poverty refers not only to material poverty but also to a wide range of situations that are to be found in society.

Report of the trustees Year to 31 December 2019

Principal Aims, Activities and Policies (continued)

Activities and specific objectives (continued)

Overseas and missionary development

In conjunction with Misean Cara, an Irish based organisation involved in overseas development, the sisters contribute towards development work in India, and in West and East Africa.

Assisted by another sister, one sister works as the Mission Development Officer (MDO) and responds to needs identified by the sisters in Africa and India by applying for funding from Misean Cara.

The funding received from Misean Cara over several years has contributed to the improvement of the educational opportunities of so many young adults. Likewise, the sisters have been able to provide good medical care for impoverished people in some of the most deprived regions of India and Africa, within which they work.

Grants, donations and other payments in support of missionary work and ministry are decided on by the trustees in consultation with the other members of the Congregation as appropriate. In the main the charity supports the work of the Congregation in overseas countries especially India, Senegambia, the Congo, Tanzania and Kenya.

Donations policy

Whilst the trustees give occasional support to United Kingdom organisations whose work is within the objects of the charity, the charity does not regard itself as a grant making entity and applications for grants and donations are not invited.

Fundraising

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The charity takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

Protection of children and vulnerable adults

Along with all other organisations who serve in the community, the trustees recognise the absolute necessity of ensuring the protection and safety of all those the charity serves. This means that all sisters who are in any kind of ministry in Great Britain have to obtain clearance from the Disclosure and Barring Service (DBS). The trustees are committed to implementing all policies and procedures of the National Catholic Safeguarding Commission (NCSC).

Principal Aims, Activities and Policies (continued)

Investment policy

The Congregation has a discretionary investment management arrangement with UBS Wealth Management (UK) Limited. The target set for the investment managers is to achieve an acceptable return of both income and capital growth with no more than a moderate level of risk.

The ethical investment policy involves a process of making judgements based on Catholic teaching, about the products, services and corporate practices of companies as well as their financial efficacy. Thus, the trustees seek to invest in companies whose products, services and corporate practices are considered to promote the sanctity and dignity of human life, and which contribute to the positive advancement of society in general and are not contrary to the Church's teaching.

The trustees meet with the investment managers regularly to ensure that the investments are managed in accordance with their written guidelines and with the religious and ethical principles of the Congregation.

Achievements and Performance

Care of our elderly sisters

At present, there are thirteen sisters in St Joseph's Wing of Llantarnam Abbey receiving nursing and personal care provided by a team of sisters, nurses and carers. Others are jointly supported by the community and staff to maintain some level of independence as far as they are able. During the past year, care after hospital discharge has been provided for four sisters who were unable to return home immediately due to the age profile or frailty of their communities. The sisters offer the elderly sisters physical, spiritual and psychological support.

Following a review of skill mix and the changing needs of the sisters, nursing hours were increased and one new member of nursing staff employed. St Joseph's Wing has continued to maintain a low staff turnover which benefits patient care.

Staff continue to be offered appropriate training both in-house and externally making use of nearby Royal College of Nursing and Aneurin Bevan University Health Board (ABUHB) resources. Many carers have now attended a seven-week course run by ABUHB on dementia. Carers who administer medication are training both online and in person with Boots pharmacy to ensure their practice is safe and meets national requirements.

The sisters continue to work in collaboration with various agencies to ensure standards of care remain high. This has involved maintaining excellent working relationships and appropriate governance with ABUHB.

The sisters have benefited from the presence of two young sisters from India who are resident at Llantarnam Abbey as volunteers. They are developing this role as part of the Pastoral Plan launched in 2018.

Report of the trustees Year to 31 December 2019

Achievements and Performance (continued)

Activities with our elderly sisters (continued)



Music and movement sessions are provided on a weekly basis. Complementary therapy is regularly available. The video link between bedrooms and Llantarnam Abbey chapel which ensures sisters can continue to participate in services even when ill remains a great asset. Various groups such as The NHS Garth Choir and Salvation Army visit the sisters. As a result of dementia training attended by some care staff, themed events and boards have been developed.

Over the past few years, bank holiday Monday in August has become a significant event for St Joseph's Wing. Staff and sisters prepare costumes and events along a theme. This year, we had "A Day at the Races" decorating the community room as Royal Ascot. While it is a day primarily for the sisters' benefit it also serves to promote team work and morale across the whole site.

In March 2019 the building of a new lift in St Joseph's Wing was completed after many months of work. It is large enough to transport ambulance stretchers and biers. This was a significant consideration in terms of access and safe manual handling for outside agencies. It also provides easier access for staff and sisters to other areas of Llantarnam Abbey. There is limited access, via a numerical code in the lift, to the attic which now offers secure storage space for health documentation and equipment.

Work began in 2019 on reconfiguring some rooms to make smaller gathering places to offer a variety of accommodation for different activities and levels of ability. This is an ongoing project which is anticipated to complete in 2020.

Report of the trustees Year to 31 December 2019

Achievements and Performance (continued)

Education

The sisters' work in education at all levels continues. One sister remains in primary education and several others work in catechetics and sacramental programmes in parishes and dioceses. Sisters are also involved in education as school governors, supporting staff and children in their day to day work of education.



The sisters are aware that in order to continue to develop their mission in the 21st Century, they too need a programme on ongoing education and formation. In 2019 this included:

- ◆ Regular sessions from Sister Monica on The Eucharistic Letter and the little Design Communities. Some sisters trained as animators and others as part of ongoing formation.
- ◆ Regular sessions from the JPIC (Justice and Peace and the Integrity of Creation) team based on Pope Francis's Encyclical Laudate Si using a blend of prayer, reflection, input, ritual and faith sharing.
- ◆ A number of sisters have undertaken short courses and sabbaticals.

Report of the trustees Year to 31 December 2019

Achievements and Performance (continued)

Healthcare

Although not part of the UK charity, the sisters own St Joseph's Home, Killorglin, Co Kerry Ireland.

Over the past four years there has been an ongoing building programme. In 2018, an extension of six double ensuite rooms was completed to the Health Information and Quality Authority (HIQA) standards. The final phase of refurbishment is due to be completed in early 2020. The Home will then be an up to date facility comprising 48 beds in a mix of single and double rooms.



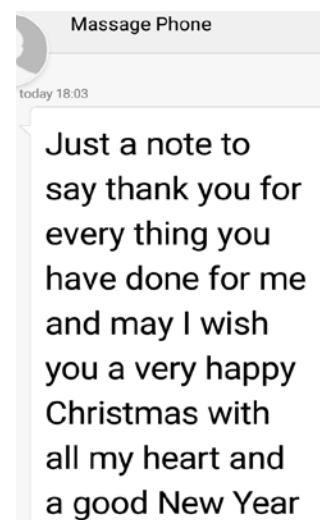
A community of six sisters is attached to the Home and supports the work of the Home through administration, payroll, activities co-ordination, pastoral care, nursing and interaction with residents. One sister, who is a registered nurse, arrived from Bhubaneswar Province in India in 2018 to join the community and took up a nursing role in the Home. There are also three sisters from the English Province resident in the Home.

Therapeutic Massage

One sister offers therapeutic massage to patients in both an osteopath clinic and a neurological rehabilitation clinic working collaboratively with specialist physiotherapists. Her patients have varied conditions such as acquired brain injury, spinal cord injury and amputations. Feedback has been very positive:

A patient reported to her that he had been taking painkillers "*like Smarties*" for 30 years but no longer has any in his house.

Another said that she thought she was "*condemned to a life of pain*" until she had a series of massage sessions.



Achievements and Performance (continued)

Social and pastoral care

Sisters who are involved in parish ministries are located in areas where there is widespread material, social and spiritual deprivation. In this way they respond to their Founder's vision of caring for the 'poorest and most neglected' members of society.

Sometimes the needs of such people are diverse in nature and often cannot be adequately met by social services or other agencies. This is particularly true of the elderly who live alone and who may feel lonely and isolated. Regular visits from the sisters gives these people hope and a sense of worth. Likewise, housebound people who have previously been active church attendees appreciate receiving Holy Communion in their own homes and being kept updated of parish events.

In 2019, two sisters completed their training in leading funeral services both in their parish and local crematoria. This ministry is much appreciated in areas where there is a shortage of priests.

To ensure that good networking is maintained, sisters work in close collaboration with the Church, schools, Society of St Vincent de Paul and similar agencies, in the following ways by:

- ◆ Accompanying members of the Society of St Vincent de Paul when undertaking home visits in various parishes.
- ◆ Regular visits to the housebound as well as those in hospitals and care homes.
- ◆ Facilitating in the provision of supplies for the local food banks. This service is particularly appreciated in regions where people are totally dependent on such measures.
- ◆ Forming links between schools, the Church and parishes by being members of the School Governors' Boards.
- ◆ Conducting liturgical and funeral services in the absence of a resident parish priest.
- ◆ Visiting families pre and post bereavement.
- ◆ Active participating in Sacramental Programmes for the Catholic education of children and adults.
- ◆ Holding mindfulness sessions for school children and their teachers.
- ◆ Welcoming people from different backgrounds and cultures and helping them to integrate into parish life.
- ◆ Ensuring that parish data is kept updated and accurate records maintained.

Achievements and Performance (continued)

Working with the Underprivileged

Two sisters live in a presbytery in one of the Rhondda Valley towns. Their ministry in this area enables them to reach out to a wide spectrum of people of various nationalities and divergent needs.

In a region that has experienced the closure of several churches over a period of time, resulting in the fragmentation of parish community life and worship, their aim is to inspire all parishioners with a sense of hope, security and stability.

In regions such as the Welsh Valleys where the coal mines have closed, young people move away in search of work and a better future. This has led to a growing elderly population who are in need of special care and attention. There is also a sharp increase in the number of all age groups presenting with mental health issues. In addition, several churches have been closed over a period of time, resulting in the fragmentation of parish community life and worship.

The sisters' ministry in such areas enables them to reach out to a wide spectrum of people of various nationalities and divergent needs, offering them a sense of hope and stability.

The sisters believe that such an essential service enriches the life of the Church in the locality and promotes the welfare of some of the most disadvantaged people in society.

The ministry of the sisters has been greatly appreciated by the people they support. This has been clearly evident by the many written and verbal comments received in 2019. The following acknowledgements are evidence of this assurance:

'We are so lucky to have you here, especially as we do not have a resident priest. We really appreciate your presence amongst us'

'Sometimes I feel very low and think that nobody cares. But I am so pleased when you take the time to come and visit me. It means so much and I always feel better afterwards'

'Although I can't go to Church any more, I am so pleased to receive Holy Communion from you and to know that I am not forgotten. I still feel I belong'.

'Thank you for bringing the Parish Newsletter and the Catholic Papers to me. I look forward to reading it as it keeps me in touch with what is happening'

The sisters are well aware of the need to plan for the future in the midst of their decreasing personnel and so their objective is to empower and involve the local people as much as possible in order to work in close collaboration, thus ensuring that the life and spirit of the church is preserved both now and in the future.

Report of the trustees Year to 31 December 2019

Achievements and Performance (continued)

Working with the Underprivileged (continued)

The Ty Croeso team organises food bags for the homeless on a rota basis with other churches in the locality. The team distributes the bags on a designated Sunday after Mass and the people return them the following week. Sisters then take these bags to the distribution centre in the city to be given to the homeless.

One sister is responsible for the day to day running of the Diocesan Pastoral Resources Centre for the Archdiocese of Cardiff. The Centre is used for day conferences, training sessions and prayer days by a wide range of people including clergy, teachers, school inspectors, governors, diocesan commissioners and parishioners.

She also works with the Commission for Christian Unity for the Archdiocese of Cardiff and the Provincial (Wales) Ecumenical Commission. Additionally, she is secretary to the trustees of the Diocese. Overall, it is a varied and interesting ministry, bringing her into contact with a good range of people and enabling her to live out the spirit of our Congregation through ordinary everyday relationships

Ty Croeso Centre

Ty Croeso is a retreat and conference centre which aims to be an oasis where people feel welcomed and valued. It offers a variety of programmes, space and opportunities for people to take time for themselves in order to feel renewed, enriched and to discover deeper meaning and direction in their lives.



The Ty Croeso Team



Report of the trustees Year to 31 December 2019

Achievements and Performance (continued)

Ty Croeso Centre (continued)

During 2019 highlights of the programme included:

- ♦ A variety of preached and directed (six and eight day) retreats;
- ♦ Short retreats for the elderly; and
- ♦ Reflection days.

Groups which make good use of the facilities include:

- ♦ Parish confirmation groups;
- ♦ Eucharistic ministers;
- ♦ Various denomination groups;
- ♦ School groups for retreat days and teachers' days;
- ♦ St Vincent de Paul Society;
- ♦ Local head teachers;
- ♦ Alister Hardy Society residential;
- ♦ Mothers' Union day and residential groups;
- ♦ Pre-ordinands and Ordinands Church in Wales residential retreats;
- ♦ Associates;
- ♦ Welsh language groups for residential retreats;
- ♦ CAFOD;
- ♦ Yoga weekend groups;
- ♦ Godly Play programme residential;
- ♦ Chaplains of the health boards; and
- ♦ Induction days for high school pupils.

Many groups return to the Centre following previous visits, often booking ahead to the next time.

Report of the trustees Year to 31 December 2019

Achievements and Performance (continued)

Ty Croeso Centre (continued)

The grounds are well used by all visitors to the Centre and the beauty and peace is appreciated by all. The Centre is also well used by the sisters of the Province, and during the past year was used in Province events including:

- ◆ Training days;
- ◆ Trustee and Province Leadership Team meetings;
- ◆ Residential time;
- ◆ Annual get together for the elderly sisters; and
- ◆ Little Design training days.

The shop continues to develop in response to the needs of visiting groups and individuals, offering a valuable service to the local area with its wide availability of books and religious items. It has also found a ministry in recycling.

The Cottage is a popular and well used resource. It offers the facility for the use of broadband and can be used for self-catering or full board. It is the ideal venue for a time of solitude or hermitage experience.

As a charity, we are aware of our need to be available to all. As such, we have supported fundraising events for St David's Hospice care, giving the use of our facilities as a donation to some charitable groups. Access to prayer days is not limited by an ability to pay, although a donation is requested.



Report of the trustees Year to 31 December 2019

Achievements and Performance (continued)

Ty Croeso Centre (continued)

What visitors say:

"Many thanks for a relaxing and refreshing weekend."

"Thank you for your hospitality and kindness,"

"Huge thanks to you for your unfailing hospitality. You looked after us superbly!"

"During the last eighteen years of primary school leadership, I cannot recall any other staff training that has stimulated such a response and led to so much debate. The way you linked religion and science was awe inspiring and exciting. Instead of feeling unworthy, you instilled a sense of pride in all of us and reminded us that we all play a role in God's creation."

"Thank you so much for your time and effort in facilitating our afternoon of reflection. Everyone found it enlightening and enjoyable."

"I want to congratulate you all on how wonderfully the centre is run, so smoothly and peacefully... Do keep up this work as long as you can."

"I believe this to be one of the top standard retreat centres in the country, all due to your hard work as a team and to your good spirit in loving service."

"The retreat centre is an oasis of peace and lends itself to much prayer and reflection."

"The Centre has the most lovely feel and we felt well held and nurtured."



Achievements and Performance (continued)

Overseas missionary work

In conjunction with Misesan Cara, an Irish based organisation involved in overseas development, the charity contributes towards development work in the areas in which the worldwide Congregation operates: India, and in West and East Africa.

The needs are identified at a local level and then the UK based MDO researches and applies for funding.

Funding received from Misesan Cara over several years has improved the educational and financial opportunities of so many young adults. Likewise, the sisters have been able to provide good medical care for impoverished people in some of the most deprived regions of India and Africa, within which they work.

In 2019 funding was obtained for:

- ◆ Emergency aid for Odisha, India;
- ◆ A clinic in Bombambili, Tanzania;
- ◆ Furniture for a nursery school in Chemba, Tanzania;
- ◆ Additional classroom and residential accommodation for a community college in Jokolandi, India;
- ◆ Provision of a school kitchen in Ejinja, Kenya; and
- ◆ Provision of laboratory equipment for a clinic in Senegal.

Report of the trustees Year to 31 December 2019

Achievements and Performance (continued)

Life of the Province

Every six years, the Congregation of the Sisters of St Joseph of Annecy holds a General Chapter to bring representatives of the whole Congregation together to review our life and mission, its future ministries and elect its Superior General and Council. This is preceded in all areas by a Provincial, or local, Chapter.

The English Province held its Chapter in February at Llantarnam Abbey which was attended by 28 sisters. The General Chapter met near Rome in May. This has led to significant changes for the English Province as Sister Breda Gainey, Provincial, was elected to be Superior General. This resulted in a change of leadership and trustees within the Province which took effect from 1 February 2020.



Achievements and Performance (continued)

Life of the Province (continued)



The English Province has also welcomed two young sisters from India to Llantarnam Abbey. They are volunteers within the community offering pastoral care to our sisters who are sick or elderly. Both sisters are also attending the International English Language Testing System (IELTS) classes locally to improve their English. They have made contacts within the nearby parishes with Indian families. It is hoped they will be able to extend and develop this volunteer role in the Province as we seek to work more and more with other areas of our international Congregation. This is what they have said about their first few months in Wales: *“Our lives are coloured with many new beginnings as we prepare for the IELTS (English) exams with students of other nationalities, meeting people in the local parishes, learning new skills such as playing the guitar as well as animating prayer sessions with the old and frail sisters who encourage us as they share their life experiences. We now feel that we belong fully to the Llantarnam Abbey Community and eagerly await the time when we pass our exams and can be even more involved in its life and mission.”*



Recognising the need for new expressions of sharing the spirituality of the Sisters of St Joseph, sisters have continued their training for the establishment of Little Design Communities i.e. non-residential groups of laity for the living out of our charism.

Report of the trustees Year to 31 December 2019

Achievements and Performance (continued)

Tithe Barn

Llantarnam Abbey Tithe Barn is designated as a scheduled monument and a grade II listed building.



It is currently in a state of disrepair and the sisters are no longer able to maintain it.

A local group of Friends has been set up in consultation with the trustees with a vision of putting the building back into use while creating education and training opportunities for those interested in archaeology and ancient building methods and techniques.

The group will actively research funding for the projects. It is hoped that opportunities for apprenticeships and voluntary activities will be made available. The Friends group will also work with local wildlife trusts to enhance the surrounding environment which will benefit the wider local community.

Personal influence on others

Whilst decreasing in numbers and increasing in age, the sisters are aware that they are on mission until their last breath and that their lives can have an effect on others.

The use of social media has allowed past pupils, colleagues, friends and many others who have been influenced by the Sisters of St Joseph of Annecy at some time in their lives to share these experiences:

L McC: *God bless Sr B, I'll never forget the kindness you showed to me and my family when my father passed away in 2003. May you Rest in Peace x*

DR: *Happy Easter sisters...please send my love to Sister D and Sister M S who were two of my teachers almost 50 years ago.*

Report of the trustees Year to 31 December 2019

Achievements and Performance (continued)

Personal influence on others (continued)

LF: *These are some of the most wonderful people I have ever met. They are kind and devote their lives not only to God but to everyone who needs it. I can't tell you how much love and respect I have for them. Thank you so much sisters. Lots of love xx*

M McM: *I remember Sister C from my time at Blair's College in Scotland, along with Sister's M, MJ and S. I will remember Sister C at mass on Friday. Please, if Sister M from Blair's is with you, would you pass on my sincere and warmest regards to her. Sister M impressed me so much and her example always remained with me throughout my life. She, like all the sisters, work tirelessly in the care of priests and students. Sister M would sing as we cleared up after meals and always, but always, be smiling. I hope she can receive this message from one of her 'Blair's boy's.' RIP Sister C*

Future Plans

Province

Ongoing plans include:

- ◆ Review the future of the Home in Killorglin;
- ◆ Induction of new trustees; and
- ◆ Discussion with the CIW (Care Inspectorate Wales) regarding possible registration of Llantarnam Abbey.

Generally

In addition, we aim to continue to:

- ◆ Oversee management of Ty Croeso retreat and conference centre;
- ◆ Oversee management of St Joseph's Home, Killorglin;
- ◆ Monitor the needs of our sisters as they grow older to ensure there is adequate provision for the needs of all;
- ◆ Evaluate our ministries in terms of the reality of our personnel and resources and the needs of those we serve;
- ◆ Review on an ongoing basis of key personnel and succession planning;
- ◆ Collaborate and co-operate with other agencies to maximise and improve what we can offer; and
- ◆ Rationalise the number and type of our community houses in line with ministry needs and the needs of individual sisters.

Future Plans (continued)

Covid-19

Since the end of the financial year, the Covid-19 pandemic has changed the world as we know it. The pandemic has not only affected social interaction but has had a significant economic impact at all levels. These have been outside of the charity's control.

The trustees have considered the long and short term impact of Covid-19 on the charity.

Due to social distancing, the message to "stay at home" and the closure of churches bringing all services online, the work of the charity has faced challenging times.

During this crisis, the Ty Croeso Retreat Centre (like other Retreat Centres) has had to close temporarily. Cancellation of retreat and other residential and day bookings, as well as the closure of the shop, will not only have a financial impact on the charity, but will also affect those who use the Centre. Many have booked a year in advance and have spent time planning for the events and eagerly anticipating their visits. Individuals and groups with existing bookings have been contacted with the option to defer to a time when things become more stable.

Sisters involved in parish work have had to find other ways of contacting those they normally support.

Province events have had to be cancelled and future planning put on hold for the present.

Ensuring the level of care the Sisters in St Joseph's Wing receive is maintained has proved to be a challenge at time with staff needing to self-isolate due to the virus. This has increased both pressure and cost. The rostering of staff and skill mix has been reviewed to maintain safe staffing levels. The Nurse Manager, a Sister, has moved on site to ensure nurse cover is always available. A sister who is a retired nurse has updated her training to be able to supervise carers and administer medications should the need arise. Other sisters from Llantarnam Abbey community have provided support and practical help when appropriate. Staff have been offered accommodation on site should an outbreak occur to reduce the risk of spread. Morale remains high and staff are being supported by the Nurse Manager and HR Manager who provide regular updates from Public Health Wales to share accurate information and answer questions. There is a close liaison with statutory authorities to provide Personal Protective Equipment (PPE) and advice.

The trustees are mindful that income from investments will decrease – potentially by as much as 35% - but are taking the long-term view that this will improve again following the end of the forecast recession.

On balance, the increased expenditure (on Personal Protective Equipment (PPE), staff costs etc.) is expected to be balanced by a decrease in expenditure on elements such as travel and maintenance.

Report of the trustees Year to 31 December 2019

Future Plans (continued)

Covid-19 (continued)

The main income stream of the charity is pensions received by the members and this has been unaffected by the virus.

In the meantime, costs are being examined to identify where savings can be made in the current climate and into the future.

Property owned by the charity is being assessed for its suitability for the current and future needs.

Consideration of the future of the Home in Killorglin is in process but this has had to be paused due to coronavirus restrictions.

The trustees continue to keep income and expenditure under review. Whilst there will be challenges ahead, the trustees do not expect material concerns to arise regarding the charity's financial position.

Financial review

Results for the year

During the year to 31 December 2019 the charity supported an average of 72 sisters in the United Kingdom (2018 - 75 sisters).

The statement of financial activities shows total income for the year of £1,813,123 (2018 - £1,783,089). The principal components of income in 2019 were donations and legacies which amounted to £1,397,512 (2018 - £1,499,257), investment income and interest receivable totalling £198,499 (2018 - £212,919), and a surplus on the disposal of tangible fixed assets of £122,948 (2018 - £5,705).

Expenditure in the year amounted to £2,739,539 (2018 - £2,024,098). The costs of supporting the sisters of the Congregation and their ministry amounted to £1,930,051 (2018 - £1,859,753) whilst donations and grants made by the charity totalled £674,551 (2018 - £72,041). Included in donations and grants in the current year was £523,846 (2018 - £nil) paid to the Killorglin community in Ireland for refurbishment works. Expenditure for the year to 31 December 2018 included an impairment provision of £65,000 to reduce the valuation of certain of the charity's freehold properties to values based on agents' valuations. There were no impairment provisions included in expenditure for the year to 31 December 2019. Expenditure in the year to 31 December 2019 included £100,000 (2018 - £nil) being a provision made against deferred consideration that was receivable from St Joseph's Hospital, Malpas, Wales which is now not believed to be recoverable.

The charity had net expenditure for the year of £926,416 (2018 - £241,009) before investment gains of £764,372 (2018 - net losses of £597,707) resulting in net expenditure and a decrease in funds for the year of £162,044 (2018 - £838,716).

Report of the trustees Year to 31 December 2019

Financial review (continued)

Investment performance

The charity has a portfolio of investments which had a market value at 31 December 2019 of £6,731,182 (2018 - £5,824,841) including cash awaiting investment of £75,263 (2018 - £56,606). The portfolio is managed by UBS Wealth Management (UK) Limited.

During the year, the charity's investments achieved an income yield of 3.15% (2018 - 3.44%) and a capital yield of 15.46% (2018 - negative capital yield of 9.84%).

The investment managers continued to invest in accordance with the trustees' investment policy set out earlier in this report. Further details of the investment portfolio are detailed in note 11 to the attached accounts.

As noted above, since the year end world stock markets have been adversely affected by the Covid-19 pandemic. At the date on which this report and accounts were approved, the charity's investment portfolios had an aggregate value of £6.2 million representing a 7% fall in value since 31 December 2019.

Financial position and reserves policy

Reserves policy

The trustees consider that the level of free reserves should be equivalent to at least one year's ongoing expenditure. This is driven by the need to ensure that funds are available to meet contingencies and address unevenness in income.

Financial position

At 31 December 2019, the total funds of the charity amounted to £13,257,763 (2018 - £13,419,807).

Of these total funds, £5,424,946 (2018 - £6,145,665) is represented by tangible fixed assets used to support the work of the sisters.

As at 31 December 2019, the charity had total restricted funds as detailed in note 13 to the attached accounts of £65,716 (2018 - £195,182).

A further £5,750,000 million (2018 - £5,750,000 million) represents a retirement reserve designated to provide income to communities with elderly sisters to care for, and to provide for sisters generally in their retirement. Where employment of members of the Congregation is for organisations independent of the charity, any earnings are covenanted to the charity. The number of new vocations to the Congregation is declining and, as a result, the average age of the membership is increasing. Younger members, although taking up important charitable work, tend either to work within the charity or are in training or, if working outside, are in low paid jobs. As a consequence, in the future it is anticipated that there will be a general reduction in the income generated by members. The charity has a continuing commitment to support members of the Congregation, many of whom continue to carry out charitable work long past the normal age of retirement.

Report of the trustees Year to 31 December 2019

Financial review (continued)

Financial position and reserves policy (continued)

Financial position (continued)

£231,208 (2018 - £227,876) represents the Grace Fowler fund set aside to benefit, as directly as possible, the personal needs of the sisters.

Free reserves at the end of the financial year were £1,785,893 (2018 - £1,101,084).

The level of free reserve at 31 December 2019 equate to approximately eight months' recurring expenditure. Whilst this falls below the level demanded by the charity's reserves policy it needs also to be considered in the context of the retirement reserve of £5,750,000 which exists to support the sisters longer term. The trustees have prepared long term projections and are continuing to monitor the performance of their investments and hence the charity's future financial security.

Given the challenges that will arise in the short to medium term as a result of Covid-19 and in the light of the charity's commitment to support the Congregation for the long term, this level of free reserves combined with the retirement reserve is deemed appropriate and the trustees are content that the charity is a going concern.

The charity's assets

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the accounts.

Governance, Structure and Management

Governance

In terms of Canon Law, the Superior General and her Council in France govern the Congregation at an international level. They are elected every six years at a General Chapter or meeting of representatives from all provinces and regions of the Congregation. The Sister Provincial and her Council administer the English Province and comprise the Province Leadership Team. The Superior General and her Council appoint the Sister Provincial and her Council, after consultation with the sisters of the Province. Their mandate is for six years.

In terms of Civil Law, the charity is governed by a trust deed dated 2 January 1963 and is registered with the Charity Commission, Charity Registration No. 232835.

Trustees

The charity has six trustees, one of which is the Sister Provincial. The power of appointing trustees rests with the Sister Provincial. The trustees are incorporated under the provisions of the Charities Act 2011. Trustees endeavour to keep up to date with developments affecting charities and attend any appropriate training sessions for trustees.

Report of the trustees Year to 31 December 2019

Governance, Structure and Management (continued)

Trustees (continued)

The names of the trustees who served during the financial year ended 31 December 2019 are set out as part of the reference and administrative details on page 1 of this annual report and accounts. Brief biographical details on each of the trustees who served during the year to 31 December 2019 are given below:

Sister Dorothy Butler - Provincial Councillor (retired 1 February 2020)

Sister Dorothy is a qualified primary school teacher. She taught for over 13 years in Wales before taking up the post of the Headship of a very large multicultural school in the London Borough of Merton. After retiring from school she became the Administrator of the Ty Croeso Retreat Centre at Llantarnam Abbey.

Sister Marianne Donnelly - Provincial Secretary and Councillor

Sister is a registered nurse and has specialised in care of older people working in a variety of settings in the NHS, private and voluntary sectors. She is currently Nurse Manager in Llantarnam Abbey providing care for the Sisters of St Joseph of Annecy. Sister also works in two clinics as a massage therapist. She is currently the Provincial Secretary and Vocation Director for the Province.

Sister Margaret Fox – Provincial (from 1 September 2019)

Sister Margaret Fox is a trained primary school teacher. She worked in the field of education for thirty three years, eighteen of them as head teacher. Sister has experience of leadership roles within the English Province having worked in formation as director of the junior sisters for six years and Novice Director for three. Until the end of August 2019 she was Assistant Provincial and bursar at Llantarnam Abbey. She took over the role of Provincial on 1 September 2019.

Sister Breda Gainey - Provincial (retired 1 September 2019)

Sister Breda qualified as a teacher and taught for several years before going to work as a missionary in The Gambia, West Africa. On her return, she trained as a counsellor working for CRUSE and for those most in need. She worked as a member of the Cardiff Archdiocesan Spirituality Team for several years before becoming a founding member of the Ty Croeso Team at Llantarnam. She ministered to groups and individuals both as Counsellor and Spiritual Director for 10 years until her appointment and Provincial Leader on 1 February 2015.

Sister Teresa Kolb - Provincial Bursar (3rd Term began on 1 February 2020)

Sister studied French before qualifying as a primary school teacher. She then taught in the London Borough of Merton for 11 years where she was also a Governor on the Finance Committee of the school.

Sister Alice O'Dwyer - Provincial Councillor (2nd Term) (retired 1 February 2020)

Sister is a registered nurse and worked in a nursing capacity in St Joseph's Hospital and St Anne's Hospice for over 36 years. In 2014 she was appointed the Clinical Lead for St Joseph's Wing, Llantarnam Abbey. In 2016 she was appointed to a new mission in Tonymandy, Rhondda as parish sister with responsibility for two churches.

The English Province of the Congregation of the Sisters of St Joseph of Annecy Charitable Trust

Report of the trustees Year to 31 December 2019

Governance, Structure and Management (continued)

Trustees (continued)

Brief biographical details on each of the trustees who were appointed on 1 February 2020 are given below:

Sister Susan Armond

Sister Susan Armond qualified as a State Registered Nurse in 1970 and then trained as a State Certified Midwife. She nursed at St Joseph's Hospital, Newport for 24 years, the last 10 years spent as Manager of the Operating Theatre Department. She then spent 10 years as Nurse in charge of the unit for the care of the Sisters of St Joseph at Llantarnam Abbey. During these last 10 years, she has engaged in the Ministry of Spiritual Direction. She has previously served two terms as a Provincial Councillor.

Sister Mary Gretta O'Connor

Sister Mary Gretta O'Connor trained as a Primary School teacher and taught in schools in both Newport and Cardiff for thirty-one years before becoming a member of the pastoral team of a Newport Parish for several years. During this time, she maintained her interest in education in the capacity of a school governor. Previously she had been involved in initial formation in the Province and as a member of the Provincial Council. More recently she served the Congregation for six years as Assistant Superior General. Currently, Sister is the Local Superior of Llantarnam Abbey Community.

Sister Bridget Pritchard

Sister Bridget Pritchard is a qualified high school teacher having taught in several schools over a 30-year teaching career. This included heading a department in a large comprehensive school. She is currently working at Ty Croeso Retreat Centre at Llantarnam Abbey helping with the general running of the centre together with providing input as a speaker and retreat giver for incoming groups. She also provides this as an outreach for parish and school groups

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and accounts 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 accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these accounts, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);

Governance, Structure and Management (continued)

Trustees' responsibilities statement (continued)

- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's 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.

Structure and management reporting

The trustees are ultimately responsible for the assets of the charity and their application for charitable purposes. They meet regularly to review developments with regard to the charity and its activities and make any necessary decisions.

When necessary, the trustees seek advice and support from the charity's professional advisers, including property consultants, investment managers, solicitors and accountants. The day-to-day management of the charity's activities and the implementation of policies are delegated to the appropriate members of the Congregation or senior personnel in its establishments. Management reporting lines are clearly defined and the Council and the trustees receive regular reports to enable them to discharge their responsibilities.

As at 31 December 2019, there were 72 finally professed sisters, including two who are in general administration based in Annecy, France, six in the community in Ireland and three in the care home in Killorglin, Ireland. Most of the sisters live in one of 11 houses. Four sisters live in two parish houses working in the parishes concerned, and two sisters live in rented accommodation. In total there are 11 constituted communities in the Province. Most of the community houses are located in South Wales in those areas of towns and cities where it is believed the sisters can provide most help. In all constituted communities there is a local superior appointed by the Provincial and her Council. The local superior is responsible both for the needs and the care of the sisters in her community. She liaises regularly with the Provincial. All sisters meet together at least twice a year with the Provincial and Council/trustees at which times there is the opportunity to discuss developments and future plans for the Province.

Governance, Structure and Management (continued)

Key management personnel

The trustees are the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All the trustees are members of the Congregation and whilst their living and personal expenses are borne by the charity they receive no remuneration or reimbursement of expenses in connection with their duties as trustees.

Working with other organisations

The charity works closely with a number of other charities and public bodies, which work in the field of providing care for the sick, the vulnerable and elderly. In some cases sisters are employed by these organisations, while in other instances the relationships are more informal. Working with other charities and public bodies enhances the care provided and ensures that high standards are maintained. Some examples of organisations with which the charity has co-operated during the year are as follows:

- ◆ Roman Catholic Archdioceses where our communities are situated
- ◆ NHS Trusts
- ◆ The Medaille Trust
- ◆ Local Authorities
- ◆ Churches Together in Wales (CYTUN)
- ◆ Local food banks
- ◆ Misean Cara

Risk management

In line with the requirement for trustees to undertake a risk assessment exercise and report on the same in their annual report, the trustees have looked at the risks the charity faces currently in Britain and have reviewed the measures already in place, or needing to be put in place, to mitigate them.

With the exception of the challenges faced because of the Covid-19 pandemic (see above), the trustees believe the other significant risks facing the charity to be:

Governance, Structure and Management (continued)

Risk management (continued)

Mission

A key area of risk for Mission is the ageing profile of the sisters. Whilst there is a significant percentage over 90, the main group of sisters are in their 70s. Recent experience has shown that this is the group likely to have unexpected health issues. This has implications for the availability of personnel to fill important roles within the mission of the Province, increased health needs (and associated costs) and a need to consider the suitability of the properties owned by the charity. The trustees are aware of their legal and moral responsibility to care for their members. None of the sisters has resources of her own as all pensions, salaries and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant.

Key actions to managing this risk are:

- ♦ ensuring there are financial resources available to finance this care now and into the future by setting aside designated funds for this purpose;
- ♦ regular reviews of the ministries and needs of the sisters in order to identify and address those needing more support or care; and
- ♦ ensuring property and facilities are suitable for the sisters needs now and into the future.

Governance and management

The Sister Provincial works closely with her team ensuring that responsibility and information regarding the charity is shared. This mitigates the risk of one key person holding all the responsibility and information for the charity. Management of key areas of the charity (care of the elderly sisters, Ty Croeso, finance) have been delegated to competent individuals who are accountable to and work closely with the trustees. In line with the ageing profile (as above), the trustees are mindful of the need to plan ahead for the future.

Key actions to managing this risk are:

- ♦ sharing of information within the team, especially with the Assistant Provincial;
- ♦ managing individuals' workloads to ensure that stress does not become a limiting factor;
- ♦ working towards appointment of lay people in roles such as secretary; and
- ♦ establishing a format for the handing over of essential information to a new leadership team.

Governance, Structure and Management (continued)

Risk management (continued)

Operational

The trustees are mindful of the risk of the loss of key people in the charity (e.g. managers), of a major IT failure and the effects on the charity of damage to property, theft and injury to individuals.

Key actions to managing this risk are:

- ◆ succession planning for key roles;
- ◆ setting up of appropriate IT support contracts; and
- ◆ monitoring of adequate insurance and security measures e.g. a full revision of fire evacuation plans.

Safeguarding

Sisters engaged in any ministry in Great Britain and all those who work or volunteer for the charity and work with children or vulnerable adults (including our elderly sisters) must obtain clearance from the Disclosure and Barring Service (DBS). The trustees are committed fully to implementing the policies of the Catholic Safeguarding Advisory Service (CSAS). One of the sisters is responsible for ensuring this policy is adhered to in respect to all sisters, employees and volunteers. She liaises closely with the trustees, ensuring that compliance and best practice are always upheld.

Key actions to managing this risk are:

- ◆ training for staff and sisters;
- ◆ awareness raising of personal responsibility; and
- ◆ succession planning for the safeguarding officer.

Financial

The trustees are aware that the role of Provincial Bursar is key to managing the finances of the charity. They are mindful that there may not be a sister in the future with the skills and training to fill this role. A Finance Committee has been established comprising the Provincial Bursar, Assistant and one other sister with financial experience and competence. This committee is advisory to the trustees and gives support to the Bursar in her role, both in practical and advisory terms. The Finance Committee reviews the budgets and accounts, making recommendations to the trustees. It is consulted on major financial matters. The trustees have also highlighted the risk of cyber fraud in finance.

Key actions to managing this risk are:

- ◆ succession planning for the Bursar's role;

Report of the trustees Year to 31 December 2019

Governance, Structure and Management (continued)

Risk management (continued)

Financial (continued)

- ♦ greater collaboration between Provincial Bursar, Assistant Bursar and Finance Committee; and
- ♦ training and awareness in dealing with potential cyber fraud

Investments

The principal financial assets of the charity are its properties and investment portfolio. The Provincial Bursar oversees the maintenance and management of properties in conjunction with the Maintenance Coordinator and advisors. The investment portfolio is dependent on market fluctuations and so is managed by a competent and reputable firm of Investment Managers who act in accordance with the trustees' investment policy which is reviewed annually. The trustees meet annually with the investment managers to review the performance of the portfolio and to ensure that funds are at appropriate levels for the charity's needs at the present and into the future. This aspect is deemed particularly important given the current Covid-19 pandemic.

Volunteers, employees and donors

The trustees gratefully acknowledge the significant contribution which sisters, volunteers, and employees make to the charity. They are also heartened by the efforts and donations of various persons and organisations which help the sisters in their work.

Approved by the trustees and signed on their behalf by:

S. E. Armond (Sister Susan Armond)

Date: 8 July 2020

Independent auditor's report to the trustees of The English Province of the Congregation of the Sisters of St Joseph of Annecy Charitable Trust

Opinion

We have audited the accounts of The English Province of the Congregation of the Sisters of St Joseph of Annecy Charitable Trust (the charity) for the year ended 31 December 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. 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 accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2019 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the 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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- ◆ the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Independent auditor's report Year to 31 December 2019

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report Year to 31 December 2019

Auditor's responsibilities for the audit of the accounts

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. 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.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

9 July 2020

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year to 31 December 2019

	Notes	Unrestricted funds £	Restricted funds £	Total 2019 funds £	Unrestricted funds £	Restricted funds £	Total 2018 funds £
Income from:							
Donations and legacies	1	1,258,158	139,354	1,397,512	1,446,998	52,259	1,499,257
Investments and interest receivable	2	198,499	—	198,499	212,919	—	212,919
Charitable activities							
. Retreat and conference centre		29,922	—	29,922	24,721	—	24,721
. Contributions towards care of elderly sisters		1,497	—	1,497	3,902	—	3,902
Other sources							
. Surplus on disposal of tangible fixed assets		122,948	—	122,948	5,705	—	5,705
. Foreign exchange gains		19,401	—	19,401	10,665	—	10,665
. Miscellaneous income		43,344	—	43,344	25,920	—	25,920
Total income		1,673,769	139,354	1,813,123	1,730,830	52,259	1,783,089
Expenditure on:							
Raising funds							
. Investment management fees		34,937	—	34,937	27,304	—	27,304
Charitable activities							
. Support of members of the Congregation and their ministry	3	1,930,051	—	1,930,051	1,859,753	—	1,859,753
. Impairment provision on freehold properties	9	—	—	—	65,000	—	65,000
. Provision against deferred consideration	11	100,000	—	100,000	—	—	—
. Grants, donations and support of missionary work	4	405,731	268,820	674,551	16,194	55,847	72,041
Total expenditure		2,470,719	268,820	2,739,539	1,968,251	55,847	2,024,098
Net expenditure before net investment gains (losses)	6	(796,950)	(129,466)	(926,416)	(237,421)	(3,588)	(241,009)
Net investment gains (losses)	10	764,372	—	764,372	(597,707)	—	(597,707)
Net expenditure and net movement in funds		(32,578)	(129,466)	(162,044)	(835,128)	(3,588)	(838,716)
Reconciliation of funds:							
Total funds brought forward at 1 January 2019		13,224,625	195,182	13,419,807	14,059,753	198,770	14,258,523
Total funds carried forward at 31 December 2019		13,192,047	65,716	13,257,763	13,224,625	195,182	13,419,807

All of the charity's activities derived from continuing activities in each of the above two financial years.

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

Balance sheet 31 December 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	9		5,552,854		6,273,573
Investments	10		6,731,182		5,824,841
			12,284,036		12,098,414
Current assets					
Debtors	11	37,314		341,680	
Cash at bank and in hand		1,132,526		1,207,499	
		1,169,840		1,549,179	
Current liabilities					
Creditors: amounts falling due within one year	12	(196,113)		(227,786)	
Net current assets			973,727		1,321,393
Total net assets			13,257,763		13,419,807
The funds of the charity:					
Restricted funds	13		65,716		195,182
Unrestricted funds					
. Tangible fixed assets fund	14		5,424,946		6,145,665
. Designated funds	15		5,981,208		5,977,876
. General funds			1,785,893		1,101,084
			13,257,763		13,419,807

Approved by the trustees
and signed on their behalf by:

S. E. Armond (Sister Susan Armond)

Date of approval: 8 July 2020

Statement of cash flows Year to 31 December 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(789,562)	(163,315)
Cash flows from investing activities:			
Investment income and interest received		212,893	197,766
Movement on deferred consideration receivable		50,000	—
Proceeds from the disposal of tangible fixed assets		657,948	5,705
Purchase of tangible fixed assets		(64,283)	(319,412)
Proceeds from the disposal of listed investments		7,153,565	1,589,598
Purchase of listed investments		(7,279,877)	(1,570,938)
Net cash provided by (used in) investing activities		730,246	(97,281)
Change in cash and cash equivalents in the year		(59,316)	(260,596)
Cash and cash equivalents at 1 January 2019	B	1,267,105	1,527,701
Cash and cash equivalents at 31 December 2019	B	1,207,789	1,267,105

Notes to the statement of cash flows for the year to 31 December 2019.

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

	2019 £	2018 £
Net movement in funds (as per the statement of financial activities)	(162,044)	(838,716)
Adjustments for:		
Depreciation charge	250,002	219,758
Impairment provision	—	65,000
(Gains) losses on listed investments	(764,372)	597,707
Investment income and interest receivable	(198,499)	(212,919)
Surplus on disposal of tangible fixed assets	(122,948)	(5,705)
Decrease (increase) in debtors	239,971	(25,968)
(Decrease) increase in creditors	(31,672)	37,528
Net cash used in operating activities	(789,562)	(163,315)

B Analysis of cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	1,132,526	1,207,499
Cash held by investment managers	75,263	59,606
Total cash and cash equivalents	1,207,789	1,267,105

Principal accounting policies Year to 31 December 2019

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

Basis of preparation

These accounts have been prepared for the year to 31 December 2019 with comparative figures given for the year to 31 December 2018.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates.

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

- ◆ the allocation of governance costs between categories of expenditure on charitable activities;
- ◆ the useful economic lives attributed to tangible fixed assets used to determine the annual depreciation charge;
- ◆ the determination of any impairment charge in respect to tangible fixed assets;
- ◆ assessing the recoverability of any debts and the need for a provision against doubtful or bad debts; and
- ◆ the assumptions adopted by the trustees in determining the value of any designations required from the charity's general unrestricted funds.

A further key judgement required in preparing these accounts has been the estimation of the impact on the Covid-19 pandemic on the income and expenditure flows of the charity and on its short to medium term financial stability in assessing going concern (see below).

Principal accounting policies Year to 31 December 2019

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

With regard to the next accounting period, the year ending 31 December 2020, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets. This is particularly relevant at the current time given the Covid-19 pandemic and its adverse impact on world stock markets (see the investment policy and the risk management sections of the trustees' report for more information together with note 10 below).

Whilst there will be a decline in the charity's investment income in 2020 and possibly 2021 – potentially by as much as 35%, the trustees of the charity have concluded that this will not cast any significant doubt on the ability of the charity to continue as a going concern given the levels of its cash at bank and investments representing the aggregate of its free reserves and designated funds. The trustees of the charity have concluded that there are no other material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations and legacies, investment income, interest receivable, retreat and conference centre income, contribution towards the care of elderly sisters, and miscellaneous income.

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

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

Principal accounting policies Year to 31 December 2019

Income recognition (continued)

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

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

Investment income is recognised once the dividend or similar distribution has been declared and notification has been received of the amount due.

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

Retreat and conference centre income and contributions towards the care of elderly sisters are recognised to the extent that it is probable that the economic benefits will flow to the charity and the income is capable of financial measurement. It is measured at fair value of the consideration received or receivable, excluding any relevant discounts or value added tax.

The surplus on the disposal of tangible fixed assets is calculated as the difference between the sale proceeds net of sale costs and the net book value of the asset immediately prior to disposal. It is accounted for once legal completion of the disposal has taken place.

All other income is recognised to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be measured reliably. It is measured at fair value and accounted for on an accruals basis.

Expenditure recognition

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

Principal accounting policies Year to 31 December 2019

Expenditure recognition (continued)

All expenditure is accounted for on an accruals basis. All expenses are allocated or to the applicable expenditure headings. The majority of expenditure is directly attributable and any apportionment between headings is negligible.

Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities and includes:

- ◆ Expenditure on the support of members of the Congregation and their ministry. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the advancement of education, the provision of healthcare and the provision of social and pastoral work.
- ◆ The provision for any impairment in respect to the charity's tangible fixed assets.
- ◆ A provision against deferred consideration due on the sale of the charity's former hospital – St Joseph's Hospital, Malpas, Wales (see note 11).
- ◆ The provision of grants and donations relating, in the main, to the support of the Congregation's own work and the support of other Roman Catholic charitable organisations. Charitable grants and donations are made where the trustees believe there is a real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for any grants and donations approved but unpaid at the end of the financial year.

All expenditure is stated inclusive of irrecoverable VAT.

Support and governance costs

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

Governance costs are the costs associated with the governance arrangements of the charity including audit costs and the necessary legal procedures for compliance with statutory requirements.

All expenditure on support and governance is attributed directly to the charitable activities of supporting members of the Congregation and their ministry and hence there has been no apportionment between headings. Any support and/or governance costs in relation to other categories of expenditure is considered to be negligible.

Principal accounting policies Year to 31 December 2019

Foreign currencies

Assets and liabilities are translated at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

♦ Freehold land and buildings

The trustees are the legal owners of land and buildings used exclusively by two schools founded by the Congregation, but which are now under separate control and publicly funded. Such assets are regarded as having a nil value for the purposes of the accounts since they cannot be disposed of in the open market or put to alternative use while such occupation continues.

Freehold land and buildings purchased on or prior to 1 July 1997 are included in the accounts at a valuation determined by the trustees as at that date with professional assistance, based on replacement cost for existing use. As permitted by FRS 102, with effect from 1 July 2014 the value assigned to this property is now deemed its cost. Land and buildings purchased on or after 1 April 2008 are shown on the balance sheet at cost. Freehold land and buildings comprise:

- a. Non-specialised buildings i.e. those designed as, and used wholly or mainly for, private residential accommodation. Such land and buildings are not depreciated. Their value and condition are reviewed annually by the trustees, to confirm that their residual value is not materially less than their book value. Where this is not deemed to be the case, an impairment provision is made (see below).
- b. Specialised buildings comprise large residential convents. Depreciation is provided at 2% per annum on a straight-line basis to write off the buildings over their estimated useful economic life to the Congregation.

♦ Motor vehicles, computers, and furniture and equipment

Motor vehicles, computers, and furniture and equipment are included at cost.

Depreciation is provided on a straight line basis on assets held at the end of the year at the following annual rates in order to write off each asset over its estimated useful life:

Motor vehicles	20%
Plant, computers, furniture and equipment	15% to 33 $\frac{1}{3}$ %

An impairment review in respect to a particular class of assets is carried out if events, or changes in circumstances, indicate that the carrying amount of any tangible fixed asset may not be recoverable.

Principal accounting policies Year to 31 December 2019

Tangible fixed assets (continued)

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

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

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

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

Debtors

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

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

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

Principal accounting policies Year to 31 December 2019

Funds structure

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

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets excluding those held as part of the Grace Fowler fund.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects. Details of these are provided in note 15.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions. Details of these are provided in note 13.

Services provided by members of the Congregation

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

Pensions

The charity offers its employees membership of a defined contribution pension scheme administered by The NOW: Pensions Trust, which is a registered occupational pension scheme (plan) governed by the Trust Deed and Rules dated 29 November 2011 by which the plan was established. Contributions to the plan are debited to the statement of financial activities in the year in which they are payable to the plan. The assets of the plan are held by an independent corporate trustee, whose activities are governed by The Pensions Act 2008 and the regulations made under it. This includes and is not limited to The Occupational and Personal Pension Schemes Regulations 2010.

Pension costs

The charity contributes to a defined contribution pension scheme administered by the charity to provide benefits in respect to individual members of the community. This policy is held with Standard Life.

Notes to the accounts Year to 31 December 2019

1 Income from: Donations and legacies

	Unrestricted funds £	Restricted fund £	Total 2019 £	Unrestricted funds £	Restricted funds £	Total 2018 £
Covenanted salaries and pensions	1,231,158	—	1,231,158	1,175,963	—	1,175,963
Legacies	170	—	170	352	—	352
Donations for missions	—	139,354	139,354	4,674	52,259	56,933
Other grants and donations	26,830	—	26,830	266,009	—	266,009
	1,258,158	139,354	1,397,512	1,446,998	52,259	1,499,257

2 Income from: Investments and interest receivable

	Unrestricted funds	
	Total 2019 £	Total 2018 £
Income from listed investments		
. Equities	163,328	132,816
. Corporate bonds	27,835	75,254
. Liquidity	4,374	928
	195,537	208,998
Interest receivable		
. Cash held by investment managers	930	326
. Bank interest	2,032	3,595
Total funds	198,499	212,919

3 Expenditure on: Support of members of the Congregation and their ministry

	Unrestricted funds	
	Total 2019 £	Total 2018 £
Staff costs (note 7)	899,699	876,446
Premises	536,790	476,211
Sisters' living and personal expenses	394,956	431,461
Sisters' training, education and retreat	4,820	3,196
Other ministry (including Ty Croeso Centre)	20,942	16,768
Other expenses	30,758	13,506
Support costs		
. Postage, stationery and telephone	5,135	7,628
. Other professional fees	17,026	14,374
. Governance costs (note 5)	19,925	20,163
Total funds	1,930,051	1,859,753

Notes to the accounts Year to 31 December 2019

4 Expenditure on: Grants, donations and support of missionary works

The charity makes grants and donations, principally in support of the overseas work of The English Province of the Congregation of the Sisters of St Joseph of Annecy Charitable Trust and those causes which further the Roman Catholic faith.

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

	Unrestricted fund £	Restricted funds £	Total 2019 £	Unrestricted fund £	Restricted funds £	Total 2018 £
Donations to organisations						
. Grants to the Generalate of the Sisters of St Joseph of Annecy to support the Congregation's overseas work	13,161	—	13,161	8,443	—	8,443
. Grants to the community of the Congregation in Killorglin, Ireland	390,496	133,350	523,846	—	—	—
. Grants to the overseas missions the Sisters of St Joseph of Annecy	—	135,470	135,470	5,751	55,847	61,598
. Other donations	2,074	—	2,074	2,000	—	2,000
2019 Total funds	405,731	268,820	674,551	16,194	55,847	72,041

No donations were made to individuals during the year to 31 December 2019 (2018 – none).

5 Governance costs

	Unrestricted funds	
	Total 2019 £	Total 2018 £
Total funds - Professional fees	19,925	20,163

6 Net expenditure for the year before net investment gains (losses)

This is stated after charging (crediting):

	Total 2019 £	Total 2018 £
Staff costs (note 7)	899,699	876,446
Auditor's remuneration		
. Statutory audit services		
.. Current year	19,351	18,972
.. Previous year	—	600
. Other services	574	591
Depreciation (note 9)	250,002	219,758
Impairment provision (note 9)	—	65,000
Foreign exchange gains	(19,401)	(10,665)

Notes to the accounts Year to 31 December 2019

7 Staff costs

	2019 £	2018 £
Staff costs during the year were as follows:		
Wages and salaries	810,337	791,131
Social security costs	50,128	48,082
Other pension costs	32,133	28,669
	892,598	867,882
Other staff related costs	7,101	8,564
	899,699	876,446

All staff costs are in respect of employees who support the members of the Congregation and their ministry. The average number of employees was 61 (2018 - 65).

There were no employees who earned over £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year (2018 - none).

As noted in the trustees' report, the trustees consider they comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

All the trustees are members of the Congregation and whilst their living and personal expenses are borne by the charity they receive no remuneration or reimbursement of expenses in connection with their duties as trustees (2018 – £nil).

8 Taxation

The English Province of the Congregation of the Sisters of St Joseph of Annecy Charitable Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

9 Tangible fixed assets

	Land and buildings		Plant, computers, furniture and equipment	Motor vehicles	Asset under construction	Total
	Specialised £	Non- specialised £	£	£	£	£
Cost or valuation						
At 1 January 2019	7,283,628	1,769,772	210,702	311,376	213,789	9,789,267
Additions	—	—	24,882	23,120	16,281	64,283
Reclassification	—	—	230,070	—	(230,070)	—
Disposals	—	(725,443)	—	(21,295)	—	(746,738)
At 31 December 2019	<u>7,283,628</u>	<u>1,044,329</u>	<u>465,654</u>	<u>313,201</u>	<u>—</u>	9,106,812
At cost	2,283,628	508,153	465,654	313,201	213,789	3,784,425
At deemed cost – 1997 valuation	5,000,000	536,176	—	—	—	5,536,176
	<u>7,283,628</u>	<u>1,044,329</u>	<u>465,654</u>	<u>313,201</u>	<u>213,789</u>	9,320,601
Depreciation and impairment						
At 1 January 2019	2,982,363	190,443	137,586	205,302	—	3,515,694
Charge for year	145,673	—	66,824	37,505	—	250,002
On disposals	—	(190,443)	—	(21,295)	—	(211,738)
At 31 December 2019	<u>3,128,036</u>	<u>—</u>	<u>204,410</u>	<u>221,512</u>	<u>—</u>	3,553,958
Net book values						
At 31 December 2019	<u>4,155,592</u>	<u>1,044,329</u>	<u>261,244</u>	<u>91,689</u>	<u>—</u>	5,552,854
At 31 December 2018	<u>4,301,265</u>	<u>1,579,329</u>	<u>73,116</u>	<u>106,074</u>	<u>213,789</u>	6,273,573

As permitted under FRS 102, the charity has opted to adopt a policy of not revaluing its tangible fixed assets. The book value of the land and buildings owned at 1 July 1997 is based on a trustees' valuation made, with professional assistance, as at that date on the basis of replacement value for existing use. As permitted by FRS 102, with effect from 1 July 2014 the value assigned to this property is now deemed its cost. Additions subsequent to 1 July 1997 are stated at cost. Other tangible fixed assets are stated at cost.

At 31 December 2019 the charity had no capital commitments (2018 - £15,000 in respect to building improvements including plant).

10 Investments

	2019 £	2018 £
Listed investments at market value		
At 1 January 2019	5,765,235	6,381,602
Additions at cost	7,279,877	1,570,938
Disposals at book value (see below)	(7,084,301)	(1,556,545)
Unrealised investment gains (losses)	695,108	(630,760)
At 31 December 2019	6,655,919	5,765,235
Cash held by investment managers for reinvestment	75,263	59,606
	6,731,182	5,824,841
Cost of listed investments	5,938,668	5,668,857

Listed investments held at 31 December 2019 comprised the following:

	2019 £	2018 £
UK Equities	3,031,899	2,930,839
Overseas Equities	2,426,578	708,687
UK Corporate bonds	782,090	1,941,649
Alternatives	415,352	184,060
	6,655,919	5,765,235

All listed investments were dealt in on a recognised stock exchange.

Disposals at book value included above are made up of the following:

	2019 £	2018 £
Proceeds	7,153,565	1,589,598
Gains	(69,264)	(33,053)
Disposals at book value	7,084,301	1,556,545

At 31 December 2019, listed investments included the following individual holding deemed material when compared with the overall portfolio valuation as at that date:

	Market value of holding £	Percentage of Portfolio %
UBS United Kingdom Socially Responsible	445,428	6.69
UBS Bloomberg Barclays	390,735	5.87
UBS Emerging Markets Socially Responsible	573,351	8.61
Charities Property Fund Income Units (GBP)	355,101	5.34

Post balance sheet event

As noted above under principal accounting policies, since the year end world stock markets have been adversely affected by the Covid-19 pandemic. At the date on which this report and accounts were approved, the charity's investment portfolio had a value of £6.2 million representing a 7% fall in value since 31 December 2019.

11 Debtors

	2019 £	2018 £
Investment income receivable	16,682	31,076
Donation pledged	—	40,000
Prepayments and accrued income	20,632	20,604
Other debtors (see below)	—	250,000
	37,314	341,680

At 31 December 2018, other debtors comprised deferred consideration of £250,000 receivable from St Joseph's Hospital Limited under the sale agreement following the sale of St Joseph's Hospital, Malpas, Wales by the charity in 2014. Under that agreement, the deferred consideration was receivable on or before 11 July 2019 and was secured by a second legal charge dated 11 July 2014 over the land and buildings known as St Joseph's Hospital. On 21 June 2019, both parties entered into a deed of variation affecting the deferred consideration. The terms of the agreement were varied such that St Joseph's Hospital Limited was to pay £25,000 per month for a period of ten months commencing July 2019. Six payments were made during the year to 31 December 2019 but no payment has been received subsequent to the year end and the company, St Joseph's Hospital Limited, is now in administration. Consequently a provision has been made against the remaining balance of £100,000 in these accounts.

12 Creditors: amounts falling due within one year

	2019 £	2018 £
Other taxes and social security costs	58,594	57,476
Amounts held on behalf of individual members of the Congregation	31,785	31,955
Other creditors and accruals	105,734	138,355
	196,113	227,786

13 Restricted funds

The funds of the charity include restricted funds comprising the following amounts to be applied for specific purposes:

	At 1 January 2019 £	Income £	Expenditure £	At 31 December 2019 £
Misean Cara fund	15,079	138,219	(134,335)	18,963
Mission fund	46,753	1,135	(1,135)	46,753
Building fund	133,350	—	(133,350)	—
	195,182	139,354	(268,820)	65,716

Notes to the accounts Year to 31 December 2019

13 Restricted funds (continued)

	At 1 January 2018 £	Income £	Expenditure £	At 31 December 2018 £
Misean Cara fund	13,860	46,186	(44,967)	15,079
Mission fund	51,560	1,295	(6,102)	46,753
Building fund	133,350	—	—	133,350
Congo fund	—	4,778	(4,778)	—
	<u>198,770</u>	<u>52,259</u>	<u>(55,847)</u>	<u>195,182</u>

The **Misean Cara fund** comprises monies received from Misean Cara, Ireland, for the support of specific projects which are being undertaken by the sisters based in India and Africa.

The **mission fund** consists of monies received specifically for the support of the Congregation's works overseas.

The **building fund** comprised money received specifically towards the financing of the cost of the extension of St Joseph's Home in Killorglin, Ireland.

The **Congo fund** comprised money received specifically to provide water to the Yaka Yaka Mission compound.

14 Tangible fixed assets fund

	2019 £	2018 £
At 1 January 2019	6,145,665	6,111,011
Net movement in year	(720,719)	34,654
At 31 December 2019	<u>5,424,946</u>	<u>6,145,665</u>

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets, excluding those representing the Grace Fowler designated fund, and has been established in recognition of the fact that the tangible fixed assets are required for the charity's on-going work.

15 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:

	At 1 January 2019 £	Net movement in the year £	At 31 December 2019 £
Grace Fowler fund	227,876	3,332	231,208
Retirement reserve	5,750,000	—	5,750,000
	<u>5,977,876</u>	<u>3,332</u>	<u>5,981,208</u>

Notes to the accounts Year to 31 December 2019

15 Designated funds (continued)

	At 1 January 2018 £	Net movement in the year £	At 31 December 2018 £
Grace Fowler fund	240,501	(12,625)	227,876
Retirement reserve	5,750,000	—	5,750,000
	<u>5,990,501</u>	<u>(12,625)</u>	<u>5,977,876</u>

The Grace Fowler fund represents the net book value of a freehold property, certain investments and cash at bank, all of which have been set aside to benefit, as directly as possible, the personal needs of the sisters.

The retirement reserve represents monies designated by the trustees to provide for the sisters in their retirement. It is calculated on actuarial principles and is reviewed annually by the trustees in the light of the resources available.

16 Analysis of net assets between funds

	General funds £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total 2019 £
Fund balances at 31 December 2019 are represented by:					
Tangible fixed assets	—	5,424,946	127,908	—	5,552,854
Fixed asset investments	881,538	—	5,849,644	—	6,731,182
Net current assets	904,355	—	3,656	65,716	973,727
Total net assets	1,785,893	5,424,946	5,981,208	65,716	13,257,763
	General funds £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total 2018 £
Fund balances at 31 December 2018 are represented by:					
Tangible fixed assets	—	6,145,665	127,908	—	6,273,573
Fixed asset investments	(21,602)	—	5,846,443	—	5,824,841
Net current assets	1,122,686	—	3,525	195,182	1,321,393
Total net assets	1,101,084	6,145,665	5,977,876	195,182	13,419,807

The total unrealised gains as at 31 December 2019 constitute movements on revaluation of investments and are as follows:

	2019 £	2018 £
Total unrealised gains on listed investments at 31 December 2019	717,251	96,378

16 Analysis of net assets between funds (continued)

	2019 £	2018 £
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2019	96,378	918,768
In respect to disposals in year	(74,235)	(191,630)
Net gains (losses) arising on revaluation in the year	695,108	(630,760)
Total unrealised gains at 31 December 2019	717,251	96,378

17 Trustees' expenses and remuneration and transactions with trustees and related parties

The charity's trustees are all members of the Congregation and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Congregation, are borne by the charity. No trustee received any remuneration or reimbursement of expenses in connection with their duties as trustees (2018 - none).

As members of the Congregation, none of the trustees have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the trustees to the charity was £74,025 (2018 - £73,343).

There are no other related party transactions requiring disclosure in these accounts (2018 – none).

18 Ultimate control

The charity, which is constituted as a trust, was controlled throughout the period by The English Province of the Congregation of the Sisters of St Joseph of Annecy by virtue of the fact that the Superior of the Province appoints the trustees.