

Charity registration number: 250451

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Annual Report and Financial Statements

for the Year Ended 31 December 2019

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

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Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Reference and Administrative Details

Trustees	P Foreman H Thompson P Robertson M Short
Principal Office	27 Cavendish Road Herne Bay Kent CT6 5BE
Charity Registration Number	250451
Independent Examiner	Hodson & Co Wiston House 1 Wiston House Worthing West Sussex BN14 7QL

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 December 2019.

Objectives and activities

Objects and aims

The principal objective of the Charity is the advancement of the Roman Catholic religion.

Public benefit

The charity's main activities focus on counselling and undertaking charitable works to further the charitable purpose of the charity and for the public benefit.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

The charity continues to offer counselling and carry out charitable works.

Financial review

Policy on reserves

The trustees continue to review the financial affairs of the charity with the aim to increase income, and to improve control over costs and its operations. It is the policy of the charity to hold in reserve a sum that would cover total annual running expenses. Unrestricted funds were maintained at least this level throughout the year.

The trustees consider that the present level of funding will be adequate to support the continuation of the charity and for it to fulfil its obligations.

Investment policy and objectives

The objects of the charity authorises it to invest and deal with monies not immediately required for its purposes in and upon such investments, securities and property as may be thought fit. The trustees have an ethical investment policy that the fund managers are obliged to comply with. The trustees have considered the most appropriate policy for investing funds and have found that the investments shown in note 13 of the accounts meets their requirements to generate both income and capital growth in accordance with the ethical investment policy. The trustees are satisfied with the performance of the investments during the year.

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Trustees' Report

Going concern

Covid-19 Statement

The trustees have considered the impact that the Covid-19 pandemic will have on the charity's current and future financial position.

The charity responded quickly to reduce the risks of Covid-19 by introducing social distancing and infection control measures.

There is a risk that income levels from donations will drop in the current year but the charity has sufficient assets and reserves for the trustees to consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1 to the financial statements.

Taking into account all factors the charity has reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future and believe that there are no material uncertainties that call into the charity's ability to continue in operation. Accordingly, the accounts have been prepared on the basis that the charity is a going concern.

Structure, governance and management

Nature of governing document

The Daughters of Our Lady of Good Counsel and St Paul of the Cross (Vocation Sisters) is a charity established by a Trust Deed dated 15 June 1967 and is registered with the Charity Commission of England and Wales (no. 250451).

Recruitment and appointment of trustees

Appointment of trustees is governed by the Trust Deed of the charity. The Trustees are authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee according to the Trust Deed.

Induction and training of trustees

All trustees are already familiar with the practical work of the charity. If new trustees were to be appointed, short training sessions would be undertaken to familiarise new trustees with the charity and the context within which it operates.

Organisational structure

The charity is organised so that the trustees meet regularly to manage its affairs.

Major risks and management of those risks

Risk Management

The trustees actively review the major risks that the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with the annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

The annual report was approved by the trustees of the charity on 23/10/20 and signed on its behalf by:

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Trustees' Report

Pawley Foreman

P Foreman
Trustee

P Robertson

P Robertson
Trustee

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Statement of Trustees' Responsibilities

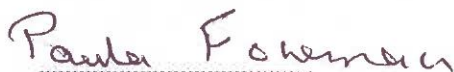
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees 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.

Approved by the trustees of the charity on 23/10/20 and signed on its behalf by:



P Foreman
Trustee



P Robertson
Trustee

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Independent Examiner's Report to the trustees of Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2019 which are set out on pages 7 to 18.

Respective responsibilities of trustees and examiner

As the charity's trustees of Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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



Matthew Hodson FCA
Independent Examiner

Wiston House
1 Wiston House
Worthing
West Sussex
BN14 7QL

Date: 23/10/2020

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Statement of Financial Activities for the Year Ended 31 December 2019

	Note	Unrestricted £	Total 2019 £
Income and Endowments from:			
Donations and legacies	2	52,520	52,520
Investment income	3	24,794	24,794
Other income	4	2,136	2,136
Total Income		79,450	79,450
Expenditure on:			
Raising funds		(1,750)	(1,750)
Charitable activities		(147,594)	(147,594)
Total Expenditure		(149,344)	(149,344)
Gains/losses on investment assets		73,697	73,697
Net movement in funds		3,803	3,803
Reconciliation of funds			
Total funds brought forward		2,298,793	2,298,793
Total funds carried forward	17	2,302,596	2,302,596
		Unrestricted funds £	Total 2018 £
Income and Endowments from:			
Donations and legacies		95,899	95,899
Investment income	3	27,343	27,343
Other income		183,181	183,181
Total income		306,423	306,423
Expenditure on:			
Raising funds		(8,792)	(8,792)
Charitable activities		(149,089)	(149,089)
Total expenditure		(157,881)	(157,881)
Gains/losses on investment assets		(65,602)	(65,602)
Net income		82,940	82,940
Net movement in funds		82,940	82,940
Reconciliation of funds			
Total funds brought forward		2,215,853	2,215,853
Total funds carried forward	17	2,298,793	2,298,793

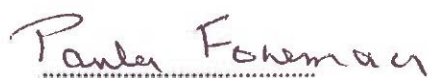
All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2018 is shown in note 17.

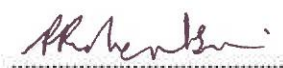
Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

(Registration number: 250451)
Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	12	1,261,056	1,193,715
Investments	13	<u>899,613</u>	<u>825,916</u>
		<u>2,160,669</u>	<u>2,019,631</u>
Current assets			
Debtors	14	2,016	4,256
Cash at bank and in hand	15	<u>142,462</u>	<u>277,379</u>
		144,478	281,635
Creditors: Amounts falling due within one year	16	<u>(2,551)</u>	<u>(2,473)</u>
Net current assets		<u>141,927</u>	<u>279,162</u>
Net assets		<u>2,302,596</u>	<u>2,298,793</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>2,302,596</u>	<u>2,298,793</u>
Total funds	17	<u>2,302,596</u>	<u>2,298,793</u>

The financial statements on pages 7 to 18 were approved by the trustees, and authorised for issue on 23.10.2020 and signed on their behalf by:


P Foreman
Trustee


P Robertson
Trustee

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Notes to the Financial Statements for the Year Ended 31 December 2019

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered the relevant information, including the future cash flows and the impact of subsequent events in making their assessment. The Covid-19 pandemic and the ensuing economic shutdown have not had a significant impact on the charity's operations.

The charity has significant reserves to facilitate any deficits that would arise from the future impact of Covid-19.

Based on these assessments and having regard to the resources available, the trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in the financial statements.

Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions: - depreciation and useful life of properties - this requires an estimation of the useful economic life of property and an estimate of land apportionment.

Where the charity makes estimates and assumptions concerning the future, the resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Notes to the Financial Statements for the Year Ended 31 December 2019

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including independent examination and strategic management.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold property	over 50 years
Fixtures and fittings	15% reducing balance
Motor vehicles	over 4 years
Equipment	over 5 years

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Notes to the Financial Statements for the Year Ended 31 December 2019

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs.

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Financial instruments

Classification

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2 Income from donations and legacies

	Unrestricted funds General £	Total 2019 £	Total 2018 £
Donations and legacies;			
Donations	18,166	18,166	8,337
Pensions	34,354	34,354	87,562
	<u>52,520</u>	<u>52,520</u>	<u>95,899</u>

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Notes to the Financial Statements for the Year Ended 31 December 2019

3 Investment income

	Unrestricted funds General £	Total 2019 £	Total 2018 £
Interest receivable and similar income;			
Interest receivable on bank deposits	24,794	24,794	27,343

4 Other income

	Unrestricted funds General £	Total 2019 £	Total 2018 £
Other income	139	139	199
Gains on sale of tangible fixed assets for charity's own use	1,997	1,997	182,982
	2,136	2,136	183,181

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Notes to the Financial Statements for the Year Ended 31 December 2019

5 Expenditure on charitable activities

		Unrestricted	Total	Total
	Note	General	2019	2018
		£	£	£
Community account		69,212	69,212	40,442
Allocated support costs	6	75,832	75,832	105,875
Governance costs	6	2,550	2,550	2,772
		<u>147,594</u>	<u>147,594</u>	<u>149,089</u>

£147,594 (2018 - £149,089) of the above expenditure was attributable to unrestricted funds and £Nil (2018 - £Nil) to restricted funds.

6 Analysis of governance and support costs

Support costs allocated to charitable activities

	Information technology	Administration costs	Premises and household	Other support costs	Total
	£	£	£	£	2019
					£
Community account	<u>971</u>	<u>164</u>	<u>71,964</u>	<u>2,733</u>	<u>75,832</u>

Governance costs

	Unrestricted funds	Total	Total
	General	2019	2018
	£	£	£
Independent examiner fees			
Examination of the financial statements	<u>2,550</u>	<u>2,550</u>	<u>2,772</u>
	<u>2,550</u>	<u>2,550</u>	<u>2,772</u>

7 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2019	2018
	£	£
Depreciation of fixed assets	15,962	10,108
Gains/(Losses) on listed investments	<u>74,697</u>	<u>(65,602)</u>

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Notes to the Financial Statements for the Year Ended 31 December 2019

8 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year, however see note 20.

9 Staff costs

The aggregate payroll costs were as follows:

	2019 £	2018 £
	-	-
The average head count of employees during the year was Nil (2018: Nil).		
No employee received emoluments of more than £60,000 during the year		

10 Independent examiner's remuneration

	2019 £	2018 £
Examination of the financial statements	2,550	2,772
Independent Examiner's remuneration	2,550	2,772

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Notes to the Financial Statements for the Year Ended 31 December 2019

12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2019	1,227,844	52,203	55,459	1,335,506
Additions	68,143	2,544	14,490	85,177
Disposals	-	-	(23,964)	(23,964)
At 31 December 2019	<u>1,295,987</u>	<u>54,747</u>	<u>45,985</u>	<u>1,396,719</u>
Depreciation				
At 1 January 2019	40,818	45,520	55,453	141,791
Charge for the year	15,962	1,569	302	17,833
Eliminated on disposals	-	-	(23,961)	(23,961)
At 31 December 2019	<u>56,780</u>	<u>47,089</u>	<u>31,794</u>	<u>135,663</u>
Net book value				
At 31 December 2019	<u>1,239,207</u>	<u>7,658</u>	<u>14,191</u>	<u>1,261,056</u>
At 31 December 2018	<u>1,187,026</u>	<u>6,683</u>	<u>6</u>	<u>1,193,715</u>

13 Fixed asset investments

	2019 £	2018 £
Other investments	<u>899,613</u>	<u>825,916</u>

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Notes to the Financial Statements for the Year Ended 31 December 2019

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 January 2019	825,916	825,916
Revaluation	<u>73,697</u>	<u>73,697</u>
At 31 December 2019	<u>899,613</u>	<u>899,613</u>
Net book value		
At 31 December 2019	<u>899,613</u>	<u>899,613</u>
At 31 December 2018	<u>825,916</u>	<u>825,916</u>

The above investments are all in investment assets held in the UK. All are unrestricted funds. At 31 December 2019 the investments were £899,613 in a Collective Investment Account with Skandia MultiFUNDS Limited. These investments are held to provide an investment return for the charity.

14 Debtors

	2019 £	2018 £
Prepayments	2,016	1,833
Other debtors	<u>-</u>	<u>2,423</u>
	<u>2,016</u>	<u>4,256</u>

15 Cash and cash equivalents

	2019 £	2018 £
Cash at bank	126,802	164,672
Short-term deposits	<u>15,660</u>	<u>112,707</u>
	<u>142,462</u>	<u>277,379</u>

16 Creditors: amounts falling due within one year

	2019 £	2018 £
Other creditors	1	1
Accruals	<u>2,550</u>	<u>2,472</u>
	<u>2,551</u>	<u>2,473</u>

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Notes to the Financial Statements for the Year Ended 31 December 2019

17 Funds

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2019 £
Unrestricted funds					
<i>General</i>					
General	<u>2,298,793</u>	<u>79,450</u>	<u>(149,344)</u>	<u>73,697</u>	<u>2,302,596</u>
	Balance at 1 January 2018 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2018 £
Unrestricted funds					
<i>General</i>					
General	<u>2,215,853</u>	<u>306,423</u>	<u>(157,881)</u>	<u>(65,602)</u>	<u>2,298,793</u>

18 Analysis of net assets between funds

	Unrestricted funds General £	Total funds 2019 £
Tangible fixed assets	1,261,056	1,261,056
Fixed asset investments	899,613	899,613
Current assets	144,478	144,478
Current liabilities	<u>(2,551)</u>	<u>(2,551)</u>
Total net assets	<u>2,302,596</u>	<u>2,302,596</u>
	Unrestricted funds General £	Total funds 2018 £
Tangible fixed assets	1,193,715	1,193,715
Fixed asset investments	825,916	825,916
Current assets	281,635	281,635
Current liabilities	<u>(2,473)</u>	<u>(2,473)</u>
Total net assets	<u>2,298,793</u>	<u>2,298,793</u>

Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross

Notes to the Financial Statements for the Year Ended 31 December 2019

19 Analysis of net funds

	At 1 January 2019 £	Financing cash flows £	At 31 December 2019 £
Cash at bank and in hand	277,379	(134,917)	142,462
Net debt	277,379	(134,917)	142,462
	At 1 January 2018 £	Financing cash flows £	At 31 December 2018 £
Cash at bank and in hand	244,844	32,535	277,379
Net debt	244,844	32,535	277,379

20 Related party transactions

During the year the charity made the following related party transactions:

The Religious Community

As a religious community any income received by members of the Vocation Sisters is received into the charity, including salaries and pensions. The charity provides housing and subsistence to its members including trustees. During the year there were seven members of the congregation. Each member receives an income for their office together with living accommodation, living expenses and reimbursement of costs. This expenditure is shown under 'support costs'.

At the balance sheet date the amount due to/from The Religious Community was £Nil (2018 - £Nil).