

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 2020

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

## **Contents**

Reference and Administrative Details	1
Trustees' Report	2 to 4
Statement of Trustees' Responsibilities	5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 to 18

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

### **Reference and Administrative Details**

<b>Trustees</b>	P Foreman
	H Thompson
	P Robertson
	M Short
<b>Principal Office</b>	39 Linden Avenue Herne Bay Kent CT6 8TZ
<b>Charity Registration Number</b>	250451
<b>Independent Examiner</b>	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 2020.

### **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 continued to support members of the congregation in providing counselling, and advancing the Roman Catholic religion.

### **Financial review**

The trustees consider the charity to be in a strong financial position, with total reserves at the year end totalling £2,250,654 (2019: (£2,302,596)). The closing free reserves of the charity were £120,646 (2019: £141,927).

#### ***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.

There was a risk that income levels from donations would drop in the past year but this has not materialised. Income from donations remained at a comparable level to previous years (there was a large one-off donation in the prior year) and 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.



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

**Trustees' Report**

The annual report was approved by the trustees of the charity on 20/10/2021 and signed on its behalf by:

Paula H Foreman  
P Foreman  
Trustee

M. Short  
M Short  
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 20/10/2021 and signed on its behalf by:

Pamela M Foreman  
P Foreman  
Trustee

M. Short  
M Short  
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 2020 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').

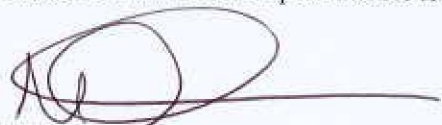
I report in respect of my examination of the Daughters Of Our Lady Of Good Counsel And St Paul Of The Cross's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) 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: 20/1/21



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

## Statement of Financial Activities for the Year Ended 31 December 2020

	Note	Unrestricted £	Total 2020 £
<b>Income and Endowments from:</b>			
Donations and legacies	2	46,757	46,757
Investment income	3	28,154	28,154
Other income	4	4,399	4,399
Total Income		<u>79,310</u>	<u>79,310</u>
<b>Expenditure on:</b>			
Charitable activities		<u>(118,801)</u>	<u>(118,801)</u>
Total Expenditure		<u>(118,801)</u>	<u>(118,801)</u>
Gains/losses on investment assets		<u>(12,452)</u>	<u>(12,452)</u>
Net movement in funds		(51,943)	(51,943)
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>2,302,597</u>	<u>2,302,597</u>
Total funds carried forward	17	<u>2,250,654</u>	<u>2,250,654</u>
	Note	Unrestricted funds £	Total 2019 £
<b>Income and Endowments from:</b>			
Donations and legacies		52,520	52,520
Investment income	3	24,794	24,794
Other income		<u>2,136</u>	<u>2,136</u>
Total income		<u>79,450</u>	<u>79,450</u>
<b>Expenditure on:</b>			
Raising funds		(1,750)	(1,750)
Charitable activities		<u>(147,594)</u>	<u>(147,594)</u>
Total expenditure		<u>(149,344)</u>	<u>(149,344)</u>
Gains/losses on investment assets		<u>73,697</u>	<u>73,697</u>
Net income		<u>3,803</u>	<u>3,803</u>
Net movement in funds		3,803	3,803
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>2,298,793</u>	<u>2,298,793</u>
Total funds carried forward	17	<u>2,302,596</u>	<u>2,302,596</u>

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2019 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 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	12	1,242,847	1,261,056
Investments	13	887,161	899,613
		<u>2,130,008</u>	<u>2,160,669</u>
<b>Current assets</b>			
Debtors	14	1,736	2,016
Cash at bank and in hand	15	121,454	142,462
		<u>123,190</u>	<u>144,478</u>
<b>Creditors: Amounts falling due within one year</b>	16	<u>(2,544)</u>	<u>(2,551)</u>
<b>Net current assets</b>		<u>120,646</u>	<u>141,927</u>
<b>Net assets</b>		<u>2,250,654</u>	<u>2,302,596</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>2,250,654</u>	<u>2,302,596</u>
<b>Total funds</b>	17	<u>2,250,654</u>	<u>2,302,596</u>

The financial statements on pages 7 to 18 were approved by the trustees, and authorised for issue on 20/10/2021 and signed on their behalf by:

Paula H. Foreman.  
P Foreman  
Trustee

M. Short  
M Short  
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 2020**

### **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 2020

#### *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 2020

### 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 2020 £	Total 2019 £
Donations and legacies;			
Donations	8,387	8,387	18,166
Pensions	38,370	38,370	34,354
	<u>46,757</u>	<u>46,757</u>	<u>52,520</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 2020

### 3 Investment income

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Interest receivable and similar income; Interest receivable on bank deposits	28,154	28,154	24,794

### 4 Other income

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Other income	-	-	139
Gains on sale of tangible fixed assets for charity's own use	4,399	4,399	1,997
	4,399	4,399	2,136

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

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 5 Expenditure on charitable activities

		Unrestricted	Total 2020	Total 2019
	Note	General £	£	£
Community account		44,200	44,200	69,212
Allocated support costs	6	72,135	72,135	75,832
Governance costs	6	2,466	2,466	2,550
		<u>118,801</u>	<u>118,801</u>	<u>147,594</u>
				Total expenditure £

£118,801 (2019 - £147,594) of the above expenditure was attributable to unrestricted funds and £nil (2019 £nil) to restricted funds.

### 6 Analysis of governance and support costs

#### Support costs allocated to charitable activities

Information technology £	Premises and household £	Total 2020 £
<u>733</u>	<u>71,402</u>	<u>72,135</u>

#### Governance costs

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Independent examiner fees			
Examination of the financial statements	<u>2,466</u>	<u>2,466</u>	<u>2,550</u>
	<u>2,466</u>	<u>2,466</u>	<u>2,550</u>

### 7 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2020 £	2019 £
Depreciation of fixed assets	18,208	15,962
Gains/(Losses) on listed investments	<u>(12,452)</u>	<u>74,697</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 2020

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

#### 10 Independent examiner's remuneration

	2020 £	2019 £
Examination of the financial statements	2,466	2,550
Independent Examiner's remuneration	2,466	2,550

#### 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 2020

### 12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2020	1,295,987	54,747	45,985	1,396,719
Disposals	-	-	(10,495)	(10,495)
At 31 December 2020	1,295,987	54,747	35,490	1,386,224
<b>Depreciation</b>				
At 1 January 2020	56,780	47,089	31,794	135,663
Charge for the year	16,306	1,600	302	18,208
Eliminated on disposals	-	-	(10,494)	(10,494)
At 31 December 2020	73,086	48,689	21,602	143,377
<b>Net book value</b>				
At 31 December 2020	1,222,901	6,058	13,888	1,242,847
At 31 December 2019	1,239,207	7,658	14,191	1,261,056

### 13 Fixed asset investments

	2020 £	2019 £
Other investments	887,161	899,613

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

## Notes to the Financial Statements for the Year Ended 31 December 2020

### Other investments

	Listed investments £	Total £
<b>Cost or Valuation</b>		
At 1 January 2020	899,613	899,613
Revaluation	(12,452)	(12,452)
At 31 December 2020	<u>887,161</u>	<u>887,161</u>
<b>Net book value</b>		
At 31 December 2020	<u>887,161</u>	<u>887,161</u>
At 31 December 2019	<u>899,613</u>	<u>899,613</u>

The above investments are all in investment assets held in the UK. All are unrestricted funds. At 31 December 2020 the investments were £887,161 in a Collective Investment Account with Quilter Investment Platform Limited. These investments are held to provide an investment return for the charity.

### 14 Debtors

	2020 £	2019 £
Prepayments	<u>1,736</u>	<u>2,016</u>

### 15 Cash and cash equivalents

	2020 £	2019 £
Cash at bank	94,766	126,802
Short-term deposits	<u>26,688</u>	<u>15,660</u>
	<u>121,454</u>	<u>142,462</u>

### 16 Creditors: amounts falling due within one year

	2020 £	2019 £
Other creditors	-	1
Accruals	<u>2,544</u>	<u>2,550</u>
	<u>2,544</u>	<u>2,551</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 2020

### 17 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>					
<i>General</i>					
General	<u>2,302,597</u>	<u>79,310</u>	<u>(118,801)</u>	<u>(12,452)</u>	<u>2,250,654</u>
	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2019 £
<b>Unrestricted funds</b>					
<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>

### 18 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 December 2020 £
Tangible fixed assets	1,242,847	1,242,847
Fixed asset investments	887,161	887,161
Current assets	123,190	123,190
Current liabilities	<u>(2,544)</u>	<u>(2,544)</u>
Total net assets	<u>2,250,654</u>	<u>2,250,654</u>
	Unrestricted funds General £	Total funds at 31 December 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>

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

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 19 Analysis of net funds

	At 1 January 2020 £	Financing cash flows £	At 31 December 2020 £
Cash at bank and in hand	142,462	(21,008)	121,454
Net debt	142,462	(21,008)	121,454
	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

### 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 (2019 - £Nil).