

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

Annual Report and Accounts

31 December 2021

Charity Registration Number

232835



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

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

Report of the trustees Year to 31 December 2021

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 2021.

The accounts have been prepared in accordance with the accounting policies set out on pages 38 to 44 of the attached accounts and comply with the charity's trust deed, applicable laws and the requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (Charities SORP FRS 102).

Introduction



The Sisters of St Joseph of Annecy (the Congregation) is an international Roman Catholic Congregation supporting 408 finally professed and 60 junior professed sisters, as well as 29 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)

Location of the English Houses



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

Following the sale of Llantarnam Abbey in October 2021, much research has gone into future accommodation for the Sisters. We have identified two potential properties and have submitted a planning application for change of use for Willow House in Newport and New Inn Care Home in New Inn. The purchase cannot be completed until a favourable response is received. The aim is for Willow House to be a convent for the more active members of the community whilst New Inn will be a convent for the Sisters currently in St Joseph's Wing and those needing more care and assistance.

Report of the trustees Year to 31 December 2021

Mission

Worship and Prayer

Members of the Province are given the opportunity for daily prayer and private worship. They are encouraged to develop their knowledge of, and relationship with God through prayer, study of the scriptures and other texts, using all the means which are available. Throughout the year, many have become more familiar with the use of technology and have engaged with it in order to further their own spiritual development, sometimes using it as a means of keeping in contact with the wider community, including people of all faiths and none. When Covid-19 restrictions have allowed, they have offered their support physically - reaching out to sick, housebound or bereaved and providing spiritual guidance when necessary. Some sisters have conducted funeral, eucharistic and other prayer services and have enabled parishioners who wished to physically attend Church, the opportunity to do so by supporting local parishes in providing the necessary safety conditions stipulated by Government legislation with regards to Covid-19.

Social and pastoral work

Many members of the Province are involved in various forms of social or pastoral work throughout the country, including care of the elderly, family support, working with those who have been trafficked, acting as governors in local schools, chaplaincy in hospitals, 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 who has the role of Mission Development Officer (MDO) works with the Irish aid charity, Misesan Cara, to apply for funding for the sisters missions in Africa and India.

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

Principal Aims, Activities and Policies (continued)

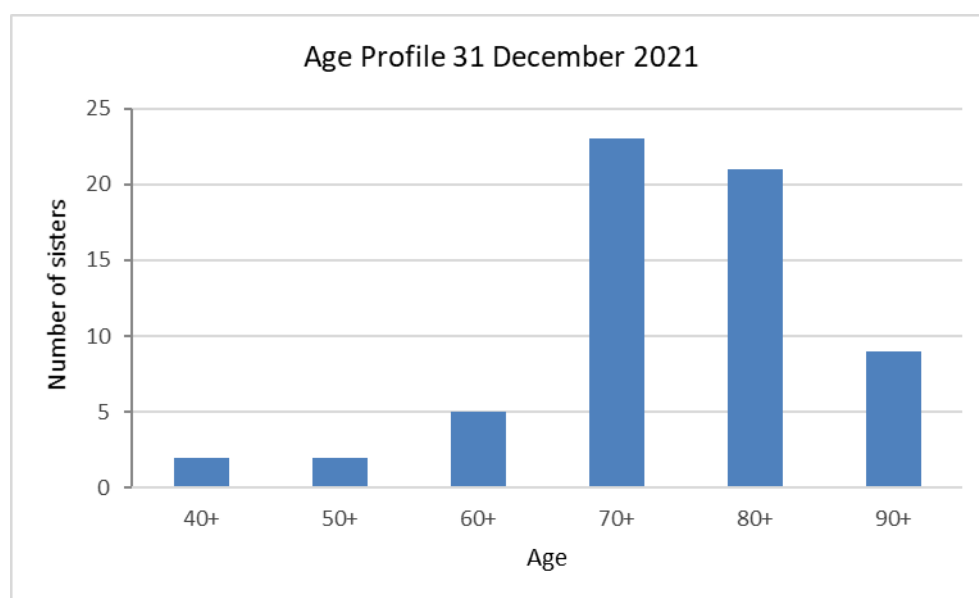
Activities and specific objectives (continued)

- ♦ 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:



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 a wide range of care is likely to increase given the age profile. Trustees have been considering how best to maintain this provision within a community setting for some time. Both the pandemic and our changing financial and property resources are having an impact on these plans.

Education

The sisters continue to work in education and are engaged in various areas in the state system such as teaching in schools; supporting school based sacramental programmes, school governance and adult education. In education, they 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.

Principal Aims, Activities and Policies (continued)

Activities and specific objectives (continued)

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.

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, visiting in hospitals, supporting people with mental health issues, spiritual direction, leading of funeral services and bereavement support, retreat work, holistic therapy, supporting victims of human trafficking, Ecumenism and Christian unity and overseas missionary and developmental work.

Medaille Trust

The Medaille Trust (the Trust) was started in Southampton in 2006 by one of the sisters of the English Province, Sister Ann Teresa Herritty, with the support of many religious women. Its purpose is to provide sanctuary for victims of modern slavery, supporting them as they rebuild their lives.

The Trust does this by offering safe housing, providing support for victims, raising awareness in communities, and partnering with law enforcement authorities. Today, the Trust is the largest provider of safe houses for victims of slavery in the UK. We have watched this Trust grow from an idea to a large and well-known Trust. One sister has been on the Board of Trustees of the Medaille Trust since 2012.

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). In normal times, 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. Prior to the Covid-19 pandemic, the use of this Centre continued to grow and is well known in the locality as a haven of peace where people of all faiths and none may come.

Unfortunately, due to the Covid-19 pandemic Ty Croeso Centre closed in March 2020 and has had to remain closed throughout 2021 with all further bookings being cancelled. After discussion with the Team, the trustees decided that it would not be viable to re-open Ty Croeso as a Retreat Centre for the public.

Principal Aims, Activities and Policies (continued)

Activities and specific objectives (continued)

Advancement of religion (continued)

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.

Overseas and missionary development

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

One sister works as the MDO and acts as an interface between Misesan Cara and the sisters in Africa and India. She responds to needs identified by the sisters on those continents by applying for, and accounting for, funding from Misesan Cara. Great emphasis is placed on safeguarding in every project and the thrust of Misesan Cara's philosophy is to encourage long-term development rather than be a source of one-off financial aid.

The funding received from Misesan Cara over several years has contributed to the improvement of the educational opportunities of so many children and 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. Through this work, the poor are gaining skills and better health that help them pull themselves out of their poverty and realise their own dignity.

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 organisations in the United Kingdom 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.

Principal Aims, Activities and Policies (continued)

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 newly formed National Catholic Safeguarding Standards Agency (CSSA).

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

Caring for members of the Congregation

Care of our elderly sisters

At present, there are 12 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 three sisters who were unable to return home due to the age profile, location, or frailty of their communities. Four sisters have received end of life care this year in St Joseph's Wing allowing them to die supported by sisters meeting their spiritual as well as physical needs.

Partly due to the effects of the pandemic and partly the proposed changes (as discussed later in the report) anticipated at Llantarnam Abbey, we have experienced an unusually large turnover of staff this year. This has presented challenges in ensuring safe staffing levels and a good skill mix. With recent recruitment it is hoped that this will now return to some stability. The Nurse Manager's role has also been reviewed to give more time for administrative duties in response to the growing demand to meet legislative requirements. This also aims to serve as part of the Business Continuity Plan during the continuing Covid-19 pandemic.

Achievements and Performance (continued)

Caring for members of the Congregation (continued)

Care of our elderly sisters (continued)

Staff continue to be offered appropriate training both in-house and externally with Royal College of Nursing, Aneurin Bevan University Health Board (ABUHB) and a variety of other resources. Covid-19 restrictions have changed how training is provided with the majority now being online. Mandatory training in 2021 was able to go ahead face to face for most staff.

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 and Torfaen County Borough Council.

In August, the two sisters who had joined us from India returned to their home Provinces as per their visa requirements. They had made a huge contribution to St Joseph's Wing by their lively presence among the sisters. The pandemic had limited what they were able to participate in outside the community. Therefore, they spent more time than expected with the sisters in St Joseph's Wing. Intergenerational and intercultural working has benefited all. Staff also shared their experiences of working with people who have dementia as this is likely to be an emerging issue for our sisters in India in the future.



Activities with our elderly sisters

Most of our regular activities from outside agencies came to an end with lockdown in 2020 and have not yet resumed. Other events and resources have emerged such as one sister providing regular prayer services and reflections with the sisters. She focuses on our own spirituality and contemporary issues within the Church and the Congregation. Other health professionals visit when local restrictions allow.



Staff have also stepped in to support and replace some activities and festive events are always celebrated as in any community.

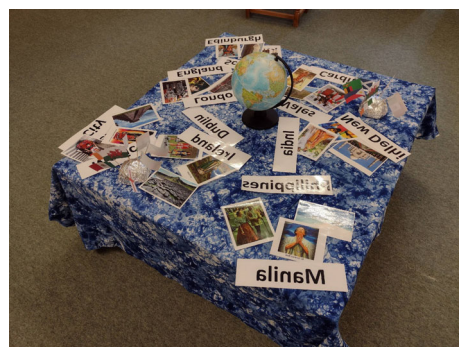
Report of the trustees Year to 31 December 2021

Achievements and Performance (continued)

Activities with our elderly sisters (continued)

Our annual summer event this year was limited by Covid-19 precautions. Its theme was celebrating the internationality of our staff and sisters in St Joseph's Wing. This enabled the sisters to participate in post-General Chapter work on the theme of internationality as much as each one is able to as well as building morale among staff. The day began with a prayer service in the chapel, followed by a quiz, wearing international dress and symbols, and sharing food from our home countries.

Often it is only at the end of a sister's life that we realise the impact they have had on those they have ministered with, often many years before yet clearly cherished by the person.



“JD-D - Such sad news. Dear Sister JM. So many happy memories of sister at both St. Joseph's school and church, and in the wider community of Penarth and Dinas Powis. What an amazing woman she was - always hurrying from one thing to another.”

“RH - RIP Sr D one of the kindest teachers, she cared for misfits.”

“VC - One of the nicest, most caring and non-judgmental people I have ever known.”

“DR - Sr. D will always be remembered as a kind compassionate and caring person ... at St. Joseph's as a young teacher she used humour to engage so many of us.”

“SE - I am so very sad to hear of her passing, I knew sister F for many years, and what a privilege for me it was, rest in peace God bless you will be missed xxx”

“KP - RIP Sister F, you were very kind and caring to me in the 3 years as one of the carers..... I will never forget you xxxxxx”

Achievements and Performance (continued)

Covid-19 pandemic

At the beginning of the pandemic in March 2020, we established a Coronavirus Strategy Group of sisters and managers at Llantarnam Abbey. The membership has been reduced to minimise contacts and promote business continuity should a member test positive.

Despite not being a registered care home, we aim to follow as closely as is appropriate, any guidance for care homes from statutory authorities. The Nurse Manager attends weekly Microsoft Teams meetings for care providers in the ABUHB area. This ensures she has current information which can then be passed onto the Coronavirus Strategy Group and appropriate staff. Managers review and update policies, procedures, and risk assessments regularly. This has created a huge administrative burden as well as increased stress for them as the situation changes frequently. Being a small independent organisation, we continue to struggle to maintain adequate staffing levels through isolation absences as we do not have a larger organisation to call on for support. So far, through the commitment and hard work of both the Coronavirus Strategy Group and members of staff, no sister in St Joseph's Wing has contracted Covid-19 and while individual staff have tested positive, we have not had any outbreaks.

Education

The sisters' involvement in education at many levels continues. The one remaining sister working in primary education retired during the year. Other sisters work in catechetics and sacramental programmes in parishes. Sisters are also involved in schools as governors, supporting staff and children in their day-to-day work of education. One sister acts as a school chaplain in a supportive category particularly working with Religious Education coordinators and assisting with class and school masses. She is also available for parents and staff in a pastoral role.

Sisters are also involved in adult education in parishes. It is becoming ever more vital to prepare adults to answer the many questions posed by our challenging world. One sister holds a weekly Faith Study Group. She also participates in training for parish coordinators so that they can reach out to others in implementing the work of the forthcoming Synod.

Another sister is involved in two adult faith formation programmes ALPHA and RCIA both of which provide opportunities for people to grow in their own faith journey.

Sisters are aware that in order to continue to develop in their mission in the 21st Century, they too need a programme on ongoing education and formation. To this end, they continue to build on the work already begun particularly with Justice and Peace and the Integrity of Creation as well the deepening of their own Medaille Spirituality. The ongoing formation team regularly provides sessions using a blend of prayer, reflection, input, ritual, and faith sharing. Some of these sessions take place on Zoom. Sisters continue to update their IT skills so as to better participate in online formation.

Report of the trustees Year to 31 December 2021

Achievements and Performance (continued)

Healthcare

One sister who is a massage therapist has been able to return to this work from May 2021 once Covid-19 restrictions were eased for close contact services. This required increased precautions and infection control practices.



She returned to her practice in an osteopath clinic. She was also immediately offered increased hours with the specialist neurological rehabilitation clinic she had been with prior to lockdown. Her clients have been delighted to be able to use this service as part of their recovery again.

LE said, *"I've definitely noticed a difference, pain has been less and the muscle spasm I get hasn't happened as of yet... It's definitely beneficial for MS."*

Another client, GC, commented, *"Thank you again for your wonderful touch."*

As part of ongoing professional development, this sister attended a four-day course this year to learn Sharon Wheeler's ScarWork. This is a treatment to assist people to improve the appearance, range of movement, pain, or numbness many experience in scar tissue. It is hoped this will be of particular benefit to her clients who are amputees or have had breast surgery.

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

Following several years of building and refurbishment work, St Joseph's is now a modern purpose-built facility serving the people of Co Kerry. The trustees made the decision that this is the time for St Joseph's to be handed over to another charitable provider, and during 2021 negotiations continued to transfer the Home to Nazareth Care. It is anticipated that the handover will complete in 2022.

What is ScarWork?

ScarWork is a gentle manual therapy, using hands directly on the surface of the skin without the aid of lubricants. These therapy techniques were developed to help tissue damage associated with scarring, including fibrosis, adhesions, and contracture, after surgery or trauma.

ScarWork therapy can be used to treat any tissue fibrosis or "thickening" following a trauma or surgery. Also helping reduce pain, sensitivity and numbness. The light touch is often emotionally beneficial as well, providing a great holistic recovery treatment.





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 Founders 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 give these people hope and a sense of worth. Some visits have taken place in people's gardens when normal St Vincent de Paul Society England and Wales (SVP) visits were halted. 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.

Much of our sisters' work with the underprivileged revolves around visiting the sick, the vulnerable and the housebound; both in their homes or in care homes. The nature of this support has had to change in recent months taking into account the government restrictions due to the pandemic.

The sisters now give this much needed support via very regular telephone conversations.

This has been very much appreciated as one sister says:

"I was aware of the importance of keeping in touch with them. When I phoned them each week it was obvious by their response that they really appreciated the chat. 'Oh Sister, its lovely to hear your voice – thank you for calling.' This may have been the only call they had in a week. This brought home to me the importance of never underestimating the value of these contacts. It also highlighted for me the importance of the presence of the sisters among the people."

Or, as another reports...

"Your phone call is as good as a tonic for me."

These phone calls assure parishioners that they haven't been forgotten, keep them in touch with parish news and it's also a check on their well-being and safety. In one parish, the sisters have sent Christmas cards to all those who live alone as an assurance that they haven't been forgotten.

In the Rhondda Parish of Tonypany, our sisters live in the presbytery as there is no resident parish priest. Here they take responsibility for the parish church and have given the parishioners much needed support at this difficult and unprecedented time.

Following the government guidelines, they have opened the doors of the church as regularly as possible at times that suit the people to come and pray. This has been very much appreciated.

Report of the trustees Year to 31 December 2021

Achievements and Performance (continued)

Social and pastoral care (continued)

“Your presence here brings stability into what has been a very uncertain time for all of us.” (MW).

“Thank you for all that you are doing to ensure that everything is in place to keep us safe.” (EB).

“Thank you for the way you care for the church. It is much appreciated.” (BW).

The two sisters living in the Rhondda parish 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. They conduct liturgical and funeral services in the absence of a resident parish priest and visit families pre and post bereavement.

To ensure that good networking is maintained, sisters work in close collaboration with the Church, schools, SVP, and similar agencies. They facilitate the provision of supplies for the local Food Banks. This service is particularly appreciated in regions where people are totally dependent on such measures.

They form links between schools, the Church, and the Parish by being members of the School Governing body. One sister holds ‘Mindfulness Sessions’ for school children and their teachers.

The sisters actively participate in Sacramental Programmes for the catholic education of children and adults and welcome people from different backgrounds and cultures and helping them to integrate into parish life.

They ensure that parish data is kept updated and accurate records maintained.

With an eye to the future, and clergy and religious personnel in short supply, the sisters would see part of their role is to encourage and empower parishioners to support the running of their parish.

One parishioner has enabled those with internet connection, to access the Parish website and Facebook page so that they can keep them in touch with each other and with Parish news.

With this change of focus, new skills have been discovered that support the on-going work of the parish. This is a sign of hope for a new beginning as we welcome the future.

Report of the trustees Year to 31 December 2021

Achievements and Performance (continued)

Medaille Trust achievements

This year all meetings have been conducted by Zoom and visiting of houses by the trustees have been limited by Covid-19 restrictions.



The purpose of the Trust is to provide sanctuary for victims of modern slavery, both men and women; supporting them as they rebuild their lives.

The Trust does this by offering safe housing, providing support for victims, raising awareness in communities, and partnering with law enforcement authorities.

No new houses have opened this year but as the clients grow in freedom and confidence and feel ready to leave the safety of the house there is always someone waiting to move in. There is huge demand, but the services provided are complex and costly.

On leaving, they may be given citizenship or the opportunity to return to their country of origin.

COP26

As part of the national efforts to support the COP26 conference, some sisters took part in the march in Cardiff.

For Christians, the day started at a Welsh-speaking church, Eglwys Dewi Sant, close to the city centre. Three groups had shared the organisation: the Evangelicals of Tearfund, the inter-denominational Christian Aid and CAFOD.



Many groups were represented in the march, adding their voice to the hundreds of thousands all over the world who were marching that day for the same cause, all keen to impress on governments the vital need for not just good words, but also for action if we are to avoid a totally disastrous raising of world temperatures.



Our prayer is that the whole of Creation is seen as our Common Home and not a resource to be plundered by the better-off.

Achievements and Performance (continued)

Advancement of religion

Ty Croeso Centre

At the end of 2020, the trustees reviewed the situation of the Retreat Centre, which had been closed since the beginning of the Coronavirus pandemic. Ty Croeso Retreat Centre is on the same campus as Llantarnam Abbey, using shared areas, so it became necessary to take extra precautions in order to preserve the safety and well-being of the elderly and vulnerable sisters in the care facility. This was the main consideration that brought the trustees to the decision that Ty Croeso should remain closed to the public throughout 2021 when the situation would once again be reviewed.



It meant that any tentative bookings for groups and individuals had to be cancelled and none of the usual programs or events were planned. Many enquiries were made by our "regulars", who were missing their time of peace and tranquillity in the beautiful and conducive setting of Ty Croeso. Disappointment was expressed that the shop was also closed to the public. A considerable amount of time has been devoted to reassuring people over the phone, who feel that their spiritual and mental well-being has suffered over the past 18 months. It has been gratifying however, to have received many supportive phone calls and messages of concern for the team.

Like many retreat centres, Ty Croeso is facing extremely challenging times. The loss of income has been considerable, but the overhead expenses have continued. However, we are well aware that our experience is just a tiny reflection of the global crisis brought by this pandemic.

In the light of the current situation and after discussion with the Team, it became apparent to the trustees that it would not be viable to re-open Ty Croeso as a Retreat Centre for the public. This was a difficult decision to have to make and recalling the wonderful work which has been appreciated by so many, locally, and further afield, over the years, its invaluable contribution was acknowledged.

Some of the sentiments expressed re the decision are as follows:

"The decision of the trustees is entirely understandable though it will have been a very difficult one to have reached. The treasured place of Ty Croeso in the lives of hundreds of people speaks for itself and for the blessings the Lord has granted through the ministry there. My own, all-too-brief involvement during my eight-and-a-half years as Dean brought me quickly to love the place and the people. If only for purely selfish reasons I am glad to be away from Newport so as to be less aware of the gap that the absence of Ty Croeso will leave."

"I am of course sad that the Retreat House has closed, it was always for me a sanctuary of peace and spirituality."

"It was my pleasure to serve on the Advisory Board and to meet such lovely people."

Achievements and Performance (continued)

Overseas missionary development

As the Covid-19 pandemic continued to affect the world during 2021, the MDO was able to obtain emergency funding for the sisters in both provinces in India to assist their efforts to support people during the pandemic. This funding was chiefly spent on medication and small equipment in contrast to 2020, when more was spent on food for families that had no income as they could not work.

Prathipadu Hospital received funding for vital equipment, including a scanner, a digital x-ray machine and furniture and apparatus for the theatre and ICU.

The Bhubaneswar Province received two further 'small' grants: providing childbirth facilities in their new mission at Kailashahar, Tripura, which is far from other medical facilities, and funding to help update the fire and safety system at Agartala Hospital, in conformity with new government regulations.

The continuing pandemic has caused considerable difficulties in completing the projects in a timely fashion, but progress is steadily being made. Unsurprisingly, all the sisters involved with care for the poorest and most marginalised in their area are very grateful for the work and understanding of Misean Cara.



Safeguarding

During 2021 the Provincial, the Safeguarding Lead and the Non-Clinical HR Manager joined regular Zoom presentations given by members of the Implementation Team which explained how the new safeguarding strategy for the Roman Catholic Church would be put in place.

The Catholic Standards Safeguarding Agency (CSSA) replaced the Catholic Safeguarding Advisory Service (CSAS), and the Provincial has signed the letter of Intent to join CSSA. The Religious Life Safeguarding Service (RLSS) (a new agency) has been set up for the training and support of Religious. Formal contracts with terms and conditions for the CSSA and RLSS will be issued in due course.

In order to ensure that the trustees are aware of safeguarding processes, a Province Safeguarding Committee has been established. This is made up of the Provincial, the Safeguarding Lead (SGL) and the Non-Clinical Human Resources Manager. This committee meets every three months. The first meeting was held in August 2021 and the second one in November 2021. The Provincial informs the trustees on a monthly basis of any issues regarding safeguarding and explains the progress being made to establish the new methods of working. During the year, the previous alignment of the Province safeguarding service with the Archdiocese of Cardiff was dissolved. This is in line with the setting up of the new service.

The SGL keeps a check on the DBS certificates for the sisters and the HR Manager ensures all employees have a current DBS.

Training for the sisters will also take place. The Province will ensure that it follows guidance issued by CSSA and RLSS and will participate in any planned audit.

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

Report of the trustees Year to 31 December 2021

Future Plans

Province

Ongoing plans include:

- ◆ Safeguarding the future of the Nursing Home in Killorglin, Ireland by a successful transfer of the business to another charity.
- ◆ Continuing the process of setting up premises for the future care of the sisters once the move from Llantarnam Abbey has taken place.
- ◆ Keeping remaining premises under review for their suitability for the sisters as the age profile increases.

Generally

In addition we aim to continue to:

- ◆ Evaluate our ministries in terms of the reality of our personnel and resources and the needs of those we serve.
- ◆ Collaborate and cooperate with other agencies to maximise and improve what we can offer.
- ◆ Review succession planning for key personnel.

Covid-19

Throughout 2021 the Covid-19 pandemic has continued to change 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 government directives limiting social contact the work of the charity has faced challenging times.

During this crisis, the Ty Croeso Retreat Centre (like other retreat centres) had to close temporarily. Due to future uncertainty and the decision for the sisters to move from the Abbey site, the trustees made the decision not to reopen the centre to the public. There have been many enquiries regarding future bookings, and disappointment has been expressed that the centre will remain closed to the public.

Sisters involved in parish work have had to find other ways of contacting those they normally support. Province events have had to be adapted within restrictions in place at the time, and future planning has taken on a changed perspective.

Ensuring that 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 or shield 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. 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 PPE and advice.

Report of the trustees Year to 31 December 2021

Covid-19 (continued)

The trustees are mindful that income from investments will fluctuate but are taking the long-term view whilst planning for the immediate future with their investment managers.

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 that is no longer suitable for current and future needs has been sold. A handover of the Home in Killorglin to another charitable provider is in process. 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 2021 the charity supported an average of 62 sisters in the United Kingdom (2020 – 67 sisters).

The statement of financial activities shows total income for the year of £2,454,690 (2020 - £2,108,319). The principal components of income in 2021 were donations and legacies which amounted to £1,345,906 (2020 - £1,797,913), investment income and interest receivable totalling £205,821 (2020 - £159,725), and income from other sources of £872,773 (2020 - £127,978). Included in other income is £817,315 (2020 - £5,100) which represents the surplus on disposal of tangible fixed assets, including the disposal of three freehold properties, income from the Coronavirus Job Retention Scheme of £12,351 (2020 - £14,147) and other miscellaneous income of £43,107 (2020 - £108,731).

Expenditure in the year amounted to £1,885,652 (2020 - £4,393,881). The costs of supporting the sisters of the Congregation and their ministry amounted to £1,723,871 (2020 - £1,840,129) whilst donations and grants made by the charity totalled £111,553 (2020 - £77,372).

Expenditure for the year to 31 December 2020 included an impairment provision against Llantarnam Abbey, Cwmbran of £2,431,481.

The charity had net income for the year of £569,038 (2020 – net expenditure of £2,285,562) before other recognised gains of £809,605 (2020 - £13,708).

Other recognised gains includes net gains on investments of £867,223 (2020 - £10,040), foreign exchange losses on investments of £24,381 (2020 - £35,684), foreign exchange losses on cash held by investment managers of £11,635 (2020 – gains of £20,763), and foreign exchange losses on cash at bank and in hand of £21,602 (2020 – gains of £18,589).

Net income and a net increase in funds for the year was therefore £1,378,643 (2020 – net expenditure and net decrease in funds of £2,271,854).

Report of the trustees Year to 31 December 2021

Financial review

Investment performance

The charity has a portfolio of investments which had a market value at 31 December 2021 of £5,802,311 (2020 - £6,829,747) including cash awaiting investment of £280,598 (2020 - £142,353). The portfolio is managed by UBS Wealth Management (UK) Limited. During the year, the charity's investments achieved an income yield of 3.36% (2020 – 2.39%) and a capital yield of 14.28% (2020 - 0.15%).

At 31 December 2021, the investment managers were also holding £4,000,000 being monies the trustees have set aside to fund the purchase and necessary renovation of suitable properties for the sisters to live in once they vacate Llantarnam Abbey. The £4 million is classified in the attached accounts as a current asset investment.

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 12 to the attached accounts.

Financial position and reserves policy

Financial position

At 31 December 2021, the total funds of the charity amounted to £12,364,552 (2020 - £10,985,909).

Of these total funds, £983,348 (2020 - £2,825,530) relates to the tangible fixed assets fund which 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.

As at 31 December 2021, the charity had total restricted funds as detailed in note 15 to the attached accounts of £11,117 (2020 - £11,233).

A further £5,950,000 (2020 - £5,950,000) 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.

£4,000,000 (2020 - £nil) represents monies designated by the trustees for the purchase and necessary renovation of suitable properties for the sisters to live in once they vacate Llantarnam Abbey.

£236,679 (2020 - £222,928) represents the Grace Fowler fund set aside to benefit, as directly as possible, the personal needs of the sisters.

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

Report of the trustees Year to 31 December 2021

Financial review (continued)

Financial position and reserves policy (continued)

Financial position (continued)

Free reserves at the end of the financial year were £1,183,408 (2020 - £1,976,218).

Reserves policy

The trustees consider that, given the nature of the charity's work, the level of free reserves should be sufficient to cover approximately a year of on-going expenditure and to provide for contingencies and unevenness in future income. In particular, at the current time, the reserves need to be sufficient to enable the charity to operate in the continued exceptional circumstances created by the Covid-19 pandemic.

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 level of free reserves at 31 December 2021 equates to approximately seven months' recurring expenditure which is less than required by the reserves policy. 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.

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 2021

Governance, Structure and Management (continued)

Trustees (continued)

The names of the trustees who served during the financial year ended 31 December 2021 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 2021 are given below:

Sister Susan Armond – Provincial

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 Marianne Donnelly

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.

Sister Margaret Fox

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. She is Assistant Provincial and is the bursar at Llantarnam Abbey.

Sister Teresa Kolb - Provincial Bursar

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 and a member of Finance Committee of the school. She is serving her third term as Provincial Bursar.

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, she is the Local Superior of Llantarnam Abbey Community.

Report of the trustees Year to 31 December 2021

Governance, Structure and Management (continued)

Trustees (continued)

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. Currently she offers days of prayer and reflection to schools and parishes. Sister Bridget is a Spiritual Director and Retreat giver.

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);
- ◆ 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.

Governance, Structure and Management (continued)

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 2021, there were 62 finally professed sisters, including two who are in general administration based in Annecy, France, three in the community in Ireland and three in the care home in Killorglin, Ireland. Most of the sisters live in one of eight houses. Four sisters live in two parish houses working in the parishes concerned. In total there are eight 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.

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); and
- ◆ Mísean Cara.

Governance, Structure and Management (continued)

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 Congregation and the charity currently face and have reviewed the measures already in place to deal with them.

As noted above, the outbreak of the Covid-19 pandemic has continued to present challenges and potential threats to the well-being of the charity and its activities which could not have been foreseen. The trustees recognise their responsibility for the management of risks faced by the charity and the sisters.

The trustees believe the significant risks facing the charity to be:

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 between 70-80. 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:

- ◆ Employing qualified staff to fill skills gaps that the sisters are no longer able to manage.
- ◆ 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
- ◆ Having sold Llantarnam Abbey, ensuring that a future property, suitable for ongoing care is set up for the sisters.

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 (when applicable), and finance) have been delegated to competent individuals who are accountable to and work closely with the trustees. In line with the ageing profile, the trustees are mindful of the need to plan ahead for the future.

Governance, Structure and Management (continued)

Risk management (continued)

Governance and management (continued)

Key actions to managing this risk are:

- ◆ Sharing of information within the team, especially with the Assistant Provincial;
- ◆ Ensuring vital information is backed up and these backups retained off site;
- ◆ Managing individuals' workloads to ensure that stress does not become a limiting factor;
- ◆ Working towards appointment of lay people in roles currently filled by the sisters as appropriate; and
- ◆ Ongoing trustee training.

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;
- ◆ Consideration of more effective ways of managing security of files and documents;
- ◆ Developing a business continuity plan; 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 Standards Agency (CSSA). They will also engage with the Religious Life Safeguarding Service when it is fully operational. One of the sisters is responsible for ensuring this policy is adhered to in respect to all sisters, employees (under immediate management of the non-clinical human resources manager) and volunteers. She liaises closely with the trustees, ensuring that compliance and best practice are always upheld.

Governance, Structure and Management (continued)

Risk management (continued)

Safeguarding (continuing)

Key actions to managing this risk are:

- ◆ Training for staff and sisters;
- ◆ Awareness raising of personal responsibility; and
- ◆ Ongoing liaison with Catholic and Religious Life safeguarding bodies.

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:

- ◆ A review of the Finance Committee with a view to expanding its membership outside SSJ membership;
- ◆ A review of the financial policies with reference to controls;
- ◆ Ongoing involvement of professional advisors;
- ◆ Regular meetings with investment managers to be aware of, and in a position to react to market fluctuations;
- ◆ Succession planning for the role of bursar.

Covid-19

The trustees are mindful of the continuing effects of Covid-19 on the charity and in particular on its elderly and frail members. With this in mind, weekly meetings of a Coronavirus Group comprising the HR/Non-Clinical Manager, Nurse Manager and Provincial Bursar, take place to discuss and plan for latest developments and legislation.

Key actions to managing this risk are:

- ◆ Regular communication to staff and sisters of safety guidelines;
- ◆ Social distancing at meetings or holding meetings virtually;

Governance, Structure and Management (continued)

Risk management (continued)

Covid-19 (continuing)

- ◆ Ensuring all are up to date with vaccinations; and
- ◆ Policies, procedures, and practice are updated regularly in response to government advice.

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 regularly 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 ongoing 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

Date: 19th May 2022

Independent auditor's report Year to 31 December 2021

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 2021 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 2021 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

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

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

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

Independent auditor's report Year to 31 December 2021

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 2021

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.

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

How the audit was considered capable of detecting irregularities including fraud

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

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with the trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of those charged with governance and review of minutes of trustees' meetings.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

Independent auditor's report Year to 31 December 2021

Auditor's responsibilities for the audit of the accounts (continued)

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

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Tested the authorisation of expenditure as part of our substantive testing on expenditure generally;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

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

- ◆ Agreeing accounts disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

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

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

We did not identify any irregularities, including fraud.

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.

Independent auditor's report Year to 31 December 2021

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

20 May 2022

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 2021

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Unrestricted funds £	Restricted funds £	Total funds 2020 £
Income from:							
Donations and legacies	1	1,251,356	94,550	1,345,906	1,731,998	65,915	1,797,913
Investments and interest receivable	2	205,821	—	205,821	159,725	—	159,725
Charitable activities							
. Retreat and conference centre		14,000	—	14,000	8,272	—	8,272
. Welsh Government carers' bonus		16,190	—	16,190	14,431	—	14,431
Other sources	3						
. Surplus on disposal of tangible fixed assets		817,315	—	817,315	5,100	—	5,100
. Coronavirus Job Retention Scheme		12,351	—	12,351	14,147	—	14,147
. Miscellaneous income		43,107	—	43,107	108,731	—	108,731
Total income		2,360,140	94,550	2,454,690	2,042,404	65,915	2,108,319
Expenditure on:							
Raising funds							
. Investment management fees		50,228	—	50,228	44,899	—	44,899
Charitable activities							
. Support of members of the Congregation and their ministry	4	1,723,871	—	1,723,871	1,840,129	—	1,840,129
. Impairment provision	5	—	—	—	2,431,481	—	2,431,481
. Grants, donations, and support of missionary work	6	16,887	94,666	111,553	17,985	59,387	77,372
Total expenditure		1,790,986	94,666	1,885,652	4,334,494	59,387	4,393,881
Net income (expenditure) before net investment gains (losses)	8	569,154	(116)	569,038	(2,292,090)	6,528	(2,285,562)
Other recognised gains (losses)							
Net gains on revaluation and disposal of investments		867,223	—	867,223	10,040	—	10,040
Foreign exchange losses on investments		(24,381)	—	(24,381)	(35,684)	—	(35,684)
Foreign exchange losses (gains) on cash held by investment managers		(11,635)	—	(11,635)	20,763	—	20,763
Foreign exchange (losses) gains on cash at bank and in hand		(21,602)	—	(21,602)	18,516	73	18,589
	12	809,605	—	809,605	13,635	73	13,708
Net income (expenditure) and net movement in funds		1,378,759	(116)	1,378,643	(2,278,455)	6,601	(2,271,854)
Reconciliation of funds:							
Total funds brought forward at 1 January 2021		10,974,676	11,233	10,985,909	13,253,131	4,632	13,257,763
Total funds carried forward at 31 December 2021		12,353,435	11,117	12,364,552	10,974,676	11,233	10,985,909

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 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	11		1,111,256		2,953,438
Investments	12		5,802,311		6,829,747
			6,913,567		9,783,185
Current assets					
Debtors	13	385,504		287,285	
Short term investments		4,000,000		—	
Cash at bank and in hand		1,288,462		1,163,956	
		5,673,966		1,451,241	
Current liabilities					
Creditors: amounts falling due within one year	14	(222,981)		(248,517)	
Net current assets			5,450,985		1,202,724
Total net assets			12,364,552		10,985,909
The funds of the charity:					
Restricted funds	15		11,117		11,233
Unrestricted funds					
. Tangible fixed assets fund	16		983,348		2,825,530
. Designated funds	17		10,186,679		6,172,928
. General funds			1,183,408		1,976,218
			12,364,552		10,985,909

Approved by the trustees
and signed on their behalf by:

S.E.Armond

Date of approval: 19th May 2022

Statement of cash flows Year to 31 December 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash (used in) provided by operating activities	A	(306,729)	10,967
Cash flows from investing activities:			
Investment income and interest received		194,384	152,117
Proceeds from the disposal of tangible fixed assets		2,459,874	5,100
Purchase of tangible fixed assets		(14,538)	(85,193)
Proceeds from the disposal of listed investments		4,580,643	2,994,987
Purchase of listed investments		(2,631,845)	(2,992,381)
Net cash provided by investing activities		4,588,518	74,630
Cash flows from financing activities			
Loan due to the Generalate of the Sisters of St Joseph of Annecy		—	112,000
Loans advanced		(112,000)	—
Net cash (used in) provided by financing activities		(112,000)	112,000
Change in cash and cash equivalents in the year		4,169,789	197,597
Cash and cash equivalents at 1 January 2021	B	1,366,034	1,207,789
Change in cash and cash equivalents due to exchange rate movements		33,237	(39,352)
Cash and cash equivalents at 31 December 2021	B	5,569,060	1,366,034

Notes to the statement of cash flows for the year to 31 December 2021.

A Reconciliation of net movement in funds to net cash (used in) provided by operating activities

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	1,378,643	(2,271,854)
Adjustments for:		
Depreciation charge	214,161	253,128
Impairment provision	—	2,431,481
Gains on listed investments	(867,223)	(10,040)
Exchange rate movements		
. On investments	24,381	35,684
. On cash held by investment managers	(11,635)	20,763
. On cash at bank and in hand	(21,602)	18,589
Investment income and interest receivable	(205,821)	(159,725)
Surplus on disposal of tangible fixed assets	(817,315)	(5,100)
Increase in debtors	(86,782)	(242,363)
Increase (decrease) in creditors	86,464	(59,596)
Net cash (used in) provided by operating activities	(306,729)	10,967

Statement of cash flows Year to 31 December 2021

B Analysis of cash and cash equivalents and changes in net debt

	At 1 January 2021 £	Cash flows £	Foreign exchange movements £	At 31 December 2021 £
Cash and cash equivalents				
Cash at bank and in hand	1,163,956	146,108	(21,602)	1,288,462
Cash held by investment managers	202,078	4,090,155	(11,635)	4,280,598
	<u>1,366,034</u>	<u>4,236,263</u>	<u>(33,237)</u>	<u>5,569,060</u>
Net debt				
Loan due to the Generalate of the Sisters of St Joseph of Annecy	112,000	—	—	112,000
Loans advanced	—	(112,000)		(112,000)
	<u>1,478,034</u>	<u>4,124,263</u>	<u>(33,237)</u>	<u>5,569,060</u>

Principal accounting policies Year to 31 December 2021

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 2021 with comparative figures given for the year to 31 December 2020.

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) 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 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 probability of the receipt of legacy income and estimating the amount to be received;
- ◆ the assumptions adopted by the trustees in determining the value of any designations required from the charity's general unrestricted funds; and
- ◆ estimating the future income and expenditure flows for the purpose of assessing going concern.

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.

Principal accounting policies Year to 31 December 2021

Assessment of going concern (continued)

With regard to the next accounting period, the year ending 31 December 2022, 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 (see the investment policy and the risk management sections of the trustees' report for more information).

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, the surplus on the disposal of tangible fixed assets, funding from the Coronavirus Job Retention Scheme 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.

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

Principal accounting policies Year to 31 December 2021

Income recognition (continued)

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 been 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, including Coronavirus Job Retention Scheme funding, 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.

All expenditure is accounted for on an accruals basis. All expenses are allocated 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 English Province of the Congregation of the Sisters of St Joseph of Annecy Charitable Trust

Principal accounting policies Year to 31 December 2021

Expenditure recognition (continued)

- ◆ The provision for any impairment in respect to the charity's tangible fixed assets.
- ◆ 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.

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.

Principal accounting policies Year to 31 December 2021

Tangible fixed assets (continued)

- ◆ Freehold land and buildings (continued)

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 33⅓%

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.

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.

Principal accounting policies Year to 31 December 2021

Investments (continued)

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.

Short term investments

Cash held by investment managers for anticipated application to specific projects within the twelve months is classified as a short term investment.

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.

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 17.

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 15.

Principal accounting policies Year to 31 December 2021

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.

Employee pension costs

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 for member of the community

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 2021

1 Income from: Donations and legacies

	Unrestricted funds £	Restricted fund £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Covenanted salaries and pensions	1,116,325	—	1,116,325	1,073,990	—	1,073,990
Other donations being legacies renounced by individual sisters	114,197	4,000	118,197	310,593	17,000	327,593
Legacies	11,214	—	11,214	340,320	—	340,320
Donations for missions	—	90,550	90,550	—	48,915	48,915
Other grants and donations	9,620	—	9,620	7,095	—	7,095
	1,251,356	94,550	1,345,906	1,731,998	65,915	1,797,913

2 Income from: Investments and interest receivable

	Unrestricted funds	
	Total 2021 £	Total 2020 £
Income from listed investments		
. Equities	181,266	132,457
. Corporate bonds	6,747	13,191
. Other	15,890	13,265
	203,903	158,913
Interest receivable		
. Cash held by investment managers	1,790	164
. Bank interest	128	648
	1,918	812
	205,821	159,725

3 Income from: Other sources

	Unrestricted funds £	Restricted fund £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Surplus on disposal of tangible fixed assets	817,315	—	817,315	5,100	—	5,100
Coronavirus Job Retention Scheme	12,351	—	12,351	14,147	—	14,147
Miscellaneous income	43,107	—	43,107	108,731	—	108,731
	872,773	—	872,773	127,978	—	127,978

Included within the surplus on the disposal of tangible fixed assets is a surplus of £817,332 (2020 - £nil) relating to the disposal of three freehold properties, a surplus of £706 (2020 - £5,100) relating to the disposal of motor vehicles, and a deficit of £723 (2020 - £nil) relating to the disposal of furniture and equipment.

Notes to the accounts Year to 31 December 2021

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

	Unrestricted funds	
	Total 2021 £	Total 2020 £
Staff costs (note 9)	917,117	943,696
Premises	414,446	487,207
Sisters' living and personal expenses	317,729	328,419
Sisters' training, education, and retreat	13,006	11,200
Other ministry (including Ty Croeso Centre)	(467)	3,777
Other expenses	14,053	15,396
Support costs		
. Postage, stationery, and telephone	2,041	4,914
. Other professional fees	21,886	25,258
. Governance costs (note 7)	24,060	20,262
	1,723,871	1,840,129

5 Impairment provision

In early 2021, the charity received an offer to purchase one of its specialised buildings, Llantarnam Abbey, Cwmbran, for a figure of £1,250,000. After receiving professional property advice, the trustees were of the view that this offer represented an approximation to the net realisable value of the property. Consequently, the net book value of the property was reduced to £1,250,000 following an impairment review of the property prior to finalising the accounts for the year ended 31 December 2020. The property was subsequently sold at this value during the year to 31 December 2021.

6 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 funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Donations to organisations						
. Grants to the Generalate of the Sisters of St Joseph of Annecy to support the Congregation's overseas work	14,440	—	14,440	14,277	—	14,277
. Misesan Cara funding applied for the support of Congregational projects in India and Africa	—	87,149	87,149	—	47,977	47,977
. Other grants to the overseas missions the Sisters of St Joseph of Annecy	—	7,517	7,517	—	11,410	11,410
. Other donations	2,447	—	2,447	3,708	—	3,708
	16,887	94,666	111,553	17,985	59,387	77,372

No donations were made to individuals during the year to 31 December 2021 (2020 – none).

7 Governance costs

	Unrestricted funds	
	Total 2021 £	Total 2020 £
Total funds - Professional fees	24,060	20,262

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

This is stated after charging (crediting):

	Total 2021 £	Total 2020 £
Staff costs (note 9)	917,117	943,696
Auditor's remuneration		
. Statutory audit services		
.. Current year	19,920	19,380
.. Previous year	540	29
. Other services	3,600	853
Depreciation (note 11)	214,161	253,128
Impairment provision (note 5)	—	2,431,481

9 Staff costs

	2021 £	2020 £
Staff costs during the year were as follows:		
Wages and salaries	826,768	849,081
Social security costs	53,836	55,344
Other pension costs	30,883	34,042
	911,487	938,467
Other staff related costs	5,630	5,229
	917,117	943,696

All staff costs are in respect of employees who support the members of the Congregation and their ministry. The average number of employees was 55 (2020 - 58).

There were no employees who earned over £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year (2020 - 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 (2020 – £nil).

10 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.

11 Tangible fixed assets

	Land and buildings		Plant, computers, furniture and equipment	Motor vehicles	Total
	Specialised £	Non-specialised £	£	£	£
Cost or valuation					
At 1 January 2021	7,283,628	1,044,329	550,847	301,034	9,179,838
Additions	—	—	14,538	—	14,538
Disposals	(6,090,952)	(484,566)	(1,734)	(32,650)	(6,609,902)
At 31 December 2021	<u>1,192,676</u>	<u>559,763</u>	<u>563,651</u>	<u>268,384</u>	<u>2,584,474</u>
Depreciation and impairment					
At 1 January 2021	5,705,190	—	278,017	243,193	6,226,400
Charge for year	121,976	—	63,638	28,547	214,161
On disposals	(4,939,075)	—	(1,012)	(27,256)	(4,967,343)
At 31 December 2021	<u>888,091</u>	<u>—</u>	<u>340,643</u>	<u>244,484</u>	<u>1,473,218</u>
Net book values					
At 31 December 2021	<u>304,585</u>	<u>559,763</u>	<u>223,008</u>	<u>23,900</u>	<u>1,111,256</u>
At 31 December 2020	<u>1,578,438</u>	<u>1,044,329</u>	<u>272,830</u>	<u>57,841</u>	<u>2,953,438</u>

At 31 December 2021 the charity had no capital commitments (2020 – no capital commitments).

12 Investments

	2021 £	2020 £
Listed investments at market value		
At 1 January 2021	6,627,669	6,655,919
Additions at cost	2,631,845	2,992,381
Disposals at book value (see below)	(4,262,632)	(3,153,522)
Exchange losses	(24,381)	(35,684)
Unrealised investment gains	549,212	168,575
At 31 December 2021	<u>5,521,713</u>	<u>6,627,669</u>
Cash held by investment managers for reinvestment	<u>280,598</u>	<u>202,078</u>
	<u>5,802,311</u>	<u>6,829,747</u>
Cost of listed investments	<u>4,747,221</u>	<u>6,176,680</u>

Notes to the accounts Year to 31 December 2021

12 Investments (continued)

Listed investments held at 31 December 2021 comprised the following:

	2021 £	2020 £
UK Equities	2,638,892	2,990,701
Overseas Equities	1,988,250	2,438,733
UK Corporate bonds	549,707	808,368
Alternatives	344,864	389,867
	5,521,713	6,627,669

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

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

	2021 £	2020 £
Proceeds	4,580,643	2,994,987
(Gains) losses	(318,011)	158,535
Disposals at book value	4,262,632	3,153,522

At 31 December 2021, listed investments included the following individual holdings deemed material when compared with the overall portfolio valuation as at that date:

	Market value of holding £	Percentage of Portfolio %
Charities Property Fund Income Units (GBP)	344,864	6.25
UBS Bloomberg Barclays	330,988	5.99
UBS Emerging Markets Socially Responsible (USD)	294,207	5.33
UBS Emerging Markets Socially Responsible (EUR)	338,627	6.13

13 Debtors

	2021 £	2020 £
Investment income receivable	35,727	24,290
Legacies receivable	220,000	240,000
Prepayments and accrued income	17,777	22,995
Loan to a former member of the Congregation (see below)	112,000	—
	385,504	287,285

During the year to 31 December 2020, the Congregation's Generalate advanced a loan of £112,000 to the charity to enable it to finance a loan to a former member of the English Province during the year to 31 December 2021 (see note 14). In the year to 31 December 2021, the loan was advanced to the former member towards the purchase of a property over which the charity has secured a legal charge.

The loan advanced by the charity to the former member is repayable on the death of the former member or earlier should she dispose of the property and is interest free.

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13 Debtors (continued)

The monies advanced to the charity by the Generalate are repayable only on repayment of the loan from the former member to the charity. There are no other specific repayment terms attached to this loan from the Generalate which is interest free.

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxes and social security costs	16,446	14,992
Amounts held on behalf of individual members of the Congregation	30,351	31,465
Other creditors and accruals	64,184	90,060
Loan due to the Generalate of the Sisters of St Joseph of Annecy (see note 13)	112,000	112,000
	222,981	248,517

15 Restricted funds

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

	At 1 January 2021 £	Income £	Expenditure £	At 31 December 2021 £
Misean Cara fund	976	87,017	(87,149)	844
Project monitoring and administration	3,257	7,533	(7,517)	3,273
Pilgrimage fund	7,000	—	—	7,000
	11,233	94,550	(94,666)	11,117

	At 1 January 2020 £	Income £	Expenditure £	At 31 December 2020 £
Misean Cara fund	1,340	47,613	(47,977)	976
Project monitoring and administration	3,292	11,375	(11,410)	3,257
Pilgrimage fund	—	7,000	—	7,000
	4,632	65,988	(59,387)	11,233

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

The **project monitoring and administration fund** consists of monies received specifically for the support of the Congregation's works overseas

The **pilgrimage fund** comprises monies received from a sister's family legacy to be used for her to take a trip to the Holy Land.

16 Tangible fixed assets fund

	2021 £	2020 £
At 1 January 2021	2,825,530	5,424,946
Net movement in year	(1,842,182)	(2,599,416)
At 31 December 2021	983,348	2,825,530

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.

17 Designated funds

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

	At 1 January 2021 £	Net movement in the year £	At 31 December 2021 £
Grace Fowler fund	222,928	13,751	236,679
Property fund	—	4,000,000	4,000,000
Retirement reserve	5,950,000	—	5,950,000
	6,172,928	4,013,751	10,186,679

	At 1 January 2020 £	Net movement in the year £	At 31 December 2020 £
Grace Fowler fund	231,208	(8,280)	222,928
Retirement reserve	5,750,000	200,000	5,950,000
	5,981,208	191,720	6,172,928

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 **property fund** represents monies designated by the trustees for the purchase and necessary renovation of suitable properties for the sisters to live in, once they vacate Llantarnam Abbey. These funds are currently held as current asset investments.

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.

18 Analysis of net assets between funds

	General funds £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total 2021 £
Fund balances at 31 December 2021 are represented by:					
Tangible fixed assets	—	983,348	127,908	—	1,111,256
Fixed asset investments	(246,546)	—	6,048,857	—	5,802,311
Net current assets	1,429,954	—	4,009,914	11,117	5,450,985
Total net assets	1,183,408	983,348	10,186,679	11,117	12,364,552

	General funds £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total 2020 £
Fund balances at 31 December 2020 are represented by:					
Tangible fixed assets	—	2,825,530	127,908	—	2,953,438
Fixed asset investments	787,312	—	6,042,435	—	6,829,747
Net current assets	1,188,906	—	2,585	11,233	1,202,724
Total net assets	1,976,218	2,825,530	6,172,928	11,233	10,985,909

The total unrealised gains as at 31 December 2021 constitute movements on revaluation of investments and are as follows:

	2021 £	2020 £
Total unrealised gains on listed investments at 31 December 2021	774,492	450,989

	2021 £	2020 £
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2021	450,989	557,880
In respect to disposals in year	(201,328)	(239,782)
Net losses arising on exchange differences	(24,381)	(35,684)
Net gains arising on revaluation in the year	549,212	168,575
Total unrealised gains at 31 December 2021	774,492	450,989

19 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 (2020 - 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 £80,643 (2020 - £76,253).

20 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.