

**Charity number: 1194230**

## **The Order of St. Augustine of the Mercy of Jesus**

**Trustees' report and financial statements**

**for the year ended 31 December 2022**

# **The Order of St. Augustine of the Mercy of Jesus**

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## **The Order of St. Augustine of the Mercy of Jesus**

### **Reference and administrative details of the charity, its Trustees and advisers for the year ended 31 December 2022**

**Trustees** Sister Elizabeth Denny, Trustee  
Sister Agnes Dunne, Trustee  
Sister Mary Josephine Dolan, Trustee  
Sister Mary Condron, Trustee  
Martin William Dodds, Trustee

**Charity registered number** 1194230

**Principal office** St George's Retreat  
Ditchling Common  
Ditchling  
West Sussex  
RH15 0SQ

**Independent auditors** Kreston Reeves LLP  
Chartered Accountants  
9 Donnington Park  
85 Birdham Road  
Chichester  
West Sussex  
PO20 7AJ

**Bankers** Barclays Bank plc  
1 Churchill Place  
London  
E14 5HP

**Solicitors** BDB Pitmans LLP  
One Bartholomew Close  
London  
EC1A 7BL

**Solicitors** Dentons UK and Middle East LLP  
One Fleet Place  
London  
EC4M 7WS

## THE ORDER OF ST. AUGUSTINE OF THE MERCY OF JESUS

### Trustees' report

For the year end 31 December 2022

The Trustees present their annual report together with the audited financial statements of the group and the charity for the year from 1 January 2022 to 31 December 2022.

The charity and the group also trade under the name Augustinian Care.

### Trustees

The Trustees of the Order during the year under review and to the date of this report were (Order name in brackets):-

(Sister Mary Thomas)	Agnes Dunne
(Sister Miriam)	Miriam Condron
(Sister Mary Carmel)	Mary Dolan
(Sister Mary Monica)	Elizabeth Denny
	Martin William Dodds (appointed March 2022)

The Superior General in England of the Order may exercise the power of appointing and removing trustees.

### Structure, Governance and Management

From 1 January 2022 the Charitable Incorporated Organisation (CIO). The Order of St. Augustine of the Mercy of Jesus (Registered Charity No. 1194230), became the principal group operating entity on transfer of the undertaking of the unincorporated Order of the same name (Registered Charity No. 229662). The charity's objects are the relief of sickness and suffering by in particular the provision or the facilitation of provision of nursing and residential care, homes, training and facilities; and the relief of the aged by in particular the provision or the facilitation of provision of care, accommodation and associated amenities, services and other assistance, the principal activity being the provision of nursing care for infirm and elderly people and those living with Dementia and Alzheimers on the charity's site at St. George's Park, Burgess Hill.

The group structure to achieve the above objectives is as follows:

- The Order of St. Augustine of the Mercy of Jesus – Charitable Incorporated Organisation and Registered Charity No. 1194230 whose main activity is to run Care Homes (with Nursing).
- St. George's - Augustinian Care (Company limited by guarantee) – Registered Charity wholly owned by the charity and set up to develop the Retirement Village.
- The Order of St. Augustine of the Mercy of Jesus – a charitable trust and Registered Charity No.229662 which continues to retain certain property assets held for sale along with some limited retained rights to income and obligations to settle expenditure.
- St. George's Park Ltd – a trading company, wholly owned by St. George's – Augustinian Care set up mainly to sell apartments, run the Retirement Village and offer Domiciliary Care services.

The CIO was required to be registered with CQC in order to take over the operation of the Care Homes from the Unincorporated Order and the change of registration was achieved before the transfer of undertaking on 1 January 2022.

The Trustees are ultimately responsible for all assets of the charity and for all Policies and Procedures which are updated by the person in charge of each department and available on the intranet. They meet four times a year to review activities of the charity and to make important decisions. When necessary the Trustees seek advice from the charity's professional advisers including property consultants, solicitors and accountants.

The Senior Management team report to the Trustees at the quarterly meetings and at any ad hoc meetings if necessary and hold bi-weekly meetings with the Care Home Managers and Deputy

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For the year end 31 December 2022

Managers. The Managers hold their own staff meetings for all care and ancillary staff. In addition, the managers prepare monthly reports on the service performance to include: improvement to the quality of care, review of performance including incidents, accidents and complaints, safeguarding and staff performance. The Managers report all safeguarding issues to the Trustees.

The charity is controlled by the Order, a Diocesan Roman Catholic Religious Community by virtue of the fact that the Superior General appoints the Trustees.

The Trustees are familiar with their obligations with regard to the appointment, selection and induction of new Trustees. With the change of status the group was, for the first time, in a position to appoint a Trustee who was not a Religious Sister, which was achieved in March 2022 on the appointment of Martin Dodds.

New and existing trustees undertake appropriate training so that they are fully aware of and able to undertake their responsibilities as trustees.

### Objectives and activities

The work of the charity is carried out principally through the charity's provision of two Care Homes, each with 60 en-suite bedrooms which provide person-centred care to promote well-being enabling individuals to lead valued and fulfilled lives.

Each Home is run with the following complement of staff:

- Manager
- Deputy Manager
- Administrator
- Staff Nurses
- Team Leader
- Care Assistants
- Ancillary Staff and
- Maintenance Staff.

A Domiciliary Care Agency, operated by St. George's Park Limited and registered with CQC, provides domiciliary assistance which promotes independence and security for Residents in the Retirement Village at St. George's Park and is beginning to support the residents in the new Assisted Living accommodation at Trinity Lodge.

The Sisters provide pastoral care to the residents of the Care Homes and their relatives and friends, which is especially comforting at the end of life. They also provide pastoral care to residents of the Retirement Village.

The Sisters support the parish priests, both Catholic and Church of England, to celebrate mass, administer the Sacrament of Reconciliation and Anointing and provide other services to meet the needs of the residents. The Sisters bring Communion to the residents on a weekly basis or as requested.

The Chapel is used for funeral and other services by the residents of the Retirement Village. There is a memorial package in place which allows the use of the cemetery by residents of the care homes and the retirement village. This allows for burials in the cemetery and the planting of trees or shrubs around the grounds.

Two qualified nursing sisters also provide care and support to residents in the Care Homes and residents in St. George's Park and at the local Hospice.

The Order has Sisters in Birmingham and in London, where they support the Archbishop and Cardinal, where they organise care and visit elderly priests in their own homes or Care Homes. Two Sisters from St. George's Retreat are part of the St Vincent de Paul team who assist with social activities and visit people in their own homes and the Care Homes.

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For the year end 31 December 2022

The Sisters support a number of charities including the homelessness charity 'Crisis for Christmas' by sending clothing for both men and women and in 2022 for the people of the Ukraine by collecting and sending much needed items for the many people who had lost their homes and belongings.

One Sister continue to live in Ireland, supporting family and friends and is part of the Local Church and Community.

### Public Benefit

The benefit of the charity's work is primarily in the care of the sick and infirm. The Trustees of the charity are aware of their responsibilities as charity trustees. Below is a table showing the fees for residents in care, which shows that 24% are on lower fees. Whilst setting plans and objectives for the future, the Trustees give careful consideration to the Charity Commission's guidance on public benefit.

**Residents in Care Homes as at 31<sup>st</sup> December 2022**

	St. Clare's	St. Rita's	Total	Percentage
Private Full Fees	44	44	88	75.9%
Private Low Fee	2	2	4	3.4%
DSS Funded	9	11	20	17.3%
CHC/CCG Funded	4	0	4	3.4%
<b>Total</b>	<b>59</b>	<b>57</b>	<b>116</b>	<b>100.0%</b>

### Achievements and Performance Overview

The focus of 2022 has been two-fold, to develop new Assisted Living accommodation and to ensure our Care Homes are well-run, places where residents are safe and cared for, and their families feel confident their relatives well-being is at the heart of what we do. We aim to provide person centred care where each individual is valued, engaged and able to make choices.

The Care Homes have up-to-date modern facilities, bedrooms with en-suite facilities and nice views from the windows (many across St. George's Park) small lounges and seating areas at the end of corridors with nice views. We have also worked hard to make our Homes more dementia friendly, with themed areas in the Homes such as woodlands, lakes and sensory areas with lights and sound boxes. We hope these different themes and scenes engage and stimulate our residents. Our Homes' occupancy is very important for the financial stability of the group and in 2022 occupancy rates were able to be maintained at a high level with low levels of vacancy.

Ensuring we always have the appropriate level of staffing is crucial to the well-being of our residents, and we staff care shifts at a higher level than the minimum number required to give us flexibility and the opportunity to provide more activities for Residents. In addition, following Covid, we have had a focused recruitment campaign, including using the Government's inclusion of Care Staff in the Skilled Worker Visa list, recruiting applicants who required Certificates of Sponsorship, which has led to a significant reduction in the use for Agency staff (whose costs are much higher than permanent staff). Of course, there will always be staff turnover and we work hard to keep our permanent staffing levels as high as possible.

Following the closure of St. Mary's Care Home in 2020 during Covid, it was agreed that the best use of the building would be to complete the cycle of care, independent and assisted living, also Care Homes on the St. George's Park site and to remodel and refurbish the building, to be known as Trinity Lodge, to Assisted Living so plans were drawn up to provide 27 apartments with supporting facilities. Most of the conversion work was carried out during 2022 and the apartments became available in the Spring of 2023 and so more detail is given in the 'Future Plans' section of this report. By developing the new Assisted Living accommodation to complete the path of support from the Retirement Village to our Care

## **THE ORDER OF ST. AUGUSTINE OF THE MERCY OF JESUS**

### **Trustees' report**

#### **For the year end 31 December 2022**

Homes we are looking to be able to offer the right accommodation and support for residents whatever their needs. The expectation is that this new model will mitigate the loss of care activity and revenue which followed the closure of St Mary's. The new facility opened to customers on the 6th March 2023, and so more detail is given in the 'Future Plans' section of this report.

The charity has planning permission to provide a further 72 Assisted Living apartments and a Day Centre at the St. George's site. The planning application was re-submitted in 2020 and was approved for a further three years. While the Trustees are keen to develop further Assisted Living accommodation, it is felt prudent to review the progress of Trinity Lodge before a decision is made regarding further developments and so it has been decided to let the current planning application lapse. As a result, the associated costs incurred to date have been written off within St. George's – Augustinian Care which has resulted in that subsidiary charity having a net liabilities position.

At 31 December 2022 there was a loan due to the Charity from St. George's – Augustinian Care of £646,972 (2021; £646,972) against which a provision has been made in the Charity's balance sheet to reflect the net liabilities position at the balance sheet date.

#### **Care Quality Commission**

At the end of 2022 both Homes were rated by the Care Quality Commission (CQC) as 'Good', however inspections in 2023 have identified areas where each Homes can improve, particularly in terms of policies and documentation. Senior Management have addressed these concerns and also have had 'you said' 'we did' notice boards put in Care Homes' receptions for valuable suggestions and feedback on how to improve services within the homes.

#### **Gold Standard Framework**

During the year, St Rita's and St Clare's engaged with the Gold Standard Framework team, achieving the Gold Standard Framework 'Platinum' status for sustaining the high quality of care provided to those in the final years of life. Both Homes have been revalidated from 2022 to 2025.

#### **Environment Social Governance (ESG)**

The group has prepared an ESG policy setting out its commitment to sustainable development (meeting the needs of the present without compromising the ability of future generations to meet their own needs) as a guiding principle within our work. Social conscientiousness and concern for the environment are integral and fundamental parts of this commitment. Our aim is to reduce the impact of our operations on the environment and on society, ensuring the highest ethical standards, and considering environmental sustainability and social responsibility in all that we do.

The group has already several environmental projects in hand, including the following:

- Energy Saving Opportunity Scheme (ESOS3)
- Tree planting (with Woodland Trust)
- A photovoltaic installation at the farm.

As well as ongoing work:

- Waste Recycling
- Upgrading lighting with low energy devices (LED's)

#### **Employee Involvement and Employment of the Disabled**

The Charity and the Group have a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Health and Safety Policy.

All the policies are available on the Charity's intranet and are updated regularly.

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#### For the year end 31 December 2022

In accordance with the Charity and the Group's Equal Opportunities Policy, the Charity and the Group have long established fair employment practices in the recruitment, selection, retention and training of disabled staff. Full details of these policies are available from the Charity and the Group's offices.

#### **Pay Policy for Senior Staff**

The pay of the senior staff is reviewed annually by the Trustees. When arriving at an increase, the Trustees take into consideration the following:

- Increase in national average earnings in the general economy
- Account of any relevant professional qualifications the individual member of staff holds
- The local labour market
- The national labour market
- The increased cost of daily living expenses.

#### **GDPR**

We continue to review our GDPR compliance, the Finance Manager is the nominated GDPR Officer for the group.

#### **Financial Review**

The charity has returned a surplus for the second year in a row. Action taken over the past three years to reduce costs by closing two homes and to convert one for assisted living, while costly over these years has provided a firm basis on which to provide long-term stability for the group.

The group's consolidated statement of financial affairs shows net income for the year of £20,538 (2021: £206,238). The principal sources of funding during the year were fees charged to residents and fees from the sales of retirement apartments.

All material fixed assets of the charity are used for direct charitable purposes.

The consolidated balance sheet discloses that the group had net current assets of £3,921,704 at 31 December 2022 and net assets of £36,934,656. The Trustees consider that the assets of the charity and group are sufficient to meet the current obligations of the group. The charity's governing document does not restrict the powers of investment of the Trustees and therefore all assets held by the charity have been acquired with the powers available to them.

The funding environment for the care sector continues to remain challenging and a key financial issue outside the control of the charity is the level of local authority fees which are significantly less than private fees and not sufficient to cover costs.

The charity does not actively fundraise, however it benefitted from donations of £369,014. The sale of two properties, Hillview in Princess Risborough and The Cottage at Danehill, provided additional funds to enable the completion of the renovation of St. Mary's, while also boosting the SOFA by £260,408. In addition, the group also benefitted by £433,209 from the additional income on the sale of properties at the old Ker Maria site in Princess Risborough. Further receipts are expected in 2023.

As a result of the decision to let the planning permission lapse in relation to the further 72 Assisted Living apartments, the associated costs incurred to date have been written off within St. George's – Augustinian Care which resulted in that subsidiary charity having a net liabilities position. At 31 December 2022 there was a loan due to the Charity from St. George's – Augustinian Care of £648,544, (2021: £646,972) against which a provision of £413,216 has been made in the Charity's balance sheet to reflect the net liabilities position of St. George's – Augustinian Care at the balance sheet date. St. George's – Augustinian Care is expected to gradually return to a net asset position as gift aided profits are received from St. George's Park in subsequent years.



## **THE ORDER OF ST. AUGUSTINE OF THE MERCY OF JESUS**

### **Trustees' report**

**For the year end 31 December 2022**

#### **Going Concern**

The Trustees have a reasonable expectation that the charity and the group have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis of preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

#### **Reserves Policy**

The Trustees approved a general reserves policy as follows:

- Minimum – a level of 2 months expenditure to be maintained
- Maximum – no more than 4 month's expenditure
- Target: - To aim to achieve and hold reserves at a level of 3 months expenditure.

Total funds at 31 December 2022 were £36,934,656 (2021: £36,613,964) of which £790,582 (2021: £790,582) were restricted. Unrestricted funds at 31<sup>st</sup> December 2022 were £36,144,074 (2021: £35,823,382) of which £32,930,642 (2021 - £28,359,902) were invested in tangible fixed assets to be used by the charity. The charity therefore had free reserves at 31 December 2022 of £3,213,632 (2021 £7,463,480).

In the future a Sisters' Reserve will be established to meet the income required to support the Community of Sisters. It was considered that an appropriate target for this reserve would be £2million. The reserve is a secondary consideration to the principal of securing the future of the Charity to deliver its services. The Trustees will review the levels of the reserves each year, i.e.

- Decide whether the previous determined requirements remain appropriate
- If they are not, what is to be done to achieve them in the future?
- If excess reserves have been established, what is to be done with them?
- And to consider future plans to ensure excess monies are not excessively tied up in the operation.

#### **Risk Management and Internal Control**

The Board of Trustees has examined the major strategic, business and operational risks which the charity faces and confirms that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The principal risk facing the charity is to ensure the wellbeing of residents in our care. The Trustees will continue to implement policies and procedures which protect their health and safety and maintain the operations integrity.

The other main risk to the charity is that of financial risk in the continuing, challenging environment facing the care sector especially the challenge of meeting the increasing costs.

The charity maintains high level of occupancy and the Trustees and staff continue to look to increase other sources of income to ensure the viability of the charity.

The Board has overall responsibility to ensure the charity has systems of internal control. Such a system of control can provide reasonable, not absolute assurance against errors or fraud. The controls in place include clearly documented accounting procedures, delegation of the authority of the Board of Trustees through the Chief Executive to the rest of the charity.

The charity operates an annual planning and budgeting system with an annual budget approved by the Board. Any changes to the Budget require specific approval from the Senior Management Team, during monthly reviews of income and expenditure, when revised budgets are compared with previous years.

#### **Future Plans**

The Trustees are focussed on providing integrated care through their Care Homes and assisted living accommodation on the St. George's Park site associated to the independent living apartments

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### Trustees' report

For the year end 31 December 2022

developed by the group previously in the Retirement Village. At the end of December 2022, the assisted living development at Trinity Lodge was nearing completion; completion taking place in late February 2023. The first residents moved into Trinity Lodge on 6<sup>th</sup> March, with 10 apartments occupied by the end of March and further residents moving in every month thereafter. By the end of July 22 of the 27 apartments were occupied, with a further three booked for occupation in the near future.

### ***St. Raphael's Care Home***

The sale of the Home is currently under offer and awaiting final agreement and planning permission.

### **Trustees' responsibilities statement**

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the group for that period in preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and accounting estimates that are reasonable and prudent:
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity and the group's transactions and disclose with reasonable accuracy at any time for financial position of the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Account and Reports) Regulations 2008 and the provision of the trust deed. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other regularities.

This report was approved by the Trustees, on 18<sup>th</sup> September 2023 and signed on their behalf by:

.....  
Sister Agnes Dunne  
Trustee

## **The Order of St. Augustine of the Mercy of Jesus**

### **Independent auditors' report to the Members of The Order of St. Augustine of the Mercy of Jesus**

#### **Opinion**

We have audited the financial statements of The Order of St. Augustine of the Mercy of Jesus (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 December 2022 and of the Group's incoming resources and application of resources, including 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

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

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

## **The Order of St. Augustine of the Mercy of Jesus**

### **Independent auditors' report to the Members of The Order of St. Augustine of the Mercy of Jesus (continued)**

#### **Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 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 financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity financial statements 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 financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent 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 Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

**Independent auditors' report to the Members of The Order of St. Augustine of the Mercy of Jesus  
(continued)**

**Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. 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:

*Capabilities of the audit in detecting irregularities, including fraud*

Based on our understanding of the Charity and industry, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to Care Quality Commission (CQC) regulations, health and safety, employment law and charity law regarding the use of restricted income. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act, Charities SORP FRS102 and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to, posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of investment properties and recoverability of work in progress. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Assessment of identified fraud risk factors; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant tax and regulatory authorities including the most recent CQC inspection reports; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional

## **The Order of St. Augustine of the Mercy of Jesus**

### **Independent auditors' report to the Members of The Order of St. Augustine of the Mercy of Jesus (continued)**

scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Kreston Reeves LLP**

Chartered Accountants  
Statutory Auditor

Chichester

Date:

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

# The Order of St. Augustine of the Mercy of Jesus

## Consolidated Statement of financial activities for the year ended 31 December 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Donations and legacies	4	369,014	-	369,014	514,384
Charitable activities	5	7,982,542	-	7,982,542	7,320,513
Other trading activities		912,543	-	912,543	895,388
Investments	6	200,790	-	200,790	209,073
Other income	7	762,283	-	762,283	18,906
<b>Total income</b>		<b>10,227,172</b>	<b>-</b>	<b>10,227,172</b>	<b>8,958,264</b>
<b>Expenditure on:</b>					
Raising funds	8	1,192,510	-	1,192,510	668,392
Charitable activities		9,014,124	-	9,014,124	8,083,634
<b>Total expenditure</b>		<b>10,206,634</b>	<b>-</b>	<b>10,206,634</b>	<b>8,752,026</b>
<b>Net income before taxation</b>		<b>20,538</b>	<b>-</b>	<b>20,538</b>	<b>206,238</b>
Taxation		(1,446)	-	(1,446)	(989)
<b>Net movement in funds before other recognised gains</b>		<b>19,092</b>	<b>-</b>	<b>19,092</b>	<b>205,249</b>
<b>Other recognised gains:</b>					
Gains on revaluation of fixed assets		301,600	-	301,600	-
<b>Net movement in funds</b>		<b>320,692</b>	<b>-</b>	<b>320,692</b>	<b>205,249</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		35,823,382	790,582	36,613,964	36,408,715
Net movement in funds		320,692	-	320,692	205,249
<b>Total funds carried forward</b>		<b>36,144,074</b>	<b>790,582</b>	<b>36,934,656</b>	<b>36,613,964</b>

# The Order of St. Augustine of the Mercy of Jesus

## Consolidated balance sheet as at 31 December 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	13	32,930,642	28,359,902
		<u>32,930,642</u>	<u>28,359,902</u>
<b>Current assets</b>			
Stocks	14	69,915	503,236
Debtors	15	1,073,665	876,941
Bank and cash balances		934,942	3,824,137
Fixed assets held for sale		3,417,655	3,942,655
		<u>5,496,177</u>	<u>9,146,969</u>
Creditors: amounts falling due within one year	16	(1,492,163)	(892,907)
<b>Net current assets</b>		<u>4,004,014</u>	<u>8,254,062</u>
<b>Total assets less current liabilities</b>		<u>36,934,656</u>	<u>36,613,964</u>
<b>Total net assets</b>		<u><u>36,934,656</u></u>	<u><u>36,613,964</u></u>
<b>Charity funds</b>			
Restricted funds	17	790,582	790,582
Unrestricted funds	17	36,144,074	35,823,382
<b>Total funds</b>		<u><u>36,934,656</u></u>	<u><u>36,613,964</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....  
**Sister Agnes Dunne**

.....  
**Sister Elizabeth Denny**

Date:

The notes on pages 17 to 33 form part of these financial statements.



# The Order of St. Augustine of the Mercy of Jesus

## Charity balance sheet as at 31 December 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	13	31,535,222	26,963,367
		<u>31,535,222</u>	<u>26,963,367</u>
<b>Current assets</b>			
Stocks	14	69,915	58,104
Debtors	15	2,014,126	2,661,719
Fixed assets held for sale		3,417,655	3,417,655
Cash at bank and in hand		406,070	3,140,450
		<u>5,907,766</u>	<u>9,277,928</u>
Creditors: amounts falling due within one year	16	(1,267,994)	(779,927)
<b>Net current assets</b>		<u>4,639,772</u>	<u>8,498,001</u>
<b>Total assets less current liabilities</b>		<u>36,174,994</u>	<u>35,461,368</u>
<b>Total net assets</b>		<u><u>36,174,994</u></u>	<u><u>35,461,368</u></u>
<b>Charity funds</b>			
Restricted funds	17	790,582	790,582
Unrestricted funds	17	35,384,412	34,670,786
<b>Total funds</b>		<u><u>36,174,994</u></u>	<u><u>35,461,368</u></u>

The charity's net movement in funds for the year was £713,626 (2021 - £230,051).

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....  
**Sister Agnes Dunne**

.....  
**Sister Elizabeth Denny**

Date:

The notes on pages 17 to 33 form part of these financial statements.

## The Order of St. Augustine of the Mercy of Jesus

### Consolidated statement of cash flows for the year ended 31 December 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	288,618	244,297
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	200,790	209,073
Proceeds from the sale of tangible fixed assets	736,714	-
Purchase of tangible fixed assets	(4,990,611)	(711,930)
Proceeds from sale of assets for sale	573,694	-
Gains on revaluations of fixed assets	301,600	-
<b>Net cash used in investing activities</b>	(3,177,813)	(502,857)
<b>Change in cash and cash equivalents in the year</b>	(2,889,195)	(258,560)
Cash and cash equivalents at the beginning of the year	3,824,137	4,082,697
<b>Cash and cash equivalents at the end of the year</b>	934,942	3,824,137

The notes on pages 17 to 33 form part of these financial statements

## **The Order of St. Augustine of the Mercy of Jesus**

### **Notes to the financial statements for the year ended 31 December 2022**

#### **1. General information**

The Order is engaged principally in the provision of accommodation for elderly and infirm residents at convents and houses at the under noted location:-

St.George's Retreat, Burgess Hill (the mother house).

The principal activities of its subsidiary companies are as set out in note 26, and were all carried out at its Burgess Hill site.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Order of St. Augustine of the Mercy of Jesus meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

##### **2.2 Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist.

The trustees have considered the level of funds which will remain and the expected level of income and expenditure for 12 months from authorising these financial statements and consider that the charity will have sufficient cash funds available to cover ongoing costs to fulfil the new, reduced operational objectives.

##### **2.3 Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**Notes to the financial statements  
for the year ended 31 December 2022**

**2. Accounting policies (continued)**

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.6 Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The tax expense for the year comprises current tax on income arising in the subsidiary entities which is not covered by the above exemptions. This is recognised in the Consolidated Statement of Financial Activities. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the subsidiary companies operate and generate income. Accordingly the tax assessed for the year on this income is at the standard rate of corporation tax in the UK of 19% (2021: 19%).

**2.7 Tangible fixed assets and depreciation**

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

**Notes to the financial statements  
for the year ended 31 December 2022**

**2. Accounting policies (continued)**

**2.7 Tangible fixed assets and depreciation (continued)**

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- straight line over 75 years
Long-term leasehold property	- straight line over 75 years
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% straight line
Chapel - structural works	- straight line over 100 years
Chapel - refurbishment works	- straight line over 40 years

**2.8 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

**2.9 Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value.

**2.10 Debtors**

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

**2.11 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.12 Liabilities and provisions**

Liabilities 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.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

**Notes to the financial statements  
for the year ended 31 December 2022**

**2. Accounting policies (continued)**

**2.13 Financial instruments**

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

**2.14 Pensions**

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

**2.15 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**3. Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

The fair value of the investment properties which are sensitive to fluctuations in the property market

**4. Income from donations and legacies**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	369,014	369,014	514,384

# **The Order of St. Augustine of the Mercy of Jesus**

## **Notes to the financial statements for the year ended 31 December 2022**

### **5. Income from charitable activities**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Residents' fees and extras	7,982,542	7,982,542	7,320,513

### **6. Investment income**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rental income and interest receivable	200,790	200,790	209,073

### **7. Other incoming resources**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Other income	501,875	501,875	18,906
Gains on disposals of fixed assets	260,408	260,408	-
	762,283	762,283	18,906

**Notes to the financial statements  
for the year ended 31 December 2022**

**8. Expenditure on raising funds**

**Other trading expenses**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Work in progress write offs	460,847	460,847	33,081
Cost of sales	4,743	4,743	5,307
Distribution expenses	33,682	33,682	40,401
Administration expenses	174,821	174,821	114,232
Establishment expenses	6,101	6,101	9,310
Cost of sales staff costs	271,742	271,742	240,060
Distribution staff costs	43,835	43,835	41,518
Administration staff costs	196,739	196,739	184,483
	<u>1,192,510</u>	<u>1,192,510</u>	<u>668,392</u>

**9. Analysis of expenditure by activities**

	Activities undertaken directly 2022 £	Total funds 2022 £	Total funds 2021 £
Residents' fees and extras	<u>9,014,124</u>	<u>9,014,124</u>	<u>8,083,634</u>



**Notes to the financial statements  
for the year ended 31 December 2022**

**9. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	Residents' fees and extras 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	5,548,632	5,548,632	5,246,354
Establishment and care expenses	1,644,340	1,644,340	1,344,737
Staff costs, agency and training	746,205	746,205	387,065
Bad and doubtful debts	(13,334)	(13,334)	2,262
Bank charges	31,133	31,133	21,781
Depreciation on tangible fixed assets	196,471	196,471	301,642
(Gain)/Loss on disposal of fixed assets	-	-	958
Farm costs	35,153	35,153	46,050
Legal and professional	101,137	101,137	122,611
Repairs and maintenance	677,701	677,701	550,751
Governance costs	46,686	46,686	59,423
	<u>9,014,124</u>	<u>9,014,124</u>	<u>8,083,634</u>

**10. Auditors' remuneration**

The auditors' remuneration amounts to an auditor fee of £62,800 (2021 - £53,090), and other professional services to the charity including advisory to the trustees and management of £10,060 (2021 - £14,568).

**11. Staff costs**

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Wages and salaries	5,406,938	5,114,016	4,946,015	4,692,986
Social security costs	526,153	470,917	486,676	437,057
Contribution to defined contribution pension schemes	127,857	127,482	115,941	116,311
	<u>6,060,948</u>	<u>5,712,415</u>	<u>5,548,632</u>	<u>5,246,354</u>

**Notes to the financial statements  
for the year ended 31 December 2022**

**11. Staff costs (continued)**

The average number of persons employed by the charity during the year was as follows:

	Group 2022 No.	Group 2021 No.
Services to residents	202	206
Management and administration	25	25
	<u>227</u>	<u>231</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	Group 2021 No.
In the band £60,001 - £70,000	7	4
In the band £70,001 - £80,000	3	1
In the band £80,001 - £90,000	2	-
In the band £90,001 - £100,000	1	1
In the band £110,001 - £120,000	1	1
In the band £140,000 - £150,000	1	-

The senior management team, as described on page 1, have employee benefits totalling £431,322 (2021: £385,368) in the parent charity. The employee benefits of the senior management team for the group totalled £543,732 (2021: £538,797).

**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

## The Order of St. Augustine of the Mercy of Jesus

### Notes to the financial statements for the year ended 31 December 2022

#### 13. Tangible fixed assets

##### Group

	Freehold property £	Long-term leasehold property £	Assets under construction £	Motor vehicles £	Fixtures and fittings £	Other fixed assets £	Total £
<b>Cost or valuation</b>							
At 1 January 2022	11,261,608	12,984,635	5,900,727	305,381	1,657,619	7,000	32,116,970
Additions	-	-	4,958,317	-	32,294	-	4,990,611
Disposals	(525,000)	-	-	(6,990)	-	-	(531,990)
Revaluations	301,600	-	-	-	-	-	301,600
At 31 December 2022	11,038,208	12,984,635	10,859,044	298,391	1,689,913	7,000	36,877,191
<b>Depreciation</b>							
At 1 January 2022	625,788	1,448,265	-	252,042	1,430,973	-	3,757,068
Charge for the year	49,568	66,039	-	14,729	66,135	-	196,471
On disposals	-	-	-	(6,990)	-	-	(6,990)
At 31 December 2022	675,356	1,514,304	-	259,781	1,497,108	-	3,946,549
<b>Net book value</b>							
At 31 December 2022	10,362,852	11,470,331	10,859,044	38,610	192,805	7,000	32,930,642
At 31 December 2021	10,635,820	11,536,370	5,900,727	53,339	226,646	7,000	28,359,902

**The Order of St. Augustine of the Mercy of Jesus**

**Notes to the financial statements  
for the year ended 31 December 2022**

**13. Tangible fixed assets (continued)**

**Charity**

	Freehold property £	Long-term leasehold property £	Assets under construction £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>						
At 1 January 2022	11,261,608	11,598,435	5,900,727	261,545	1,616,034	30,638,349
Additions	-	-	4,958,317	-	32,294	4,990,611
Disposals	(525,000)	-	-	(6,990)	-	(531,990)
Revaluations	301,600	-	-	-	-	301,600
At 31 December 2022	11,038,208	11,598,435	10,859,044	254,555	1,648,328	35,398,570
<b>Depreciation</b>						
At 1 January 2022	625,788	1,448,265	-	210,118	1,390,811	3,674,982
Charge for the year	49,568	66,039	-	14,210	65,539	195,356
On disposals	-	-	-	(6,990)	-	(6,990)
At 31 December 2022	675,356	1,514,304	-	217,338	1,456,350	3,863,348
<b>Net book value</b>						
At 31 December 2022	10,362,852	10,084,131	10,859,044	37,217	191,978	31,535,222
At 31 December 2021	10,635,820	10,150,170	5,900,727	51,427	225,223	26,963,367

**Notes to the financial statements  
for the year ended 31 December 2022**

**13. Tangible fixed assets (continued)**

Freehold properties include land with a net book value of £5,310,216 (2021: £5,310,216) which is not depreciated.

Freehold properties include investment properties of £3,876,000 (2021: £4,100,000).

Leasehold properties include investment properties amounting to £568,800 (2021: £568,800).

Leasehold properties include interest capitalised of £595,000 at the Bank of Ireland base rate plus 1.75%.

Investment properties under Freehold Properties were subject to independent, professional valuation at 31 December 2015. The valuation was undertaken by various local estate agents with good knowledge of the properties and their locations. The value was reviewed by Stuart Warren DipSurv (CEM) MRICS MBIFM before the amounts were approved to be included within the accounts. In 2022 the investment properties were reviewed and some of the properties were revalued.

Investment properties held within Long term leasehold property were subject to an independent, professional valuation at 31 December 2018. The valuation was undertaken by Cuthbert Lake, Chartered Surveyors. It is assumed that the value of these investment properties is in line with their market value and the values are deemed appropriate still as at 31 December 2022.

Assets under construction relate to Trinity Lodge which was not completed and brought into use until after the balance sheet date. Accordingly no depreciation was charged in the year.

**14. Stocks**

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Work in progress	-	445,132	-	-
Farm valuation	69,915	58,104	69,915	58,104
	<u>69,915</u>	<u>503,236</u>	<u>69,915</u>	<u>58,104</u>

**15. Debtors**

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
<b>Due within one year</b>				
Trade debtors	431,241	502,320	421,771	486,344
Amounts owed by group undertakings	-	-	1,149,362	1,834,643
Other debtors	285,240	170,179	278,487	162,038
Prepayments and accrued income	357,184	204,442	164,506	178,694
	<u>1,073,665</u>	<u>876,941</u>	<u>2,014,126</u>	<u>2,661,719</u>

## The Order of St. Augustine of the Mercy of Jesus

### Notes to the financial statements for the year ended 31 December 2022

#### 16. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	359,432	254,457	358,663	241,159
Corporation tax	1,446	989	-	-
Other taxation and social security	130,575	120,258	116,683	107,008
Pension fund loan payable	10,703	1,260	10,703	1,260
Other creditors	215,957	229,563	31,125	172,476
Accruals and deferred income	774,050	286,380	750,820	258,024
	<u>1,492,163</u>	<u>892,907</u>	<u>1,267,994</u>	<u>779,927</u>

# The Order of St. Augustine of the Mercy of Jesus

## Notes to the financial statements for the year ended 31 December 2022

### 17. Statement of funds

#### Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
<b>Unrestricted funds</b>					
General Funds - all funds	35,342,382	10,227,172	(10,208,080)	-	35,361,474
Revaluation reserve	481,000	-	-	301,600	782,600
	<u>35,823,382</u>	<u>10,227,172</u>	<u>(10,208,080)</u>	<u>301,600</u>	<u>36,144,074</u>
<b>Restricted funds</b>					
Restricted Funds - all funds	<u>790,582</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>790,582</u>
<b>Total of funds</b>	<u><u>36,613,964</u></u>	<u><u>10,227,172</u></u>	<u><u>(10,208,080)</u></u>	<u><u>301,600</u></u>	<u><u>36,934,656</u></u>

The Order of St. Augustine of the Mercy of Jesus

Notes to the financial statements  
for the year ended 31 December 2022

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
<b>Unrestricted funds</b>				
General Funds - all funds	35,137,133	8,958,264	(8,752,026)	35,342,382
Revaluation reserve	481,000	-	-	481,000
	<u>35,618,133</u>	<u>8,958,264</u>	<u>(8,752,026)</u>	<u>35,823,382</u>
<b>Restricted funds</b>				
Bursary fund	500,000	-	-	500,000
David Maskell	237,812	-	-	237,812
Fleur Cowles Charitable Foundation	52,770	-	-	52,770
	<u>790,582</u>	<u>-</u>	<u>-</u>	<u>790,582</u>
<b>Total of funds</b>	<u>36,408,715</u>	<u>8,958,264</u>	<u>(8,752,026)</u>	<u>36,613,964</u>



**Notes to the financial statements  
for the year ended 31 December 2022**

**18. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	32,930,642	-	32,930,642
Current assets	4,705,595	790,582	5,496,177
Creditors due within one year	(1,492,163)	-	(1,492,163)
<b>Total</b>	<b>36,144,074</b>	<b>790,582</b>	<b>36,934,656</b>

**19. Reconciliation of net movement in funds to net cash flow from operating activities**

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	19,092	205,249
<b>Adjustments for:</b>		
Depreciation charges	196,471	305,839
Gains on revaluations on fixed assets	(301,600)	-
Dividends, interests and rents from investments	(200,790)	(209,073)
(Gain)/Loss on the sale of fixed assets	(260,408)	1,831
Decrease/(increase) in stocks	433,321	(20,828)
Increase in debtors	(196,724)	(72,762)
Increase in creditors	598,799	68,100
Movement in provision	-	(33,081)
Taxation paid	(989)	(1,967)
Taxation charge	1,446	989
<b>Net cash provided by operating activities</b>	<b>288,618</b>	<b>244,297</b>

## The Order of St. Augustine of the Mercy of Jesus

### Notes to the financial statements for the year ended 31 December 2022

#### 20. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	934,942	3,824,137
<b>Total cash and cash equivalents</b>	<b>934,942</b>	<b>3,824,137</b>

#### 21. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	3,824,137	(2,889,195)	934,942
Debt due within 1 year	(1,260)	(9,443)	(10,703)
	<b>3,822,877</b>	<b>(2,898,638)</b>	<b>924,239</b>

#### 22. Capital commitments

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
<b>Contracted for but not provided in these financial statements</b>				
Purchase, construction or development of investment property	690,374	4,129,790	-	4,129,790

#### 23. Related party transactions

St George's Park Limited and St George's - Augustinian Care

During the year recharges of employees' salaries for work carried out relating to the subsidiaries were made. A total of £229,622 (2021 - £252,695) was recharged to St George's Park Limited.  
At the year end the balance due from St George's - Augustinian Care was £648,554 (2021 - £646,972) and the amount due from St George's Park Limited was £914,034 (2021 - £1,187,671).

## The Order of St. Augustine of the Mercy of Jesus

### Notes to the financial statements for the year ended 31 December 2022

#### 24. Merger of The Order of St Augustine of the Mercy of Jesus, CIO

On 1 January 2022 The Order of St. Augustine of the Mercy of Jesus CIO (registered charity number 1194230), took over the activities and the assets and liabilities from the original charity, The Order of St. Augustine of the Mercy of Jesus (registered charity number 229662), apart from some excluded assets which remained in the original charity. In accordance with FRS102, this has been accounted for as a merger. The assets, liabilities, funds and results of The Order of St. Augustine of the Mercy of Jesus (registered charity number 229662) and The Order of St Augustine of the Mercy of Jesus (registered charity number 1194230) are therefore combined, less the excluded assets, for the current and preceding years as if they had always been part of the same reporting charity.

For the year ended 31 December 2021 all of the income, expenditure, gains and losses that arose in The Order of St. Augustine of the Mercy of Jesus (registered charity number 229662). For the year end 31 December 2022 all of the income, expenditure, gains and losses, less the excluded items, in the year arose in The Order of St. Augustine of the Mercy of Jesus (registered charity number 1194230), as post merger activity.

As at 31 December 2021 all of the assets and liabilities were held by The Order of St. Augustine of the Mercy of Jesus (registered number 229662). For the year ended 31 December 2022 all of the assets and liabilities, less the excluded items, were held by The Order of St. Augustine of the Mercy of Jesus (registered charity number 1194230).

The excluded assets as at 1 January 2022 included:

- Freehold property, title number BM110105
- Leasehold property, 3 Raphael Court
- Residual interests, right and claims relating to the sale of Plympton House
- Residual interests, right and claims relating to the sale of Ker Maria
- Charges relating to the Windmill Theatre, Great Yarmouth
- Charges relating to the Empire Cinema, Great Yarmouth

#### 25. Principal subsidiaries

The following were subsidiary undertakings of the charity:

Names	Company number	Charity registration number	Holding
St George's - Augustinian Care	04718235	1105835	100%
St George's Park Limited	05225007		100%
The Order of St. Augustine Of The Mercy Of Jesus		229662	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss)/ Surplus/ (Deficit) for the year £	Net assets £
St George's - Augustinian Care	-	460,847	(460,847)	(413,216)
St George's Park Limited	888,042	681,895	206,147	515,914
The Order of St. Augustine Of The Mercy Of Jesus	494,335	36,307,153	(35,895,128)	161,440



**Charity number: 1194230**

## **The Order of St. Augustine of the Mercy of Jesus**

**Trustees' report and financial statements**

**for the year ended 31 December 2022**

# **The Order of St. Augustine of the Mercy of Jesus**

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## **The Order of St. Augustine of the Mercy of Jesus**

### **Reference and administrative details of the charity, its Trustees and advisers for the year ended 31 December 2022**

**Trustees** Sister Elizabeth Denny, Trustee  
Sister Agnes Dunne, Trustee  
Sister Mary Josephine Dolan, Trustee  
Sister Mary Condron, Trustee  
Martin William Dodds, Trustee

**Charity registered number** 1194230

**Principal office** St George's Retreat  
Ditchling Common  
Ditchling  
West Sussex  
RH15 0SQ

**Independent auditors** Kreston Reeves LLP  
Chartered Accountants  
9 Donnington Park  
85 Birdham Road  
Chichester  
West Sussex  
PO20 7AJ

**Bankers** Barclays Bank plc  
1 Churchill Place  
London  
E14 5HP

**Solicitors** BDB Pitmans LLP  
One Bartholomew Close  
London  
EC1A 7BL

**Solicitors** Dentons UK and Middle East LLP  
One Fleet Place  
London  
EC4M 7WS

**The Order of St. Augustine of the Mercy of Jesus**

**Trustees' report  
for the year ended 31 December 2022**



**The Order of St. Augustine of the Mercy of Jesus**

**Trustees' report (continued)  
for the year ended 31 December 2022**

**The Order of St. Augustine of the Mercy of Jesus**

**Trustees' report (continued)  
for the year ended 31 December 2022**

**The Order of St. Augustine of the Mercy of Jesus**

**Trustees' report (continued)  
for the year ended 31 December 2022**

**The Order of St. Augustine of the Mercy of Jesus**

**Trustees' report (continued)  
for the year ended 31 December 2022**

**The Order of St. Augustine of the Mercy of Jesus**

**Trustees' report (continued)  
for the year ended 31 December 2022**

**The Order of St. Augustine of the Mercy of Jesus**

**Trustees' report (continued)  
for the year ended 31 December 2022**

Approved by order of the members of the board of Trustees on  
and signed on their behalf by:

.....  
**Sister Agnes Dunne**

## **The Order of St. Augustine of the Mercy of Jesus**

### **Independent auditors' report to the Members of The Order of St. Augustine of the Mercy of Jesus**

#### **Opinion**

We have audited the financial statements of The Order of St. Augustine of the Mercy of Jesus (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 December 2022 and of the Group's incoming resources and application of resources, including 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

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

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

## **The Order of St. Augustine of the Mercy of Jesus**

### **Independent auditors' report to the Members of The Order of St. Augustine of the Mercy of Jesus (continued)**

#### **Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 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 financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity financial statements 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 financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent 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 Group or the parent charity or to cease operations, or have no realistic alternative but to do so.



**Independent auditors' report to the Members of The Order of St. Augustine of the Mercy of Jesus  
(continued)**

**Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. 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:

*Capabilities of the audit in detecting irregularities, including fraud*

Based on our understanding of the Charity and industry, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to Care Quality Commission (CQC) regulations, health and safety, employment law and charity law regarding the use of restricted income. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act, Charities SORP FRS102 and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to, posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of investment properties and recoverability of work in progress. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Assessment of identified fraud risk factors; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant tax and regulatory authorities including the most recent CQC inspection reports; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional

## **The Order of St. Augustine of the Mercy of Jesus**

### **Independent auditors' report to the Members of The Order of St. Augustine of the Mercy of Jesus (continued)**

scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Kreston Reeves LLP**

Chartered Accountants  
Statutory Auditor

Chichester

Date:

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

# The Order of St. Augustine of the Mercy of Jesus

## Consolidated Statement of financial activities for the year ended 31 December 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Donations and legacies	4	369,014	-	369,014	514,384
Charitable activities	5	7,982,542	-	7,982,542	7,320,513
Other trading activities		912,543	-	912,543	895,388
Investments	6	200,790	-	200,790	209,073
Other income	7	762,283	-	762,283	18,906
<b>Total income</b>		<b>10,227,172</b>	<b>-</b>	<b>10,227,172</b>	<b>8,958,264</b>
<b>Expenditure on:</b>					
Raising funds	8	1,192,510	-	1,192,510	668,392
Charitable activities		9,014,124	-	9,014,124	8,083,634
<b>Total expenditure</b>		<b>10,206,634</b>	<b>-</b>	<b>10,206,634</b>	<b>8,752,026</b>
<b>Net income before taxation</b>		<b>20,538</b>	<b>-</b>	<b>20,538</b>	<b>206,238</b>
Taxation		(1,446)	-	(1,446)	(989)
<b>Net movement in funds before other recognised gains</b>		<b>19,092</b>	<b>-</b>	<b>19,092</b>	<b>205,249</b>
<b>Other recognised gains:</b>					
Gains on revaluation of fixed assets		301,600	-	301,600	-
<b>Net movement in funds</b>		<b>320,692</b>	<b>-</b>	<b>320,692</b>	<b>205,249</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		35,823,382	790,582	36,613,964	36,408,715
Net movement in funds		320,692	-	320,692	205,249
<b>Total funds carried forward</b>		<b>36,144,074</b>	<b>790,582</b>	<b>36,934,656</b>	<b>36,613,964</b>

# The Order of St. Augustine of the Mercy of Jesus

## Consolidated balance sheet as at 31 December 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	13	32,930,642	28,359,902
		<u>32,930,642</u>	<u>28,359,902</u>
<b>Current assets</b>			
Stocks	14	69,915	503,236
Debtors	15	1,073,665	876,941
Bank and cash balances		934,942	3,824,137
Fixed assets held for sale		3,417,655	3,942,655
		<u>5,496,177</u>	<u>9,146,969</u>
Creditors: amounts falling due within one year	16	(1,492,163)	(892,907)
<b>Net current assets</b>		<u>4,004,014</u>	<u>8,254,062</u>
<b>Total assets less current liabilities</b>		<u>36,934,656</u>	<u>36,613,964</u>
<b>Total net assets</b>		<u><u>36,934,656</u></u>	<u><u>36,613,964</u></u>
<b>Charity funds</b>			
Restricted funds	17	790,582	790,582
Unrestricted funds	17	36,144,074	35,823,382
<b>Total funds</b>		<u><u>36,934,656</u></u>	<u><u>36,613,964</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....  
**Sister Agnes Dunne**

.....  
**Sister Elizabeth Denny**

Date:

The notes on pages 17 to 33 form part of these financial statements.

# The Order of St. Augustine of the Mercy of Jesus

## Charity balance sheet as at 31 December 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	13	31,535,222	26,963,367
		<u>31,535,222</u>	<u>26,963,367</u>
<b>Current assets</b>			
Stocks	14	69,915	58,104
Debtors	15	2,014,126	2,661,719
Fixed assets held for sale		3,417,655	3,417,655
Cash at bank and in hand		406,070	3,140,450
		<u>5,907,766</u>	<u>9,277,928</u>
Creditors: amounts falling due within one year	16	(1,267,994)	(779,927)
<b>Net current assets</b>		<u>4,639,772</u>	<u>8,498,001</u>
<b>Total assets less current liabilities</b>		<u>36,174,994</u>	<u>35,461,368</u>
<b>Total net assets</b>		<u><u>36,174,994</u></u>	<u><u>35,461,368</u></u>
<b>Charity funds</b>			
Restricted funds	17	790,582	790,582
Unrestricted funds	17	35,384,412	34,670,786
<b>Total funds</b>		<u><u>36,174,994</u></u>	<u><u>35,461,368</u></u>

The charity's net movement in funds for the year was £713,626 (2021 - £230,051).

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....  
**Sister Agnes Dunne**

.....  
**Sister Elizabeth Denny**

Date:

The notes on pages 17 to 33 form part of these financial statements.

## The Order of St. Augustine of the Mercy of Jesus

### Consolidated statement of cash flows for the year ended 31 December 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	288,618	244,297
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	200,790	209,073
Proceeds from the sale of tangible fixed assets	736,714	-
Purchase of tangible fixed assets	(4,990,611)	(711,930)
Proceeds from sale of assets for sale	573,694	-
Gains on revaluations of fixed assets	301,600	-
<b>Net cash used in investing activities</b>	(3,177,813)	(502,857)
<b>Change in cash and cash equivalents in the year</b>	(2,889,195)	(258,560)
Cash and cash equivalents at the beginning of the year	3,824,137	4,082,697
<b>Cash and cash equivalents at the end of the year</b>	934,942	3,824,137

The notes on pages 17 to 33 form part of these financial statements

## **The Order of St. Augustine of the Mercy of Jesus**

### **Notes to the financial statements for the year ended 31 December 2022**

#### **1. General information**

The Order is engaged principally in the provision of accommodation for elderly and infirm residents at convents and houses at the under noted location:-

St.George's Retreat, Burgess Hill (the mother house).

The principal activities of its subsidiary companies are as set out in note 26, and were all carried out at its Burgess Hill site.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Order of St. Augustine of the Mercy of Jesus meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

##### **2.2 Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist.

The trustees have considered the level of funds which will remain and the expected level of income and expenditure for 12 months from authorising these financial statements and consider that the charity will have sufficient cash funds available to cover ongoing costs to fulfil the new, reduced operational objectives.

##### **2.3 Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**Notes to the financial statements  
for the year ended 31 December 2022**

**2. Accounting policies (continued)**

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.6 Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The tax expense for the year comprises current tax on income arising in the subsidiary entities which is not covered by the above exemptions. This is recognised in the Consolidated Statement of Financial Activities. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the subsidiary companies operate and generate income. Accordingly the tax assessed for the year on this income is at the standard rate of corporation tax in the UK of 19% (2021: 19%).

**2.7 Tangible fixed assets and depreciation**

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.



**Notes to the financial statements  
for the year ended 31 December 2022**

**2. Accounting policies (continued)**

**2.7 Tangible fixed assets and depreciation (continued)**

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- straight line over 75 years
Long-term leasehold property	- straight line over 75 years
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% straight line
Chapel - structural works	- straight line over 100 years
Chapel - refurbishment works	- straight line over 40 years

**2.8 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

**2.9 Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value.

**2.10 Debtors**

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

**2.11 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.12 Liabilities and provisions**

Liabilities 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.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

**Notes to the financial statements  
for the year ended 31 December 2022**

**2. Accounting policies (continued)**

**2.13 Financial instruments**

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

**2.14 Pensions**

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

**2.15 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**3. Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

The fair value of the investment properties which are sensitive to fluctuations in the property market

**4. Income from donations and legacies**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	369,014	369,014	514,384

# The Order of St. Augustine of the Mercy of Jesus

## Notes to the financial statements for the year ended 31 December 2022

### 5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Residents' fees and extras	7,982,542	7,982,542	7,320,513

### 6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rental income and interest receivable	200,790	200,790	209,073

### 7. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Other income	501,875	501,875	18,906
Gains on disposals of fixed assets	260,408	260,408	-
	762,283	762,283	18,906

**Notes to the financial statements  
for the year ended 31 December 2022**

**8. Expenditure on raising funds**

**Other trading expenses**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Work in progress write offs	460,847	460,847	33,081
Cost of sales	4,743	4,743	5,307
Distribution expenses	33,682	33,682	40,401
Administration expenses	174,821	174,821	114,232
Establishment expenses	6,101	6,101	9,310
Cost of sales staff costs	271,742	271,742	240,060
Distribution staff costs	43,835	43,835	41,518
Administration staff costs	196,739	196,739	184,483
	<u>1,192,510</u>	<u>1,192,510</u>	<u>668,392</u>

**9. Analysis of expenditure by activities**

	Activities undertaken directly 2022 £	Total funds 2022 £	Total funds 2021 £
Residents' fees and extras	<u>9,014,124</u>	<u>9,014,124</u>	<u>8,083,634</u>

**Notes to the financial statements  
for the year ended 31 December 2022**

**9. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	Residents' fees and extras 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	5,548,632	5,548,632	5,246,354
Establishment and care expenses	1,644,340	1,644,340	1,344,737
Staff costs, agency and training	746,205	746,205	387,065
Bad and doubtful debts	(13,334)	(13,334)	2,262
Bank charges	31,133	31,133	21,781
Depreciation on tangible fixed assets	196,471	196,471	301,642
(Gain)/Loss on disposal of fixed assets	-	-	958
Farm costs	35,153	35,153	46,050
Legal and professional	101,137	101,137	122,611
Repairs and maintenance	677,701	677,701	550,751
Governance costs	46,686	46,686	59,423
	<u>9,014,124</u>	<u>9,014,124</u>	<u>8,083,634</u>

**10. Auditors' remuneration**

The auditors' remuneration amounts to an auditor fee of £62,800 (2021 - £53,090), and other professional services to the charity including advisory to the trustees and management of £10,060 (2021 - £14,568).

**11. Staff costs**

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Wages and salaries	5,406,938	5,114,016	4,946,015	4,692,986
Social security costs	526,153	470,917	486,676	437,057
Contribution to defined contribution pension schemes	127,857	127,482	115,941	116,311
	<u>6,060,948</u>	<u>5,712,415</u>	<u>5,548,632</u>	<u>5,246,354</u>

**Notes to the financial statements  
for the year ended 31 December 2022**

**11. Staff costs (continued)**

The average number of persons employed by the charity during the year was as follows:

	Group 2022 No.	Group 2021 No.
Services to residents	202	206
Management and administration	25	25
	<u>227</u>	<u>231</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	Group 2021 No.
In the band £60,001 - £70,000	7	4
In the band £70,001 - £80,000	3	1
In the band £80,001 - £90,000	2	-
In the band £90,001 - £100,000	1	1
In the band £110,001 - £120,000	1	1
In the band £140,000 - £150,000	1	-

The senior management team, as described on page 1, have employee benefits totalling £431,322 (2021: £385,368) in the parent charity. The employee benefits of the senior management team for the group totalled £543,732 (2021: £538,797).

**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

## The Order of St. Augustine of the Mercy of Jesus

### Notes to the financial statements for the year ended 31 December 2022

#### 13. Tangible fixed assets

##### Group

	Freehold property £	Long-term leasehold property £	Assets under construction £	Motor vehicles £	Fixtures and fittings £	Other fixed assets £	Total £
<b>Cost or valuation</b>							
At 1 January 2022	11,261,608	12,984,635	5,900,727	305,381	1,657,619	7,000	32,116,970
Additions	-	-	4,958,317	-	32,294	-	4,990,611
Disposals	(525,000)	-	-	(6,990)	-	-	(531,990)
Revaluations	301,600	-	-	-	-	-	301,600
At 31 December 2022	11,038,208	12,984,635	10,859,044	298,391	1,689,913	7,000	36,877,191
<b>Depreciation</b>							
At 1 January 2022	625,788	1,448,265	-	252,042	1,430,973	-	3,757,068
Charge for the year	49,568	66,039	-	14,729	66,135	-	196,471
On disposals	-	-	-	(6,990)	-	-	(6,990)
At 31 December 2022	675,356	1,514,304	-	259,781	1,497,108	-	3,946,549
<b>Net book value</b>							
At 31 December 2022	10,362,852	11,470,331	10,859,044	38,610	192,805	7,000	32,930,642
At 31 December 2021	10,635,820	11,536,370	5,900,727	53,339	226,646	7,000	28,359,902

**The Order of St. Augustine of the Mercy of Jesus**

**Notes to the financial statements  
for the year ended 31 December 2022**

**13. Tangible fixed assets (continued)**

**Charity**

	Freehold property £	Long-term leasehold property £	Assets under construction £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>						
At 1 January 2022	11,261,608	11,598,435	5,900,727	261,545	1,616,034	30,638,349
Additions	-	-	4,958,317	-	32,294	4,990,611
Disposals	(525,000)	-	-	(6,990)	-	(531,990)
Revaluations	301,600	-	-	-	-	301,600
At 31 December 2022	11,038,208	11,598,435	10,859,044	254,555	1,648,328	35,398,570
<b>Depreciation</b>						
At 1 January 2022	625,788	1,448,265	-	210,118	1,390,811	3,674,982
Charge for the year	49,568	66,039	-	14,210	65,539	195,356
On disposals	-	-	-	(6,990)	-	(6,990)
At 31 December 2022	675,356	1,514,304	-	217,338	1,456,350	3,863,348
<b>Net book value</b>						
At 31 December 2022	10,362,852	10,084,131	10,859,044	37,217	191,978	31,535,222
At 31 December 2021	10,635,820	10,150,170	5,900,727	51,427	225,223	26,963,367



**Notes to the financial statements  
for the year ended 31 December 2022**

**13. Tangible fixed assets (continued)**

Freehold properties include land with a net book value of £5,310,216 (2021: £5,310,216) which is not depreciated.

Freehold properties include investment properties of £3,876,000 (2021: £4,100,000).

Leasehold properties include investment properties amounting to £568,800 (2021: £568,800).

Leasehold properties include interest capitalised of £595,000 at the Bank of Ireland base rate plus 1.75%.

Investment properties under Freehold Properties were subject to independent, professional valuation at 31 December 2015. The valuation was undertaken by various local estate agents with good knowledge of the properties and their locations. The value was reviewed by Stuart Warren DipSurv (CEM) MRICS MBIFM before the amounts were approved to be included within the accounts. In 2022 the investment properties were reviewed and some of the properties were revalued.

Investment properties held within Long term leasehold property were subject to an independent, professional valuation at 31 December 2018. The valuation was undertaken by Cuthbert Lake, Chartered Surveyors. It is assumed that the value of these investment properties is in line with their market value and the values are deemed appropriate still as at 31 December 2022.

Assets under construction relate to Trinity Lodge which was not completed and brought into use until after the balance sheet date. Accordingly no depreciation was charged in the year.

**14. Stocks**

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Work in progress	-	445,132	-	-
Farm valuation	69,915	58,104	69,915	58,104
	<u>69,915</u>	<u>503,236</u>	<u>69,915</u>	<u>58,104</u>

**15. Debtors**

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
<b>Due within one year</b>				
Trade debtors	431,241	502,320	421,771	486,344
Amounts owed by group undertakings	-	-	1,149,362	1,834,643
Other debtors	285,240	170,179	278,487	162,038
Prepayments and accrued income	357,184	204,442	164,506	178,694
	<u>1,073,665</u>	<u>876,941</u>	<u>2,014,126</u>	<u>2,661,719</u>

## The Order of St. Augustine of the Mercy of Jesus

### Notes to the financial statements for the year ended 31 December 2022

#### 16. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	359,432	254,457	358,663	241,159
Corporation tax	1,446	989	-	-
Other taxation and social security	130,575	120,258	116,683	107,008
Pension fund loan payable	10,703	1,260	10,703	1,260
Other creditors	215,957	229,563	31,125	172,476
Accruals and deferred income	774,050	286,380	750,820	258,024
	<u>1,492,163</u>	<u>892,907</u>	<u>1,267,994</u>	<u>779,927</u>

# The Order of St. Augustine of the Mercy of Jesus

## Notes to the financial statements for the year ended 31 December 2022

### 17. Statement of funds

#### Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
<b>Unrestricted funds</b>					
General Funds - all funds	35,342,382	10,227,172	(10,208,080)	-	35,361,474
Revaluation reserve	481,000	-	-	301,600	782,600
	<u>35,823,382</u>	<u>10,227,172</u>	<u>(10,208,080)</u>	<u>301,600</u>	<u>36,144,074</u>
<b>Restricted funds</b>					
Restricted Funds - all funds	<u>790,582</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>790,582</u>
<b>Total of funds</b>	<u><u>36,613,964</u></u>	<u><u>10,227,172</u></u>	<u><u>(10,208,080)</u></u>	<u><u>301,600</u></u>	<u><u>36,934,656</u></u>

The Order of St. Augustine of the Mercy of Jesus

Notes to the financial statements  
for the year ended 31 December 2022

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
<b>Unrestricted funds</b>				
General Funds - all funds	35,137,133	8,958,264	(8,752,026)	35,342,382
Revaluation reserve	481,000	-	-	481,000
	<u>35,618,133</u>	<u>8,958,264</u>	<u>(8,752,026)</u>	<u>35,823,382</u>
<b>Restricted funds</b>				
Bursary fund	500,000	-	-	500,000
David Maskell	237,812	-	-	237,812
Fleur Cowles Charitable Foundation	52,770	-	-	52,770
	<u>790,582</u>	<u>-</u>	<u>-</u>	<u>790,582</u>
<b>Total of funds</b>	<u>36,408,715</u>	<u>8,958,264</u>	<u>(8,752,026)</u>	<u>36,613,964</u>

**Notes to the financial statements  
for the year ended 31 December 2022**

**18. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	32,930,642	-	32,930,642
Current assets	4,705,595	790,582	5,496,177
Creditors due within one year	(1,492,163)	-	(1,492,163)
<b>Total</b>	<b>36,144,074</b>	<b>790,582</b>	<b>36,934,656</b>

**19. Reconciliation of net movement in funds to net cash flow from operating activities**

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	19,092	205,249
<b>Adjustments for:</b>		
Depreciation charges	196,471	305,839
Gains on revaluations on fixed assets	(301,600)	-
Dividends, interests and rents from investments	(200,790)	(209,073)
(Gain)/Loss on the sale of fixed assets	(260,408)	1,831
Decrease/(increase) in stocks	433,321	(20,828)
Increase in debtors	(196,724)	(72,762)
Increase in creditors	598,799	68,100
Movement in provision	-	(33,081)
Taxation paid	(989)	(1,967)
Taxation charge	1,446	989
<b>Net cash provided by operating activities</b>	<b>288,618</b>	<b>244,297</b>

## The Order of St. Augustine of the Mercy of Jesus

### Notes to the financial statements for the year ended 31 December 2022

#### 20. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	934,942	3,824,137
<b>Total cash and cash equivalents</b>	<b>934,942</b>	<b>3,824,137</b>

#### 21. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	3,824,137	(2,889,195)	934,942
Debt due within 1 year	(1,260)	(9,443)	(10,703)
	<b>3,822,877</b>	<b>(2,898,638)</b>	<b>924,239</b>

#### 22. Capital commitments

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
<b>Contracted for but not provided in these financial statements</b>				
Purchase, construction or development of investment property	690,374	4,129,790	-	4,129,790

#### 23. Related party transactions

St George's Park Limited and St George's - Augustinian Care

During the year recharges of employees' salaries for work carried out relating to the subsidiaries were made. A total of £229,622 (2021 - £252,695) was recharged to St George's Park Limited.  
At the year end the balance due from St George's - Augustinian Care was £648,554 (2021 - £646,972) and the amount due from St George's Park Limited was £914,034 (2021 - £1,187,671).

## The Order of St. Augustine of the Mercy of Jesus

### Notes to the financial statements for the year ended 31 December 2022

#### 24. Merger of The Order of St Augustine of the Mercy of Jesus, CIO

On 1 January 2022 The Order of St. Augustine of the Mercy of Jesus CIO (registered charity number 1194230), took over the activities and the assets and liabilities from the original charity, The Order of St. Augustine of the Mercy of Jesus (registered charity number 229662), apart from some excluded assets which remained in the original charity. In accordance with FRS102, this has been accounted for as a merger. The assets, liabilities, funds and results of The Order of St. Augustine of the Mercy of Jesus (registered charity number 229662) and The Order of St Augustine of the Mercy of Jesus (registered charity number 1194230) are therefore combined, less the excluded assets, for the current and preceding years as if they had always been part of the same reporting charity.

For the year ended 31 December 2021 all of the income, expenditure, gains and losses that arose in The Order of St. Augustine of the Mercy of Jesus (registered charity number 229662). For the year end 31 December 2022 all of the income, expenditure, gains and losses, less the excluded items, in the year arose in The Order of St. Augustine of the Mercy of Jesus (registered charity number 1194230), as post merger activity.

As at 31 December 2021 all of the assets and liabilities were held by The Order of St. Augustine of the Mercy of Jesus (registered number 229662). For the year ended 31 December 2022 all of the assets and liabilities, less the excluded items, were held by The Order of St. Augustine of the Mercy of Jesus (registered charity number 1194230).

The excluded assets as at 1 January 2022 included:

- Freehold property, title number BM110105
- Leasehold property, 3 Raphael Court
- Residual interests, right and claims relating to the sale of Plympton House
- Residual interests, right and claims relating to the sale of Ker Maria
- Charges relating to the Windmill Theatre, Great Yarmouth
- Charges relating to the Empire Cinema, Great Yarmouth

#### 25. Principal subsidiaries

The following were subsidiary undertakings of the charity:

Names	Company number	Charity registration number	Holding
St George's - Augustinian Care	04718235	1105835	100%
St George's Park Limited	05225007		100%
The Order of St. Augustine Of The Mercy Of Jesus		229662	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss)/ Surplus/ (Deficit) for the year £	Net assets £
St George's - Augustinian Care	-	460,847	(460,847)	(413,216)
St George's Park Limited	888,042	681,895	206,147	515,914
The Order of St. Augustine Of The Mercy Of Jesus	494,335	36,307,153	(35,895,128)	161,440

