

CHARITY REGISTRATION NUMBER: 1171376

Mater Ecclesiae CIO
Financial Statements
31 March 2018

Mater Ecclesiae CIO
Financial Statements
Year ended 31 March 2018

| | Page |
|---|-------------|
| Trustees' annual report | 1 |
| Independent auditor's report to the members | 10 |
| Statement of financial activities | 13 |
| Balance sheet | 14 |
| Notes to the financial statements | 15 |

Mater Ecclesiae CIO
Trustees' Annual Report
Year ended 31 March 2018



The trustees present their report and the financial statements of the charity for the year ended 31 March 2018.

Reference and administrative details

Registered charity name Mater Ecclesiae CIO

Charity registration number 1171376

Principal office Mater Ecclesiae Convent
Street Ashton House
Street Ashton
Stretton-under-Fosse
Rugby
CV23 0PJ

The trustees

Sr. Rosemary Peacock
Sr. Clare Lennon
Br. James Boner, OFM Cap.
Sr. Anne-Teresa Harding (Resigned 27 January 2018)

Auditor Varney Barfield Audit Limited
Chartered Certified Accountants & Statutory Auditor
6 Corunna Court
Corunna Road
Warwick
CV34 5HQ

Investment advisors Brewin Dolphin
9 Colmore Row
Birmingham
B3 2BJ

Financial consultant John Kerr, ACMA
2 Farley House
Farley Street
Leamington Spa
CV31 1HB

Bankers Royal Bank of Scotland
62-63 Threadneedle Street
London
EC2R 8LA

Mater Ecclesiae CIO

Trustees' Annual Report *(continued)*

Year ended 31 March 2018

| | |
|--------------------|--|
| Solicitors | Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES |
| Principal location | Mater Ecclesiae Convent Street Ashton House Street Ashton Rugby CV23 0PJ |

Structure, governance and management

Introduction

The Congregation of Mater Ecclesiae is a diocesan Roman Catholic religious congregation founded in 1982 for mature women beyond the age of acceptance by most congregations.



Constitution

The charity (formerly Mater Ecclesiae Trust Fund) was constituted by a trust deed dated 25th July 2007, as amended by a supplemental deed dated 30th January 2016 and registered with the Charity Commission (RCN 1120575).

The trustees considered that it was in the best interests of the Charity to become a charitable incorporated organisation which has the benefit of a limited liability structure. Mater Ecclesiae CIO (RCN 1171376) was incorporated on 31st March 2017 to perform the functions of the Charity following the transfer. Mater Ecclesiae CIO was formed with an updated constitution based on the association model.

Governance and internal control

The Congregation is led by Sr Clare Lennon who was elected as Mother General with Sr Rosemary Peacock as her deputy - Sr Rosemary offered her resignation from this post on 1st March 2018. Sr Anne-Therese Harding is second counsellor.

Management

The trustees are responsible for making all decisions regarding the Charity's properties and funds. There is no policy of delegation to other members. For advice concerning financial and legal matters the Charity calls on the expertise of professionals.

The trustees have the power to appoint further trustees, including people from outside the congregation, having regard to the skills, knowledge and experience needed for the effective administration of the CIO.

Organisational structure

At the beginning of the financial year (April 2017) there were six finally professed Sisters, one in residential care and one Novice (who left the Congregation on 5th March 2018).

Mater Ecclesiae CIO
Trustees' Annual Report *(continued)*
Year ended 31 March 2018



Protection of children and vulnerable adults

The trustees recognise the importance of ensuring the protection and safety of all those whom the charity serves. All the Sisters and the Novice have obtained enhanced clearance from the Disclosure and Barring Service, and the trustees are committed to implementing all policies and procedures of the Catholic Safeguarding Advisory Service (CSAS) and National Catholic Safeguarding Commission (NCSC).

Objectives and activities

In preparing this report, the trustees have complied with the duty prescribed in section 17(5) of the Charities Act 2011, the Charity Reporting and Accounting guidance of March 2015, and with the Charity Commission's general guidance on public benefit and the relevant supplementary guidance, 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)(Charities SORP (FRS 102)).

Charitable objects

The Charitable Incorporated Organisation exists to support the charitable work of the Congregation of Mater Ecclesiae as follows:

The advancement of the Roman Catholic religion through the religious and other charitable work of the Congregation as the trustees shall from time to time think fit provided that if, at any time the Congregation shall have ceased to exist, the trustees shall advance the Roman Catholic religion in such exclusively charitable way or ways as the trustees shall from time to time think fit, in sympathy with the Congregation's charism and the philosophy and ideology of the Congregation's foundress, Sr Catherine Mulligan, SMR.

Charitable aims

To help people come to a deeper understanding of God, themselves and others.

To provide a witness to others of a radical and counter-cultural way of life which celebrates the unique value of every person and recognises the need we have for one another.

Main objectives for the year

1. Facilitate late vocations to religious life for women.
2. Share the community's life, hospitality and environment to provide opportunities for others to deepen their spiritual awareness.
3. Participate in outreach activities, especially to the lonely, the housebound and those in care homes; and contribute to charities caring for those in need.
4. Care for the elderly Sisters.

Strategies used to achieve these objectives

1. Review of Vocations and Community Life

The majority of vocation enquiries continue to come through our web-site and although many are from abroad (Africa and USA), we still receive a number of enquiries from the UK. Our novice entered her second year of novitiate (and as mentioned previously, has subsequently left the Congregation), and an

Mater Ecclesiae CIO

Trustees' Annual Report *(continued)*

Year ended 31 March 2018

Alongsider who became a postulant in December 2017. Another, a lady from Singapore who has spent a second period as an Alongsider, has applied to join us in the Autumn of 2018.

In the absence of Sr Frances Woolman FMDM who was on sick leave, Sr Sally OSB from Mucknell Abbey has been assisting Sr Clare Lennon, Novice Director, with accompanying those in formation.

2. Hospitality and sharing the Congregation's environment

The Congregation offers hospitality to groups and individuals. Groups are accommodated in the Retreat Centre which has a well-equipped meeting room for up to 40 people, and there are a total of ten en-suite bedrooms available.



This year, bookings amounted to 380 people days for groups and individuals. A selection of group bookings of the Retreat Centre is shown below and indicates the wide range of people benefitting from the facilities and environment of our Congregation.

| Month | Organisation | Attendees | Period |
|-------------|--|-----------|--------|
| 2017 | | | |
| 1 April | Readers & Eucharistic Ministers, OLSH, Bulkington | 20 | 1 day |
| 5 April | Franciscan Sisters of the Renewal + 1 Priest | 9 | 7 days |
| 11 May | Ascending Group, St Marie's | 8 | 1 day |
| 10 June | Day of Prayer & Meditation, Sr Catherine McCormack | 40 | 1 day |
| 14 July | St Thomas More Secondary School (Retreat) Nuneaton | 20 | 1 day |
| 18 July | English Martyrs Primary School (Retreat) Hillmorton | 33 | 1 day |
| 15 Sept | Franciscan Sisters of the Renewal | 2 | 2 days |
| 28 Sept | Redemptorist Associates Group | 10 | 3 days |
| 7 Oct | Icon Retreat Day ran by Sr Annette Lawrence | 20 | 1 day |
| 18 Dec | Rugby Deanery meeting & Christmas lunch | 12 | 1 day |
| 2018 | | | |
| 18 Feb | Franciscan Sisters of the Renewal – Ignatian retreat | 6 | 8 days |
| 4 March | Redemptorist RCIA group | 10 | 1 day |
| 10 March | Newman Society, Coventry Circle | 20 | 1 day |
| 23 March | Union of Catholic Mothers, St Joseph's Social Night | 20 | 1 day |
| 24 March | Readers and Eucharist Ministers, OLSH Bulkington | 20 | 1 day |

Most bookings are for single days and groups, many bring their own lunches. Those staying for several days have in-house meals provided. Groups accompanied by a priest are invited to use the chapel.

The Retreat Centre also has a self-contained flat attached which is used for impromptu visits from priests and laity.

Mater Ecclesiae CIO
Trustees' Annual Report *(continued)*
Year ended 31 March 2018

In addition to the above, hospitality and accommodation has been provided during the year for discerners and others requiring quiet days, respite, short retreats, or for friends and family.

The following are extracts from appreciative letters received:

Year 6 school pupil, Retreat Day, local Primary School, Rugby. 18/7/2017

"Thank you for all that you've done for us. We really appreciated your efforts to make our day as fun as it could be. I especially loved playing in your beautiful gardens. Your kitchen also played an important role in our day as we had an amazing time cooking (and eating). Thank you for all the tasty treats you got for us".

Fr Joe, St Thomas' Church, Glasgow. 01/08/2017

"Thank you for your welcome and kind hospitality. I thoroughly enjoyed my few days with you all and our time of prayer together at Holy Mass and Divine Office".

The chapel remains open to all visitors and they are welcome to attend the Sisters' times of daily prayer. Mass is normally celebrated four times a week by our priest-in-charge of St Joseph's in Monks Kirby. On Monday evenings, several parishioners join the community after Mass for refreshments.



A priest from the Deanery celebrates Mass on Saturdays and he then joins the community for lunch afterwards.

3. Outreach: visiting and providing for those in need

The impact of the Congregation's work reaches beyond the convent and the presence of the Sisters at various functions is always warmly welcomed and is a way of promoting our Congregation as a supportive, co-operative organisation which reaches out to those in need.

Prayer Requests

Frequent prayer requests are received by e-mail from people throughout the world and all requests are answered promptly and a note made of these requests remains in the chapel, to be included in the Sisters' prayers.

Parish and Diocesan Support

The Sisters attend Mass at St Joseph's Parish and support parish activities.

The Parish May Procession is regularly hosted at the convent: it is well attended and parishioners regard the occasion as part of the Church's heritage.

The convent's facilities are also used by the St Joseph's Union of Catholic Mothers.

In September 2017 the sisters participated in St Marie's Parish Flower Festival, to raise money for repairs to the spire.

Mater Ecclesiae CIO

Trustees' Annual Report *(continued)*

Year ended 31 March 2018

The Sisters provide support to the Rugby Wayside Club (disabled clients of all ages), by assisting with their BBQ in October 2017 and also joining with their carol service in December 2017. Financial support has been given to this Club on two occasions.

The sisters attended the inauguration service of Father Dominic Chukka on 19th October 2017 at his new parish in Newcastle-under-Lyme.

The congregation also gives financial gifts, particularly at Christmas and Easter, to the Diocesan clergy, Vicars for Religious and Friends of the Revel Surgery. We also support numerous different charities throughout the year and examples are listed under "donations".

Care home and housebound visiting

Weekly visits are made by the Sisters to two large residential care homes - Townthorns in Easenhall and Overslade in Rugby - where they bring Holy Communion to Catholic residents and befriend others; they also share their musical talents with residents who are very appreciative of the visits.

The Sisters visit elderly parishioners in their own homes and from September to November 2017, the Sisters, as Eucharistic Ministers and at Fr Michael Gamble's request, brought Holy Communion to many elderly parishioners in their own homes within Fr Michael's parishes of Bulkington and Bedworth whilst he was awaiting the arrival of two Parish Sisters.

Ecumenical activities

Sisters attend regular meetings of Churches Together Group and participate in services and social events. During Christian Unity Week in January 2018, they attended the URC chapel and three Anglican churches (St John's, St Leonard's and Holy Trinity), within the group. Our Novice, Jane Robinson, was elected as chairperson for the Revel group in January 2018.

In November 2017, a local prison Chaplain requested for Sister Anne-Therese Harding to write an Icon for his prison after-care project. The completed icon was greatly appreciated.

Sisters Praise and Worship services at St Mary's College, Oscott, and the Christmas Carol Service.

Donations to charities

In accordance with our Constitution, and the spirit of our Foundress ("to emulate Mary by our maternal attitude of care and concern for anyone who requires our help") the Congregation makes donations to charities within these criteria and in line with the budgeted allowance. Throughout the year, payments were made to charities including CaFÉ (Catholic Faith Exploration), The Jericho Society (elderly, homeless and addiction sufferers), The Medaille Trust, Friends of Revel Surgery, Mary's Meals, Franciscan Sisters of the Renewal, The Altar Servers Society at St Joseph's Church, The Samaritans, Women for Women, St Thomas More's Secondary School, Nuneaton, Hope4Rugby, a local winter shelter and foodbank - towards which the Congregation makes regular contributions of food.

The following extracts from charity letters of thanks indicate how the donations are used for the purpose of public benefit for a wide range of people.

The Police Community Clubs of Great Britain. 29/03/2018

"Thank you for supporting this local community initiative through the purchase of Echo Citizenship books for your local nominated school. Citizenship is increasingly recognised by schools as a vital area of person, social and health education. Our programmes have been specifically designed to support teachers and parents in addressing bullying, vandalism, drugs, knife crime and other sensitive subjects".

St Mungo's (Rebuilding lives for the homeless). 26/03/2018

"Thank you for your support enabling us to reach even more vulnerable homeless people, getting them off the streets and into their path to recovery. Our Recovery College provides a supportive environment where our clients have the chance to try a wide range of subjects and well-being activities. Our aim is to build confidence and develop skills that clients can use on their path to recovery".

Mater Ecclesiae CIO
Trustees' Annual Report *(continued)*
Year ended 31 March 2018

4. Care for elderly Sisters

Agency care has been in place this year for three of the elderly Sisters: daily care covers the period from 7.30am to 7.00pm with extra cover provided when required. Night care is provided especially when Sister Clare Lennon is absent or when the Sisters' health requires it.

This is a cost-effective way of catering for the Sisters' needs and one which enables them to continue to take part in the prayer and social life of the Congregation and to enjoy short outings.

Achievements and performance

On-going formation and training

The Sisters recognise the importance of on-going formation to increase their knowledge, acquire new skills and develop their personal spirituality. Some examples are shown below:

Community Retreats

Four day retreats have been provided for the Sisters at the convent as follows:
March 2017 - Canon John Udris, Spiritual Director of Sr Mary's College, Oscott.
October 2017 - Canon David Oakley, Rector of St Mary's College, Oscott.
April 2018 - Fr Maurice O'Mahony, CSsR, former Director of Hawkstone Hall.

Novitiate formation and training

Our novice and a discernor attended a three day pilgrimage to Walsingham in April 2017. The novice also accompanied our parish priest and his family on a pilgrimage to Lourdes in February 2017.

Several Sisters have regular individual spiritual direction from directors of their choice.

Sr Clare Lennon attended a Day for Catechists at Maryvale Institute in June 2017.

One of the Sisters attended a safeguarding seminar at Heythrop College in June 2017.

Visits to the Shrine of Our Lady of Walsingham were made by the Community in July and September 2017.

Sisters attended a Day for Religious at St Chad's Cathedral in February 2018.

The Sisters are encouraged to attend the Days of Prayer which are held for the parish and local community at our Retreat Centre.

Review of use of facilities at the convent

The success of events is measured mainly by verbal comments, letters of appreciation, evaluation forms, and the number of individuals and groups who re-book for future dates. Many groups from last year have requested repeat bookings. Many letters of thanks express great appreciation for the warm hospitality received and for the beautiful and tranquil environment which contribute to their whole experience.

Financial review

Investment performance

To mitigate the charity's exposure to particular markets and segments, the charity holds a diverse portfolio of investments, in line with the financial risk management objectives and policies of the charity.

The listed investment portfolio is managed by Brewin Dolphin. In the year as a whole, Brewin Dolphin achieved a total return of 1.99% compared to a return of 2.72% from the WMA Private Investors Income Index (2017: 17.65% against a benchmark of 16.22%). This represented net losses (both realised and unrealised amounting to £66,510 (2017: gain £550,937), in addition to the income received on investments.

No specific objectives are set for the investment performance of investment property - however the value of investment property increased by £15,000 following a revaluation of two specific parcels of land.

Mater Ecclesiae CIO
Trustees' Annual Report *(continued)*
Year ended 31 March 2018

The investment policy is under review, as the trustees aim to ensure that the policy takes social, environmental, and ethical considerations into account, such that the policy is in line with the charities objectives.

Sources of income

The main source of income of the charity is derived from investments, a relatively smaller amount from pensions and a modest amount from donations and bookings. Income for the year was £34,000 higher than the previous year. This reflects a one-off legacy of £105,000, compared to a one-off transfer of £72,000 in the prior year (representing investment income from one of the Sister's investment portfolio).

Reserves

A major factor relating to the reserve is the requirement to provide for current and future costs of care for elderly and frail Sisters. The trustees have therefore decided to maintain substantial readily accessible reserves. The trustees are mindful that cash balances have yielded very low returns in recent years, and therefore the amount of held in cash continues to be monitored and kept under review.

Total charity funds at the year end were £7,939,867 (2017: £7,990,206). All such funds are unrestricted.

Unrestricted funds include tangible fixed assets of £2,489,811 (2017: £2,490,352) and fixed asset investments of £5,059,174 (2017: £5,134,551).

Due to the level of reserves held, there are no uncertainties about the charity's ability to continue as a going concern.

Plans for future periods

It is envisaged that we will continue to grow our retreat centre guests. We are currently undertaking a review of our website.

The trustees are aware that some of the Congregation are elderly Sisters with increasing care needs, and that it is challenging to find suitable candidates to join and grow the Congregation. The trustees have been reviewing the current situation and are engaged with professional advisors to plan for our future with a 10 year scope.

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 and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

Mater Ecclesiae CIO

Trustees' Annual Report *(continued)*

Year ended 31 March 2018

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report was approved on 23 October 2018 and signed on behalf of the board of trustees by:

A handwritten signature in cursive script that reads "Rosemary Peacock".

Sr. Rosemary Peacock
Trustee

Independent Auditor's Report to the Members of Mater Ecclesiae CIO

Year ended 31 March 2018

Opinion

We have audited the financial statements of Mater Ecclesiae CIO (the 'charity') for the year ended 31 March 2018 which comprise the statement of financial activities, balance sheet 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2018 and of its 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;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 21 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Independent Auditor's Report to the Members of Mater Ecclesiae CIO *(continued)*

Year ended 31 March 2018

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the 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 and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Independent Auditor's Report to the Members of Mater Ecclesiae CIO *(continued)*

Year ended 31 March 2018

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional 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 on the effectiveness of the 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 auditor's 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 auditor's 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.

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.

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

VARNEY BARFIELD AUDIT LIMITED

Varney Barfield Audit Limited
Chartered Certified Accountants & statutory auditor
6 Corunna Court
Corunna Road
Warwick
CV34 5HQ

23 October 2018

Mater Ecclesiae CIO
Statement of Financial Activities
Year ended 31 March 2018

| | | 2018 | | 2017 |
|---|------|----------------------------|------------------|------------------|
| | Note | Unrestricted funds £ | Total funds £ | Total funds £ |
| Income and endowments | | | | |
| Donations and legacies | 4 | 193,274 | 193,274 | 158,558 |
| Charitable activities | 5 | 11,176 | 11,176 | 12,629 |
| Investment income | 6 | 173,569 | 173,569 | 172,501 |
| Total income | | <u>378,019</u> | <u>378,019</u> | <u>343,688</u> |
| Expenditure | | | | |
| Expenditure on raising funds: | | | | |
| Investment management costs | 7 | (27,529) | (27,529) | (26,695) |
| Expenditure on charitable activities | 8 | (349,319) | (349,319) | (307,828) |
| Total expenditure | | <u>(376,848)</u> | <u>(376,848)</u> | <u>(334,523)</u> |
| Net (losses)/gains on investments | | (51,510) | (51,510) | 430,937 |
| Net (expenditure)/income and net movement in funds | | <u>(50,339)</u> | <u>(50,339)</u> | <u>440,102</u> |
| Reconciliation of funds | | | | |
| Total funds brought forward | | 7,990,206 | 7,990,206 | 7,550,104 |
| Total funds carried forward | | <u>7,939,867</u> | <u>7,939,867</u> | <u>7,990,206</u> |

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 15 to 22 form part of these financial statements.

Mater Ecclesiae CIO

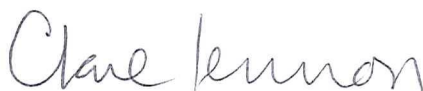
Balance Sheet

31 March 2018

| | Note | 2018 £ | £ | 2017 £ | £ |
|---|------|----------------|-------------------------|----------------|-------------------------|
| Fixed assets | | | | | |
| Tangible fixed assets | 13 | | 2,489,811 | | 2,490,352 |
| Investments | 14 | | 5,059,174 | | 5,134,551 |
| | | | <u>7,548,985</u> | | <u>7,624,903</u> |
| Current assets | | | | | |
| Debtors | 15 | 15,123 | | 24,376 | |
| Cash at bank and in hand | | 392,717 | | 353,299 | |
| | | <u>407,840</u> | | <u>377,675</u> | |
| Creditors: amounts falling due within one year | 16 | (16,958) | | (12,372) | |
| Net current assets | | | <u>390,882</u> | | <u>365,303</u> |
| Total assets less current liabilities | | | <u>7,939,867</u> | | <u>7,990,206</u> |
| Net assets | | | <u><u>7,939,867</u></u> | | <u><u>7,990,206</u></u> |
| Funds of the charity | | | | | |
| Unrestricted funds | | | <u>7,939,867</u> | | <u>7,990,206</u> |
| Total charity funds | 18 | | <u><u>7,939,867</u></u> | | <u><u>7,990,206</u></u> |

These financial statements were approved by the board of trustees and authorised for issue on 23 October 2018, and are signed on behalf of the board by:

Sr. Clare Lennon
Trustee



On 1 April 2017, the assets, undertaking and employees (subject to the charity's liabilities) of Mater Ecclesiae Trust Fund (charity number 1120575) were transferred to Mater Ecclesiae CIO (charity number 1171376), a charity with similar objects.

The notes on pages 15 to 22 form part of these financial statements.

Mater Ecclesiae CIO
Notes to the Financial Statements
Year ended 31 March 2018

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is a Charitable Incorporated Organisation. The address of the principal office is Mater Ecclesiae Convent, Street Ashton House, Street Ashton, Stretton-under-Fosse, Rugby, CV23 0PJ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

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

Merger accounting

Mater Ecclesiae Trust Fund (charity registration number: 1120575) transferred all its assets, undertakings and liabilities to Mater Ecclesiae CIO on the 1st April 2017. The nature of the charity's purpose and beneficiary class remained the same.

In accordance with section 27 of the Charities SORP (FRS 102), the charity has adopted merger accounting. The results from 1 April 2017 relate to the activities of Mater Ecclesiae CIO. Results from before that date relate to the activities undertaken by Mater Ecclesiae Trust Fund.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: No cash flow statement has been presented for the charity.

Realised and unrealised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities.

Mater Ecclesiae CIO

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

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

Investment properties are included at fair value, which is subjective and requires the exercise of judgement. To assist with the valuation of investment properties, the Trustees engage professional valuers. Details of valuation of the investment properties is disclosed in note 14.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

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

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

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Donations and legacies are included in full in the statement of financial activities when receivable.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Income from charitable activities is included in the year in which it is receivable.

Income from investments is included in the year in which it is receivable.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates.

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

Investment management costs are those costs directly incurred in raising investment income.

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

Mater Ecclesiae CIO

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

| | | |
|-----------------------|---|----------------------|
| Fixtures and fittings | - | 25% reducing balance |
| Motor vehicles | - | 25% reducing balance |

Freehold property is recorded as cost. No depreciation is charged unless conditions indicate that the book value is materially in excess of market value. In such circumstances an impairment charge is made. If conditions subsequently indicate that market value is materially in excess of the book value, the impairment charge is reversed.

Investments

Listed investments are measured at mid-market value at the balance sheet date and the unrealised gain or loss taken to the statement of financial activities.

Investment properties are initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment properties are revalued to their fair value at each reporting date and any changes in fair value are recognised in statement of financial activities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Donations and legacies

| | Unrestricted Funds £ | Total Funds 2018 £ | Unrestricted Funds £ | Total Funds 2017 £ |
|------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Donations | | | | |
| General donations | 537 | 537 | 775 | 775 |
| Donations from Sisters | 87,413 | 87,413 | 157,783 | 157,783 |
| Legacies | | | | |
| Legacies from Sisters | 105,324 | 105,324 | — | — |
| | <u>193,274</u> | <u>193,274</u> | <u>158,558</u> | <u>158,558</u> |

Mater Ecclesiae CIO

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

5. Charitable activities

| | Unrestricted Funds £ | Total Funds 2018 £ | Unrestricted Funds £ | Total Funds 2017 £ |
|----------------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Rental income | 2,090 | 2,090 | 2,090 | 2,090 |
| Retreat and accommodation income | 9,086 | 9,086 | 10,539 | 10,539 |
| | <u>11,176</u> | <u>11,176</u> | <u>12,629</u> | <u>12,629</u> |

6. Investment income

| | Unrestricted Funds £ | Total Funds 2018 £ | Unrestricted Funds £ | Total Funds 2017 £ |
|--------------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Income from listed investments | 173,461 | 173,461 | 172,151 | 172,151 |
| Bank interest receivable | 108 | 108 | 329 | 329 |
| Other interest receivable | — | — | 21 | 21 |
| | <u>173,569</u> | <u>173,569</u> | <u>172,501</u> | <u>172,501</u> |

7. Investment management costs

| | Unrestricted Funds £ | Total Funds 2018 £ | Unrestricted Funds £ | Total Funds 2017 £ |
|----------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Portfolio management | <u>27,529</u> | <u>27,529</u> | <u>26,695</u> | <u>26,695</u> |

8. Expenditure on charitable activities by activity type

| | Activities undertaken directly £ | Grant funding of activities £ | Support costs £ | Total funds 2018 £ | Total fund 2017 £ |
|---|---|-------------------------------------|--------------------|--------------------------|-------------------------|
| Maintenance of the community of religious Sisters | 204,065 | — | 110,832 | 314,897 | 268,917 |
| Religious training and retreats | 18,203 | — | — | 18,203 | 29,518 |
| Donations and grants given | — | 16,219 | — | 16,219 | 9,393 |
| | <u>222,268</u> | <u>16,219</u> | <u>110,832</u> | <u>349,319</u> | <u>307,828</u> |

Maintenance of the community of the religious Sisters includes maintenance of the Convent at Street Ashton, staff costs, as well as living expenses and care cost for members of the Congregation.

Mater Ecclesiae CIO

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

9. Analysis of support costs

| | 2018 | 2017 |
|-------------------------------------|----------------|---------------|
| | £ | £ |
| Auditors remuneration - accountancy | 16,314 | 6,054 |
| Auditors remuneration - audit | 8,400 | 7,800 |
| Legal and professional | 49,334 | 9,415 |
| Communication and IT | 2,140 | 1,886 |
| Office expenses | 4,004 | 6,821 |
| Depreciation | 11,986 | 12,076 |
| Loss on disposal of fixed assets | 3,044 | 5 |
| Foreign currency (gain)/loss | — | (1,987) |
| Bank charges | 1,024 | 1,107 |
| Payments to trustees | 1,598 | 3,372 |
| Cost of trustees meetings | — | 604 |
| Miscellaneous expenses | 12,988 | 9,812 |
| | <u>110,832</u> | <u>56,965</u> |

10. Analysis of grants

| | 2018 | 2017 |
|----------------------------------|---------------|--------------|
| | £ | £ |
| Grants to institutions | | |
| Grants to religious institutions | 8,317 | 5,627 |
| Other charitable grants | 803 | 850 |
| | <u>9,120</u> | <u>6,477</u> |
| Grants to individuals | | |
| Christmas/Easter gifts | 1,785 | 1,360 |
| General donations | 5,314 | 1,556 |
| | <u>7,099</u> | <u>2,916</u> |
| Total grants | <u>16,219</u> | <u>9,393</u> |

The largest individual grant to an institution during the year was a £2,000 grant to The Community of Our Lady of Walsingham, towards their new Convent.

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

| | 2018 | 2017 |
|---|---------------|---------------|
| | £ | £ |
| Wages and salaries | 74,321 | 85,864 |
| Social security costs | 1,083 | 2,263 |
| Employer contributions to pension plans | 1,027 | — |
| | <u>76,431</u> | <u>88,127</u> |

The average head count of employees during the year was 8 (2017: 8).

No employee received employee benefits of more than £60,000 during the year (2017: Nil).

Mater Ecclesiae CIO

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

11. Staff costs *(continued)*

The amount recognised in the statement of financial activities as an expense in relation to defined contribution plans was £1,027 (2017: £Nil).

12. Trustee remuneration and expenses

No trustees received any payment of wages, salary, or remuneration benefits during the year. No individual expenses have been incurred by the trustees and reimbursed by the charity.

In accordance with the Constitution, one trustee has received payments for professional services in the year: Brother James Boner £1,598 (2017: £3,372).

13. Tangible fixed assets

| | Land and buildings £ | Fixtures and fittings £ | Motor vehicles £ | Total £ |
|-------------------------|----------------------------|-------------------------------|------------------------|------------------|
| Cost | | | | |
| At 1 April 2017 | 2,439,847 | 59,413 | 52,463 | 2,551,723 |
| Additions | 6,213 | 4,486 | 17,130 | 27,829 |
| Disposals | — | (340) | (18,783) | (19,123) |
| At 31 March 2018 | <u>2,446,060</u> | <u>63,559</u> | <u>50,810</u> | <u>2,560,429</u> |
| Depreciation | | | | |
| At 1 April 2017 | — | 34,530 | 26,841 | 61,371 |
| Charge for the year | — | 7,093 | 4,893 | 11,986 |
| Disposals | — | — | (2,739) | (2,739) |
| At 31 March 2018 | <u>—</u> | <u>41,623</u> | <u>28,995</u> | <u>70,618</u> |
| Carrying amount | | | | |
| At 31 March 2018 | <u>2,446,060</u> | <u>21,936</u> | <u>21,815</u> | <u>2,489,811</u> |
| At 31 March 2017 | <u>2,439,847</u> | <u>24,883</u> | <u>25,622</u> | <u>2,490,352</u> |

Freehold land and buildings consist of Street Ashton House, Stretton-under-Fosse, and the Convent of Our Lady, Southam.

It is the trustees policy not to depreciate freehold land and buildings as they do not believe any charge would be material. The trustees regularly review the value of freehold land and buildings and compare this to book value.

An independent valuation of Street Ashton House was made on a market value basis by J Boothroyd FRICS at 24 March 2016, reporting a market value of £2,000,000. At 31 March 2018 Street Ashton House is stated at its historic cost of £1,979,113, the trustees still believe this represents the fair value of what the property is worth.

Negotiations were proceeding at the year end for the sale of The Convent of Our Lady, Southam. The sale took place on the 21st May 2018 at a price of £500,000. At 31 March 2018 The Convent of Our Lady is stated at its historic cost of £466,946.

Mater Ecclesiae CIO

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

14. Investments

| | Cash or cash equivalents £ | Listed investments £ | Investment properties £ | Total £ |
|-----------------------------------|----------------------------------|----------------------------|-------------------------------|------------------|
| Cost or valuation | | | | |
| At 1 April 2017 | 30,614 | 4,683,937 | 420,000 | 5,134,551 |
| Additions | 716 | 689,557 | — | 690,273 |
| Disposals | — | (714,140) | — | (714,140) |
| Fair value movements | — | (66,510) | 15,000 | (51,510) |
| At 31 March 2018 | <u>31,330</u> | <u>4,592,844</u> | <u>435,000</u> | <u>5,059,174</u> |
| Impairment | | | | |
| At 1 April 2017 and 31 March 2018 | | | | — |
| Carrying amount | | | | |
| At 31 March 2018 | <u>31,330</u> | <u>4,592,844</u> | <u>435,000</u> | <u>5,059,174</u> |
| At 31 March 2017 | <u>30,614</u> | <u>4,683,937</u> | <u>420,000</u> | <u>5,134,551</u> |

All investments shown above are held at valuation.

Investment properties

UK Investment Property includes:

| | |
|--|----------|
| Hermit Cottage and Templewood, Brownhill, Stroud | £340,000 |
| Laws Field, Brownhill, Stroud | £70,000 |
| Land at The Hermitage, Brownhill, Stroud | £25,000 |

The Land at The Hermitage and Laws Field were revalued to the stated values as a result of an independent valuation made on a market value basis in March 2018 by Mr P Chambers FRICS. The trustees believe these are still held at fair value as at 31 March 2018.

Hermit Cottage and Templewood were revalued to the stated values as a result of an independent valuation made on a market value basis in March 2016 by Mr J Boothroyd FRICS. The trustees believe these are still held at fair value as at 31 March 2018.

Financial assets held at fair value

Listed investments have been revalued to their market value as stated by Brewin Dolphin Limited as at the 31st March 2018.

15. Debtors

| | 2018 £ | 2017 £ |
|--------------------------------|---------------|---------------|
| Prepayments and accrued income | 5,548 | 6,032 |
| Other debtors | 9,575 | 18,344 |
| | <u>15,123</u> | <u>24,376</u> |

Mater Ecclesiae CIO

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

16. Creditors: amounts falling due within one year

| | 2018 £ | 2017 £ |
|---------------------------------|---------------|---------------|
| Bank loans and overdrafts | — | 12 |
| Accruals and deferred income | 15,582 | 10,800 |
| Social security and other taxes | 1,121 | 1,319 |
| Other creditors | 255 | 241 |
| | <u>16,958</u> | <u>12,372</u> |

17. Analysis of charitable funds

Unrestricted funds

| | At 1 April 2017 £ | Income £ | Expenditure £ | Gains and losses £ | At 31 March 2018 £ |
|---------------|-------------------------|----------------|------------------|--------------------------|--------------------------|
| General funds | <u>7,990,206</u> | <u>378,019</u> | <u>(376,848)</u> | <u>(51,510)</u> | <u>7,939,867</u> |

18. Analysis of net assets between funds

| | Unrestricted Funds £ | Total Funds 2018 £ | Total Funds 2017 £ |
|----------------------------|----------------------------|--------------------------|--------------------------|
| Investments | 5,059,174 | 5,059,174 | 5,134,551 |
| Tangible fixed assets | 2,489,811 | 2,489,811 | 2,490,352 |
| Current assets | 407,840 | 407,840 | 377,675 |
| Creditors less than 1 year | (16,958) | (16,958) | (12,372) |
| Net assets | <u>7,939,867</u> | <u>7,939,867</u> | <u>7,990,206</u> |

Net Assets do not have any restrictions on them, therefore are deemed as unrestricted funds.

19. Financial instruments

The carrying amount for each category of financial instrument is as follows:

| | 2018 £ | 2017 £ |
|---|------------------|------------------|
| Financial assets measured at fair value | | |
| Financial assets measured at fair value through statement of financial activities | <u>4,624,174</u> | <u>4,714,551</u> |

As in prior years, Brewin Dolphin manage the portfolio of investments with the parameters of low to medium risk investments.

20. Related parties

Professional expenses for trustees have been disclosed in note 12.

There have been no other related party transactions in the reporting period that require disclosure.

21. Ethical standards

In common with many other charities of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.