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**THE COMMUNITY OF THE HOLY CROSS**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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## THE COMMUNITY OF THE HOLY CROSS

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## THE COMMUNITY OF THE HOLY CROSS

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### **Trustees**

Miss Cherry Mae Wise (Reverend Mother)  
Miss Kathleen Annie Priddin  
Miss Joy Rose Gough  
The Rev'd Canon Jeffery Stewart Hopewell

#### **Charity registered number**

223807

#### **Principal office**

Holy Cross Convent  
Highfields  
Nottingham Road  
Costock  
Loughborough  
Leicestershire  
LE12 6XE

#### **Independent auditor**

Grant Thornton UK LLP  
Chartered Accountants  
Statutory Auditor  
Regent House  
80 Regent Road  
Leicester  
LE1 7NH

#### **Bankers**

National Westminster Bank Plc  
Market Place  
Loughborough  
Leicestershire  
LE11 3EA

#### **Solicitors**

Anthony Collins Solicitors LLP  
134 Edmund Street  
Birmingham  
B3 2ES

#### **Investment advisors**

Quilter Cheviot  
Two Snowhill  
Birmingham  
B4 6GA

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## THE COMMUNITY OF THE HOLY CROSS

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

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The trustees present their report together with the audited financial statements of The Community of the Holy Cross ("the charity") for the year ended 31 December 2018. The trustees confirm that the trustees' report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

#### Objectives and Activities

##### a. Policies and objectives

The principal objective of the Community is to serve God, and to this end to promote the maintenance, perfection and spread of the Christian religion and the religious life, by performing the Divine Office, by the example and influence of its corporate life, and also by teaching and publications, and, by acts of mercy, to relieve poverty and distress, to provide accommodation, food and rest and to care for those who are in physical, mental or spiritual distress, to care for the sick and aged, in ways that are not within the scope of public assistance and generally to use any opportunity, both alone and in conjunction with others, to give help where it is needed.

For the attainment of these purposes the members of the community regulate their lives by the religious vows and by observance of the Holy Rule of St. Benedict, according to the Constitutions of the Community of the Holy Cross.

##### b. Grant making policies

The category of recipients to whom grants are made are Promotion of Religion, Medical, Relief of Poverty etc both in the United Kingdom and abroad. Grants are made at the discretion of the Reverend Mother after consultation with the Community.

We have increased our grants this year to £39,153 which represents 10% of our income excluding grants and legacies (2017 - £38,596). It is unlikely that we shall be in a position to give any substantial charitable grants until we have built up our capital account. The decision to leave the European Union may have an effect on our income and therefore on our grant making for 2019.

#### Achievements and performance

##### a. Review of activities and financial review

There are no major capital works scheduled for 2019.

Hospitality to guests: We continue to offer hospitality according to our ability. Among the organisations which meet here are Christian Aid, the Kingdom Bank, the Trent Vineyard Church, Third Order of St Francis and parishes and church groups from many denominations as well as individuals coming for spiritual, physical and mental refreshment, both residential and for the day.

Articles have been written for publication in various journals. One of our sisters is a member of the Advisory Council for bishops and religious in the Church of England. Other sisters play a full part in the life of the wider Church and Religious Communities scene being on various councils and steering committees and were invited to preach or give addresses to organisations such as Monos, an ecumenical new monastic community near Coalville, Forward in Faith and United Reform Ministers.

A sister is living at Beverley in North Yorkshire where she has a ministry of prayer and spiritual direction.

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## THE COMMUNITY OF THE HOLY CROSS

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

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We continue to support our extern sister who has returned to Korea where she is living as a semi-hermit on Jeju Island and helping the priest there by visiting parishioners, holding Bible studies, preparing candidates for baptism and confirmation and teaching in the Sunday School.

The attached financial statements give details of the financial transactions in the year and the financial position of the charity at the year end.

There was net expenditure, before realised and unrealised gains on investments, for the year amounting to £126,446 (2017 - £51,971). Net losses on investments amounted to £819,664 (2017 - net gains £631,750) to give a net decrease in funds of £946,110 (2017 - increase £579,779).

There were no fundraising activities in the year.

#### **b. Investment policy and performance**

The principal financial risk facing the charity is the investment performance of the quoted investment portfolio.

The market value of quoted investments showed a net unrealised loss of £809,614 in the year compared to a net unrealised gain of £632,853 in the previous year.

The investments held by the charity are in accordance with the powers of the trustees.

Steps have been taken to safeguard the capital value of our investments and we continue to take advice from our financial advisors regarding the management of our portfolio in the light of our expected needs in the forthcoming year.

#### **c. Going concern**

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

#### **Other policies**

##### **a. Reserves policy**

At 31 December 2018 the charity's reserves comprise general reserves to provide working capital and to secure the continuity of the charity's activities in the future. At 31 December 2018 the reserves amount to £16,534,818.

##### **b. Principal funding**

The trustees are satisfied that the charity's assets are available and adequate to fulfil their obligations.

#### **Structure, governance and management**

##### **a. Constitution**

The Community of the Holy Cross is an unincorporated registered charity and a trust which is governed by the Holy Rule of St. Benedict modified by the Constitutions.

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## THE COMMUNITY OF THE HOLY CROSS

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

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#### **b. Method of appointment or election of Trustees**

The Constitutions provide for the election, removal and resignation of the trustees.

#### **c. Policies adopted for the induction and training of Trustees**

The trustees are mindful of their duties in connection with the recruitment and training for trustees.

#### **d. Organisational structure and decision making**

There are four trustees, one of whom is the Reverend Mother. The other three are two members of the Chapter and one layman nominated by the Reverend Mother with the consent of the Warden and elected by the majority of the Chapter.

The Chapter comprises all of the sisters in life vows under the presidency of the Reverend Mother. Every member of the Chapter has the right to vote when matters concerning the community are discussed. The Warden is a priest having the care of the spiritual life of the community and is elected to office by the Chapter.

The trustees who served during the year are listed below:

Miss Cherry Mae Wise  
Miss Kathleen Annie Priddin  
Miss Joy Rose Gough  
The Rev'd Canon Jeffery Stewart Hopewell

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

#### **e. Risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The charity uses financial instruments comprising cash and investments. The main purpose of these is to finance the working capital cycle of the charity and the longer term income and capital needs.

The charity considers movements in interest rates to be its main risk and uses a fund manager to manage this risk. Investment risk is considered to be minimal as shown under the investment policy.

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## THE COMMUNITY OF THE HOLY CROSS

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

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#### Trustees' responsibilities statement

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 requires the trustees to prepare financial statements for each financial year. The trustees have to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- 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 charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 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.

This report was approved by the Trustees, on 23 April 2019 and signed on their behalf by:

**Miss Cherry Mae Wise (Reverend Mother)**  
Trustee

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**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE COMMUNITY OF THE HOLY CROSS**

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**Opinion**

We have audited the financial statements of The Community of the Holy Cross (the 'charity') for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2018 and of its incoming resources and application of resources 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 have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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 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**

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.



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## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE COMMUNITY OF THE HOLY CROSS

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### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, set out on pages 2 to 5 other than the financial statements and our Auditor's Report thereon. 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

We have nothing to report in respect of the following matters where 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
- the charity has not kept sufficient accounting records; 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 set out on page 5, the Trustees are responsible for the preparation of 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 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.



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## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE COMMUNITY OF THE HOLY CROSS

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### **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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

### **Use of our report**

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

### **Grant Thornton UK LLP**

Statutory Auditor, Chartered Accountants  
Leicester

24 April 2019

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

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**THE COMMUNITY OF THE HOLY CROSS**

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**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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	Note	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>Income from:</b>				
Donations and legacies	3	20,971	20,971	68,244
Charitable activities	4	1,748	1,748	1,733
Investments	5	314,613	314,613	319,307
Other income	6	52,054	52,054	52,974
<b>Total income</b>		<b>389,386</b>	<b>389,386</b>	<b>442,258</b>
<b>Expenditure on:</b>				
Raising funds	7	34,018	34,018	33,438
Charitable activities:				
Promotion of religion	8	470,294	470,294	448,978
Support costs	10	11,520	11,520	11,813
<b>Total expenditure</b>		<b>515,832</b>	<b>515,832</b>	<b>494,229</b>
<b>Net expenditure before investment (losses)/gains</b>		<b>(126,446)</b>	<b>(126,446)</b>	<b>(51,971)</b>
Net (losses)/gains on investments		(819,664)	(819,664)	631,750
<b>Net (expenditure)/income before other recognised gains and losses</b>		<b>(946,110)</b>	<b>(946,110)</b>	<b>579,779</b>
<b>Net movement in funds</b>		<b>(946,110)</b>	<b>(946,110)</b>	<b>579,779</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		17,480,928	17,480,928	16,901,149
<b>Total funds carried forward</b>		<b>16,534,818</b>	<b>16,534,818</b>	<b>17,480,928</b>

All activities relate to continuing operations.

The notes on pages 11 to 20 form part of these financial statements.

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**THE COMMUNITY OF THE HOLY CROSS**

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**BALANCE SHEET  
AS AT 31 DECEMBER 2018**

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	Note	£	2018 £	£	2017 £
<b>Fixed assets</b>					
Tangible assets	12		<b>6,529,912</b>		6,663,955
Investments	13		<b>9,722,643</b>		10,508,135
			<u><b>16,252,555</b></u>		<u>17,172,090</u>
<b>Current assets</b>					
Debtors	14	<b>13,804</b>		16,289	
Cash at bank and in hand		<b>290,513</b>		329,298	
		<u><b>304,317</b></u>		<u>345,587</u>	
<b>Creditors:</b> amounts falling due within one year	15	<b>(22,054)</b>		(36,749)	
<b>Net current assets</b>			<u><b>282,263</b></u>		<u>308,838</u>
<b>Net assets</b>			<u><u><b>16,534,818</b></u></u>		<u><u>17,480,928</u></u>
<b>Charity Funds</b>					
Unrestricted funds	16		<u><b>16,534,818</b></u>		<u>17,480,928</u>
<b>Total funds</b>			<u><u><b>16,534,818</b></u></u>		<u><u>17,480,928</u></u>

The financial statements were approved by the Trustees on 23 April 2019 and signed on their behalf, by:

**Miss Cherry Mae Wise (Reverend Mother)**

**Miss Joy Rose Gough (Secretary of Chapter)**

The notes on pages 11 to 20 form part of these financial statements.

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## THE COMMUNITY OF THE HOLY CROSS

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 1. Accounting Policies

##### 1.1 Basis of preparation of financial statements

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 on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP (FRS 102)) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The preparation of financial statements in compliance with the Charities SORP (FRS 102) requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

The Community of the Holy Cross constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in Sterling (£).

##### 1.2 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 charity and which have not been designated for other purposes.

##### 1.3 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.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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## THE COMMUNITY OF THE HOLY CROSS

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 1. Accounting Policies (continued)

##### 1.4 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred to raise its funds for charitable purposes.

All expenditure is inclusive of irrecoverable VAT.

##### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	2% Straight line
Motor vehicles	-	25% Reducing balance
Fixtures and fittings	-	10% Reducing balance
Computer equipment	-	33 1/3% Reducing balance

No depreciation is provided on freehold land and cemetery land.

##### 1.6 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 fair 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 shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

##### 1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

##### 1.8 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.

##### 1.9 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.

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## THE COMMUNITY OF THE HOLY CROSS

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 1. Accounting Policies (continued)

##### 1.10 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 within interest payable and similar charges.

##### 1.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### 1.12 Pensions

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

#### 2. Judgements in applying accounting policies and key sources of estimation uncertainty

Certain amounts included in the financial statements involve the use of judgement and/or estimation. The judgements and estimates are based on the Trustees' best knowledge of the relevant facts and circumstances and have regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation uncertainty is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

##### **Judgements in applying accounting policies:**

- The principal judgement made by the Trustees in the preparation of these financial statements is in relation to the recognition of legacies (see 1.3 above).

##### **Sources of estimation uncertainty:**

- Depreciation rates are based on estimates of the useful lives and residual values of the assets involved (see 1.5 above).

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**THE COMMUNITY OF THE HOLY CROSS**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**3. Income from donations and legacies**

	<b>Unrestricted funds 2018 £</b>	<i>Unrestricted funds 2017 £</i>
Donations and gifts	<b>20,971</b>	17,494
Legacies	-	50,750
	<hr/> <b>20,971</b> <hr/>	<hr/> 68,244 <hr/>

**4. Income from charitable activities**

	<b>Unrestricted funds 2018 £</b>	<i>Unrestricted funds 2017 £</i>
Scriptorium	<b>1,598</b>	1,248
Sale of books	<b>150</b>	485
	<hr/> <b>1,748</b> <hr/>	<hr/> 1,733 <hr/>

**5. Investment income**

	<b>Unrestricted funds 2018 £</b>	<i>Unrestricted funds 2017 £</i>
Income from listed investments	<b>314,313</b>	319,089
Bank deposit interest	<b>294</b>	180
Sundry interest	<b>6</b>	38
	<hr/> <b>314,613</b> <hr/>	<hr/> 319,307 <hr/>

**6. Other income**

	<b>Unrestricted funds 2018 £</b>	<i>Unrestricted funds 2017 £</i>
Sisters' pensions	<b>47,232</b>	48,152
Farm income	<b>922</b>	922
Sundry income	<b>3,900</b>	3,900
	<hr/> <b>52,054</b> <hr/>	<hr/> 52,974 <hr/>



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**THE COMMUNITY OF THE HOLY CROSS**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**7. Investment management costs**

	<b>Unrestricted funds 2018 £</b>	<i>Unrestricted funds 2017 £</i>
Investment management fees	<b>34,018</b>	33,438
	<hr/> <hr/>	<hr/> <hr/>

**8. Promotion of religion**

	<b>Unrestricted funds 2018 £</b>	<i>Unrestricted funds 2017 £</i>
Special alms (note 9)	<b>39,153</b>	38,596
Promotion of religion	<b>265</b>	241
Books and periodicals	<b>913</b>	1,008
Church expenses	<b>9,035</b>	6,531
Branch house expenses	<b>20,878</b>	20,575
Motor and travelling expenses	<b>6,847</b>	9,782
Telephone, postage and stationery	<b>9,058</b>	9,779
Household supplies	<b>9,010</b>	10,179
Gas	<b>12,751</b>	4,665
Electricity	<b>8,535</b>	6,910
Council tax and water	<b>4,458</b>	5,152
Repairs and renewals	<b>8,552</b>	8,026
Estate, woodlands and gardens	<b>10,032</b>	9,778
Sundry expenses	<b>17,611</b>	10,514
Insurance	<b>14,270</b>	12,410
Wages	<b>145,973</b>	142,088
National Insurance	<b>6,618</b>	5,986
Employer's pension contributions	<b>686</b>	295
Profit on sale of fixed assets	<b>(668)</b>	-
Depreciation	<b>146,317</b>	146,463
	<hr/> <hr/> <b>470,294</b>	<hr/> <hr/> <b>448,978</b>

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**THE COMMUNITY OF THE HOLY CROSS**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**9. Alms**

	<b>Unrestricted funds 2018 £</b>	<i>Unrestricted funds 2017 £</i>
Made to institutions	<b>39,153</b>	38,596

Grants were made to 52 (2017 - 49) institutions in the year.

There were no grants to institutions which exceeded 10% of the income of the Community.

An analysis of the payments made in the year is as follows:

	<b>Unrestricted funds 2018 £</b>
Embrace Middle East	3,000
Indian Sisters - Kerala, India	2,020
Malt Cross Trust	2,000
Church Extension Association	2,000
St Mary's Church, East Leake	2,000
Mary's Meals	2,000
St Giles Church, Costock	2,000
Franciscan Sisters	1,500
Sisters of Jesus' Way	1,000
Christian Aid	1,000
Forward in Faith	1,000
Sightsavers	1,000
Diocese of Cyprus and the Gulf	1,000
Lincolnshire and Nottinghamshire Air Ambulance	1,000
Oxford Mission	1,000
Additional Curates Society	1,000
Southwell Minster	1,000
Children in Distress	1,000
McCabe Educational Trust	1,000
Items < £1,000 each	11,633
	<b>39,153</b>

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**10. Support costs - Governance costs**

	<b>Unrestricted funds 2018 £</b>	<i>Unrestricted funds 2017 £</i>
Professional fees re governance advice	-	653
Audit services	<b>5,760</b>	5,580
Non audit services	<b>5,760</b>	5,580
	<hr/> <b>11,520</b> <hr/>	<hr/> 11,813 <hr/>

Included within investment management fees (note 7) are further non-audit fees relating to investment management services amounting to £7,200 (2017 - £7,200).

**11. Staff costs**

Staff costs were as follows:

	<b>Unrestricted funds 2018 £</b>	<i>Unrestricted funds 2017 £</i>
Wages and salaries	<b>145,973</b>	142,088
Social security costs	<b>6,618</b>	5,986
Pension costs	<b>686</b>	295
	<hr/> <b>153,277</b> <hr/>	<hr/> 148,369 <hr/>

The average monthly number of employees during the year was as follows:

	<b>2018 £</b>	<i>2017 £</i>
Full time	<b>5</b>	4
Part time	<b>4</b>	6
	<hr/> <b>9</b> <hr/>	<hr/> 10 <hr/>

No employee received remuneration amounting to more than £60,000 in either year.

None of the trustees, who are the key management personnel, received any remuneration or expenses in the year (2017 - nil).

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**12. Tangible fixed assets**

	Freehold land and buildings at Costock £	Cemetery at Haywards Heath £	Motor vehicles £	Plant, fixtures, fittings and computers £	Total £
<b>Cost</b>					
At 1 January 2018	7,601,152	1	32,808	57,353	7,691,314
Additions	-	-	11,489	1,317	12,806
Disposals	-	-	(14,973)	-	(14,973)
At 31 December 2018	<u>7,601,152</u>	<u>1</u>	<u>29,324</u>	<u>58,670</u>	<u>7,689,147</u>
<b>Depreciation</b>					
At 1 January 2018	971,464	-	25,053	30,842	1,027,359
Charge for the year	140,023	-	2,967	3,327	146,317
On disposals	-	-	(14,441)	-	(14,441)
At 31 December 2018	<u>1,111,487</u>	<u>-</u>	<u>13,579</u>	<u>34,169</u>	<u>1,159,235</u>
<b>Net book value</b>					
At 31 December 2018	<u>6,489,665</u>	<u>1</u>	<u>15,745</u>	<u>24,501</u>	<u>6,529,912</u>
<i>At 31 December 2017</i>	<u>6,629,688</u>	<u>1</u>	<u>7,755</u>	<u>26,511</u>	<u>6,663,955</u>

All tangible fixed assets are used for charitable purposes.

The trustees are unable to obtain a valuation of the freehold land and buildings at Costock. There is no reason to suggest that the freehold land and buildings should be impaired.

The gross amount of freehold land and buildings at Costock on which depreciation is being provided is £7,001,152.

The cemetery at Haywards Heath is revalued at £1, a nominal value in view of the purpose for which it has been used and there being no possibility of any alternative use being considered in the future.

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**13. Fixed asset investments**

	Listed securities £	Other investments £	Total £
<b>Market value</b>			
At 1 January 2018	10,408,135	100,000	10,508,135
Additions	473,096	-	473,096
Disposals	(448,974)	-	(448,974)
Revaluations	(809,614)	-	(809,614)
	<u>9,622,643</u>	<u>100,000</u>	<u>9,722,643</u>
At 31 December 2018	<u>9,622,643</u>	<u>100,000</u>	<u>9,722,643</u>
<b>Historical cost</b>	<u>7,310,928</u>	<u>100,000</u>	<u>7,410,928</u>

**Material investments**

Other investments comprises cash held.

The difference between the historical cost and market value of listed securities amounting to £2,311,715 is included within the unrestricted funds.

Listed securities which comprise over 5% of the value of the portfolio are:

	2018 £	%
Blackrock AM UK Charishare Income	1,411,259	14.7
M&G Investment Manager Charifund Income	1,222,908	12.7
COIF Charity Funds Fixed Interest Income	972,147	10.1
M&G Investment Management Charibond Income	930,160	9.7
CBF Church of England Investment Fund Income Shares	557,737	5.8

**14. Debtors**

	2018 £	2017 £
Prepayments	11,747	13,331
Tax recoverable	2,057	2,958
	<u>13,804</u>	<u>16,289</u>

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**15. Creditors: Amounts falling due within one year**

	2018 £	2017 £
Other taxation and social security	2,395	2,274
Other creditors	-	15,335
Accruals	19,659	19,140
	<u>22,054</u>	<u>36,749</u>

**16. Statement of funds**

	Brought Forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>					
Unrestricted funds	17,480,928	389,386	(515,832)	(819,664)	16,534,818

**17. Pension commitments**

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £686 (2017 - £295). Contributions totalling £nil (2017 - £nil) were payable to the fund at the balance sheet date.