



THE ENGLISH PROVINCE OF  
THE CONGREGATION OF  
OUR LADY OF CHARITY OF  
THE GOOD SHEPHERD CIO

ANNUAL REPORT  
APRIL 2019 – MARCH 2020

Charity registration number  
1163502 (England and Wales)

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# Introduction

## The Congregation of Our Lady of Charity of the Good Shepherd

The Congregation of Our Lady of Charity of the Good Shepherd is an international Roman Catholic Congregation of Religious Sisters. It was founded in France in 1835 and has a Generalate in Rome. The Congregation is present in 72 countries and divided into 47 Provinces/Districts/Sectors, now universally called Units.

### Our Vision

We envision a new way of living that celebrates the connectedness of all God's creation, an inclusive world where the dignity and diversity of all life is honored and protected.

### Our Mission

Energised by our evolving understanding of God's love, we build partnerships that promote the dignity and human rights of all, especially women and children. In solidarity, we work for the transformation of unjust systems, the flourishing of humanity and integrity of all creation.

The accounts accompanying this report are the accounts of the Charitable Incorporated Organisation (CIO) on which the assets of the English Province of the Congregation are held and through which its finances operate. The CIO is governed by a constitution dated 1 April 2016 and is registered with the Charity Commission, Charity Registration No. 1163502.

On 31 March 2020 membership of the Congregation of Our Lady of Charity of the Good Shepherd in the UK numbered fifty-eight.

All the members of the Congregation have taken a vow of poverty therefore all income, stipends, pensions etc. are covenanted to the Charity, which together with all the charitable works, also meets all the needs of the Sisters. The Trustees, therefore, have an obligation to ensure that resources are available to meet those needs which include the high cost of caring for the elderly and infirm. Increasingly members require medium to high dependency care.

Recognising this commitment, a large part of the assets is represented by a Reserve Fund for that purpose.



# Structure Governance Management

A wise man built his house on the rock. And the rain fell, and the floods came, and the winds blew and beat on that house, but it did not fall, because it had been built on a solid foundation.

Luke 6:48



# Organisation

The English Province of the Congregation is governed by the Province Leader and her Team. The Province Leader is either elected by the members during the Province Chapter which is effectively a general meeting, or appointed by the Congregational Leader at the members' request. The Team is elected by the members of the Congregation at the Province Chapter.

The Charity is governed by the Trustees, the power of whose appointment is vested by deed in the Province Leader. In practice, the Leader appoints the members of the Team as Trustees on their election to office. Team members serve for three or six years and on ceasing to be members of the Team, retire as Trustees.

The Trustees are all members of the Congregation of Our Lady of Charity of the Good Shepherd. They have more than fifty years of service as Trustees, and a variety of experience and qualifications, notably teaching, counselling, social work, hospice, prison work and administration & management. To help them in their task as Trustees the Sisters work with a number of professional advisors: e.g. a Finance Advisory Committee, Investment Consultants, Investment Managers, Solicitors, Safeguarding Commissions and Health and Safety Personnel.

The Trustees consider that they, together with the Finance Administrator, the Care Home Manager of St Euphrasia's Care Home, the Care Home Manager of Redcote Care Home and the Blackley Convent Manager comprise the key management of the charity, in charge of directing and controlling, running and operating the charity on a day to day basis.

ADMINISTRATIVE ADDRESS  
Brentano, Solar House | 915 High Road  
London N12 8QJ

Charity Registered England and Wales Number 1163502



# Trustees

The Trustees are incorporated under the Charities Act 2011



**Sr Rosemary Kean**  
Province Leader  
Social Work  
Administrator



**Sr Anne Furlong**  
Province Treasurer  
Social Worker



**Sr Josephine Collier**  
Teacher



**Sr Anne Josephine Carr**  
Social Worker



**Sr Charlotte Cassidy**  
Social Worker

*“Stewardship is the use of God-given resources for the accomplishment of God-given goals.”*

Ron Blue

*“Stewardship is leaving a system better than you found it.”*

Michael Barber



**AUDITOR**

Buzzacott LLP  
130 Wood Street  
London  
EC2V 6DL

**PRINCIPAL BANKERS**

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62-63 Threadneedle Street  
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EC2R 8LA

**SOLICITORS**

Stone King  
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BA1 2HJ

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G2 6AH

**INVESTMENT CONSULTANTS**

Portfolio Review Services  
12 Granard Road  
London  
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**INVESTMENT MANAGERS**

Rathbone Investment Ltd.  
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Pier Head  
Liverpool  
L3 1NW

**INVESTMENT MANAGERS**

BlackRock Investment  
Management (UK) Ltd.  
12 Throgmorton Avenue  
London  
EC2N 2DL

Sarasin & Partners LLP  
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London  
EC4M 8BU

**INSURER**

CIS (Catholic Insurance Service)  
Oakley House, Mill Street  
Aylesbury  
HP20 1BN

**EMPLOYMENT ADVISORS**

Ellis Whittam  
Woodhouse  
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Chester CH3 6JD

### SAFEGUARDING ADVISORY

CSAS (Catholic Safeguarding  
Advisory Services)  
39 Eccleston Square  
London  
SW1V 1BX

NCSC (National Catholic  
Safeguarding Commission)

### SAFEGUARDING COMMISSION

SCOE (Safeguarding Commission  
for Orders in Education)



### **SISTERS OF OUR LADY OF CHARITY OF THE GOOD SHEPHERD** (also known as Good Shepherd Sisters)

Congregational Leadership Team  
Each Councilor has responsibility for a specific group of  
Provinces/Units

Elected every 6 years by the Congregational Chapter – the highest  
governing body of the Congregation when in session

### **Global Presence**



Europe • Asia • Africa • N & S America • Oceania

The English Province of the Congregation of Our Lady of Charity of  
the Good Shepherd CIO

The English Province is administered by the Province Leader and her  
team.



### **Province Locations:**

Scotland: Edinburgh, Glasgow & Bishopton  
Manchester: Blackley  
Birmingham: Northfield  
London: Finchley & Friern Barnet  
Berkshire: Ascot  
Southampton: Bitterne  
Portsmouth: Waterlooville

Throughout the year, the Trustees attended several seminars organised by various professional bodies expressly designed to help Trustees understand their duties and responsibilities.



# Trustees' Responsibilities Statement

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

Law applicable to Charities in England and Wales requires the Trustees to prepare the Accounts of the Charity for each financial year which give a true and fair view of the state of affairs of the Charity at that date and of the incoming resources and application of resources of the Charity for that period. In preparing accounts, giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the SORP (Statement of Required Practice) Accounting and Reporting by Charities
- make judgements and estimates that are reasonable and prudent
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts and
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. They are also responsible for safeguarding the assets of the Charity and must take reasonable steps to prevent and detect fraud and other irregularities.

# Risk Assessment and Control

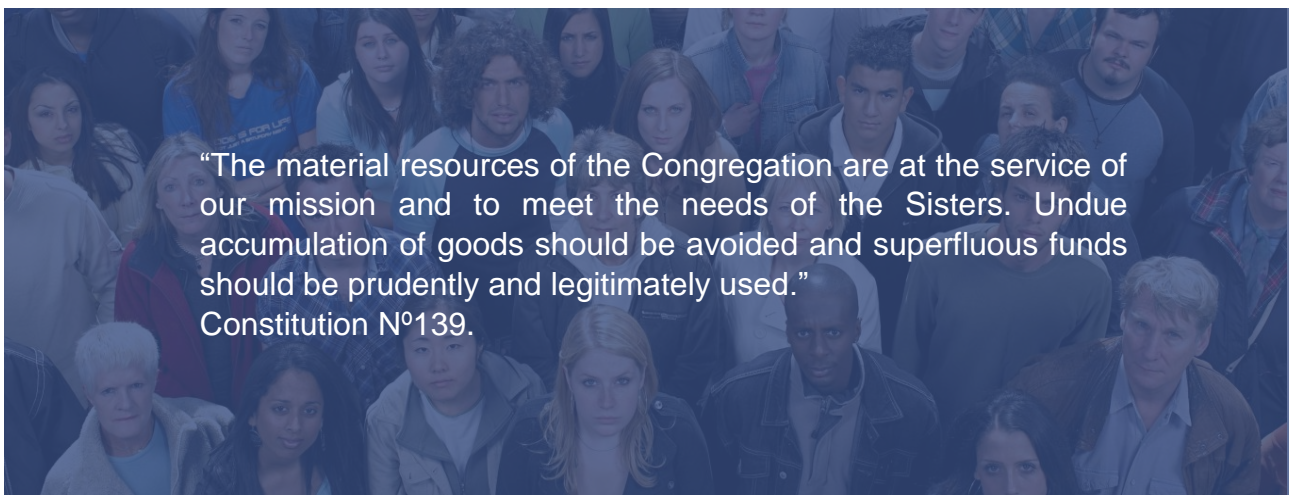
It is the duty of the Trustees to undertake an annual review of the main risks to which the Charity is exposed. Broadly speaking these risks may be categorised under governance & management, operational risks, financial risks, reputational risks, and risks brought about by external circumstances such as changes in law, regulations and government policies. During the review, any necessary changes to existing policies and procedures and any new policies and practices are identified and implemented to minimise risk.

The main areas of risk to the charity are as follows, along with the measures in place to safeguard against that risk.

- All Sisters in the Province take a vow of poverty and, accordingly, make a deed of covenant to the Charity of any income received. As a consequence, there are moral and legal obligations on the part of the Trustees of the Charity to provide for the living needs of the Sisters.
- The average age of the Sisters as of 31 March 2020 has risen to 83 years. This is accompanied by increasing care needs. Those of our Sisters who need extra care are accommodated in our 2 small residential care facilities, whose staff members are very well trained. The managers of both care facilities meet regularly with the Trustees.
- In light of the ageing of the Sisters and consequent lack of salaries, we are dependent on income from our investments to cover the living needs of the Sisters. There is also a designated fund set aside to provide for the increasing care needs of the Sisters of the Province.
- To mitigate the inherent financial risks, a finance advisory committee, which includes the Trustees and finance professionals, meets twice yearly with the investment managers. We have professional investment consultants who monitor the performance of the investment managers and who advise the Trustees. Advice from our financial professionals is sometimes sought in addition to these meetings. We require that the investments made on behalf of the Charity meet with ethical criteria in accordance with the Congregation's beliefs and values.
- Financial Risk: The Trustees have internal procedures in place to safeguard against financial abuse such as requiring two signatures to any cheque to the value of £1,000 or more and the regular change of financial passwords.

## Risk Assessment and Control (continued)

- As an international Congregation, we frequently support projects in other countries consistent with the Charity's objectives. Funds are sent in instalments, either through the GSIF (Good Shepherd International Foundation) based in Rome which provides reports on how the monies have been utilised, or they are sent directly to the project by bank transfer and in return an account is received of how the funds have been used. Any financial transfers are carried out by the Financial Administrator and a Trustee. Sometimes donations are made to individuals but in such cases, the Trustees are given a full briefing of the particular circumstances.
- The work carried out by the Charity has always been with the vulnerable, both children and adults. In line with government legislation and policies of the National Catholic Safeguarding Commission and Catholic Safeguarding Advisory Services, a Safeguarding policy has been developed by the Trustees of the Charity. Our Care Homes have additional policies with specific guidance from the relevant City Councils.
- The Charity has membership of two Safeguarding Commissions, which meet with the requirements laid down by the Cumberlege Report. Meetings are held quarterly and are attended by the safeguarding representative who reports to the Trustees. In addition, safeguarding conferences and training days are attended regularly. All Trustees and members of Staff have undertaken training. The Province has a Safeguarding Team, consisting of the Safeguarding Lead and two others.
- The Province Leader also meets regularly with the other five Province Leaders of the SCOE Commission to ensure compliance with national Safeguarding Policies.



# Investment Policy

We seek to assist the funding of our activities and our Sisters' living expenses, plus the cost of care for the elderly by a carefully planned investment policy.

The Congregation has a discretionary investment management arrangement with Rathbone Investment Limited and invests in the charitable funds of Sarasin & Partners LLP and BlackRock Investment Management (UK) Limited. The target is to achieve an acceptable return of both income and capital growth with no more than a moderate level of risk.

We have updated our ethical investment policy to reflect the Congregation's orientation in favour of justice and peace and our specific orientation in favour of girls and women struggling on the margins of society.

Examples of investments which the Trustees wish to avoid include those companies dealing primarily in:

- Armaments
- Gambling
- Pornography
- Tobacco

## Investment performance

During the year the charity's listed investments achieved an income yield of 3.4%.

Whilst the charity's investments fell in value towards the end of the year as a result of the investment markets' reaction to Covid-19, the Trustees are content with the investment performance and will continue to review it regularly via meetings with their investment consultants and each of the investment managers. The Trustees regard the charity's investments as being for the long term, they remain confident that the policy adopted is appropriate for the charity.

# Safeguarding

There are currently two National Inquiries underway into historical Child Abuse in residential establishments in England and Scotland. As we have been major providers of care in the past we are open to cooperating in any way that we can to support the work of the inquiries.

# Financial Report for the Year

Total income for the year amounted to £2,488,282 compared to £23,864,210 in the prior year. This significant decrease from 2019 to 2020 is due to a one-off donation in 2019 of £21,277,877 being the net assets donated by The Fairlight Charitable Company following its merger with the charity. If this donation is ignored, the annual income of the charity for the year to 31 March 2019 was £2,586,333. The decrease in income mostly relates to investment income.

Expenditure for the year to 31 March 2020 totalled £2,352,652 compared to £2,686,328 in 2019. This decrease mostly relates to a decrease in donations and support of the missions as 2019 included a significant donation of £150,000 to Brushstrokes.

The decrease in the net assets and funds of the charity in the year amounted to £2,946,552 (2019 – increase of £23,485,286) after accounting for investment losses of £3,067,862 (2019 - investment gains of £2,307,404). The investment losses at the year end are a consequence of the reaction of world investment markets to the Covid-19 pandemic. Since the year end the charity's investments have recovered their value and at 31 December 2020 their market value was £45,920,687.

## Financial position

At 31 March 2020, the charity had net assets or total funds of £55,037,254.

These funds include £55,000 comprising a property held on special trust.

Of the total income funds, £2,218,174 are restricted, being monies and assets to be applied for specific purposes. Details of these funds are provided in note 18 to the attached accounts.

£5,870,455 represents the net book value of tangible fixed assets used by the charity excluding those used for care services. These assets are required for the day to day work of the charity and hence do not represent amounts that may be realised to meet ongoing expenditure.

The trustees have decided to set aside or designate funds totalling £35,020,490. These funds include the assets representing the charity's care home and amounts sets aside in order to provide for members of the Congregation as they grow older and as their care needs increase and a Congregational Giving Fund. Details of the designated funds may be found in note 20 to the attached accounts.

The general funds or free reserves of the charity at 31 March 2020 totalled £11,873,135.

# Financial Report for the Year (continued)

## Reserves policy

The Trustees require free reserves to meet any emergencies arising from any interruptions in the flow of income, falls in the value of investments and general emergencies. The Trustees have decided that free reserves of up to 36 months should be retained.

At 31 March 2020, free reserves were slightly in excess of the amount required under the above policy. This is deemed acceptable by the trustees given the continued development at Blackley (see later), the current economic and political uncertainty in the United Kingdom and the impact of Covid-19 (see below).

## Covid-19

The Trustees acknowledge the existence of Covid-19, and the fact that it is outside of the control of the charity and that it has had a wide ranging impact on society generally. The Covid-19 pandemic has changed the shape and nature of the world. It has impacted not only the basic nature of social interactions but has also had a significant economic impact at every level in ways which have been outside of the charity's control.

Covid-19 has limited the charity's work since March 2020 including interactions and operations since lockdown began. The charity is addressing these challenges by using alternative forms of communication – in particular Zoom conferencing, emails and telephone to continue to reach out and minister with limitations.

The charity does not consider that there will be any material impact on income or expenditure and, therefore, on the charity's financial position. The charity's income will no doubt be affected because of the falls in the values of listed investments as stock markets have reacted to the pandemic and the subsequent affect that will have on investment income. It is also possible that the income from the Care Home may be affected if it proves difficult to fill empty beds. In terms of our expenditure, the impact will be small. Travel and related costs will fall as a result of lockdown. Grants, donations and support of missionary work and ministry will continue albeit the timing of some expenditure may be delayed as projects are deferred due to enforced "lockdowns". Throughout the pandemic, the Trustees will continue to keep both income and expenditure under review. Whilst there will undoubtedly be challenges ahead, the Trustees do not expect concerns to arise over the charity's financial position.

# Principal Aims and Activities

The Congregation of Our Lady of Charity of the Good Shepherd CIO aims to support the religious and other charitable works carried out by members of the Congregation. There is special emphasis on women and children in need within the context of the family, regardless of ethnic origin or religion.

The Good Shepherd Constitutions state:

*“Our specific orientation is to girls and women whose condition in life cries out for the healing and salvation which Jesus alone can bring. We are deeply committed to their human and spiritual healing and to their integral development. Since the well-being of the person is intimately linked to that of the family, we strive to serve them in the context of the family and the society in which they live. We also respond to other apostolic needs which are in accord with our mission.”*

*Constitution No.6.*

## Public benefit

When setting the objectives and planning the work of the Charity for the year, and when encouraging the work of individual Sisters, the Trustees have given careful consideration to the Charity Commission’s general guidance on public benefit.

# Pastoral Activities

These works fall into the following main categories:

- **Networking Projects**  
Networking with other Units/Provinces, for the empowerment of women and the development of the Mission.
- **Pastoral, Community, and Chaplaincy work**  
Voluntary service within the Church and local community  
Chaplaincy work in prisons, hospitals and hospices.
- **Residential care services for our elderly Sisters**  
St. Euphrasia's Care Home, Blackley, Manchester provides 24-hour residential care for 14 Sisters. Redcote convent provides similar care for up to 10 Sisters.
- **Partnerships** with organisations working with women, refugees, asylum seekers and other vulnerable people.







## Pastoral and Community Work

*“Jesus Christ did not say to Peter: Govern, be the master, but he used the word “Feed” which means prepare, pasture, give nourishment to your lambs and to your sheep...”*

St. Mary Euphrasia Pelletier/ Conference 5

# Pastoral and Community Work

Almost all Sisters regardless of age or infirmity engage in pastoral care or support in a variety of ways and at different levels.

This includes:

- Prayer ministry which is an important part of life in our Communities where spiritual support and counsel is available to all. Prayer requests come to these Communities from all over the country, in person or by telephone or email
- Pastoral care of elderly people in their own homes
- Parish ministry including spiritual input and support in Church Communities
- Hospice chaplaincy
- Counselling
- Work with homeless people and refugees
- Visiting the sick in their homes or in hospices
- Counselling of women suffering from addiction
- Aftercare support of people who have grown up in residential care Homes or in special schools as children
- Pastoral work in prisons
- Outreach support of ex-prisoners on return to society
- Two Sisters are on Catholic safeguarding Commissions and also ensure safeguarding procedures are in place in all our establishments
- Work in Interfaith groups
- Sisters are on trustee boards for other charities
- Providing properties to enable UK charities with similar aims to provide services to vulnerable people

“When I know that the world around me is both the hiding place and the revelation of God, I can no longer make a significant distinction between the natural and the supernatural, between the holy and the profane... Everything visible is the outpouring of God.”

Richard Rohr

## Sisters in Ministry

There are many ways in which our Sisters continue to live out their vow of zeal for people especially those who are most in need and on the margins of society.

Several of our Sisters continue to engage for many hours each week in a variety of active pastoral ministries. Parish ministry by Sisters is also valued by local communities.

Some provide regular support for vulnerable elderly and disabled in their own homes and may be their only contact with the outside world, while others visit residents in Care Homes and Day Centres. This may also include religious and spiritual input on a regular basis.

Hospital chaplaincy, including end of life spiritual care and support is also provided by two Sisters.

Four Sisters in the London area work, in different capacities, with vulnerable women from a variety of backgrounds who may be suffering with complex needs or issues such as alcohol or drug addiction, homelessness, mental health problems, in prison or recently released from prison and also women who have been trafficked. Some of these women may have a combination of these problems.

Four Sisters also work with refugees and asylum seekers in the London and Birmingham areas.

One Sister provides therapeutic support to individual teachers, from two Secondary Schools who are experiencing stress which may be school, personal, or home related.

Therapeutic support is also provided to a group of Adoptive Parents and to people referred from the local parish or elsewhere.

After care of former pupils or former residents, some of whom may have no family support, is an additional ministry in which many of our Sisters continue to be involved. For some this is a relationship which has continued over many years and is mutually valued.

# Care of Our Elderly

## ST. EUPHRASIA'S CARE HOME

St Euphrasia's is a 14-bed registered Care Home in Manchester, into which our elderly Sisters move when they require personal care. Their care needs are assessed according to the local authority criteria. It is also a resource for the Sisters in the Province who may be in need of respite care from time to time, such as post-operative care and support.

Jayne Brooks, who has many years of experience in care of the elderly at management level, was appointed Registered Manager in 2019.



Jayne Brooks  
Registered Manager

St Euphrasia's has an overall rating of 'good' from The Care Quality Commission and a 5\* rating on the care home pages on the internet. The Home has a well-trained and committed staff team, and one is aware of an air of warmth, openness and welcome with a pervading sense of care and good order.

The Sisters enjoy positive interaction throughout the day and their daily gathering at afternoon tea is an opportunity to socialise and share news. Sisters from the local Community as well as other friends visit on a daily basis and this creates added interest. There is often a 'special tea' as in the case of birthdays or national events, all of which are celebrated in style.

The Home has activities appropriate to the specific needs of the residents. For those who suffer from varying kinds of dementia this is tailored to their individual needs.

Our chaplain normally visits each day and has a very good relationship with each Sister.

A new venture was begun during the year where we now have monthly visits from a local nursery. This is greatly enjoyed by the children as well as the Sisters, many of whom are former teachers or social workers, who have a great love for children. It also helps to cement the link with the local community. The children and their nursery staff take over the conservatory where they are joined by those of the Sisters who wish to be involved. The activities consist of listening to a story in which the children take an active part with the puppets they have brought or working with playdough and having general conversation.



St. Euphrasia's Care Home

## TRAINING

On-going training for all staff of our Care Home is recognised as integral and takes place on a regular basis as well as annual mandatory training. All staff who were employed without any professional qualifications now have NVQ qualifications ranging from level 2 to level 5. We see this training, not only as part of our duty of care to our Sisters and staff but also as part of our mission to women, empowering them, building self-esteem and confidence, and helping them to improve their circumstances in life. This in turn enables them to better provide for their families.

This year staff enjoyed additional training in sensory deprivation, diabetes, and dementia.

We continue to enjoy a good relationship with our local medical centre and with Manchester City Council Social Care Department. We have had several informal, friendly visits from our new monitoring inspector which have been very positive.

## REDCOTE COMMUNITY.

In Southampton we have a Care Community for ten frail elderly Sisters. In this community we also have a dedicated team of staff who provide 24-hour quality care and support where the emphasis is on promoting independence and ensuring the atmosphere of the Sisters being in their own home is of paramount importance.

This care facility is not CQC registered but the care standards and training for staff are the same as in our registered Care Home. Relationships between staff and Sisters are very warm and staff arrange open days and cream tea afternoons and an annual garden party to raise funds for the mission in Kenya. They have a good relationship with the local school and the school choir visits each year.



Maria Vicente  
Redcote Manager

Maria Vicente is our first lay Manager of Redcote Community and she has proven to be a sensitive and caring leader. She has come with a background of many years of experience as a registered manager in elderly care and has positively transferred her skills and experience to both Sisters and staff. With additional skills as a physiotherapist she has also implemented physiotherapeutic activities for Sisters which support mobility and independence.



Redcote Community in Southampton

## RETIREMENT COMMUNITY

In Manchester, adjacent to our Care Home, we also have a Community for our retired Sisters who are more independent but many of whom require support to retain their independence. The convent is staffed by a committed team under the leadership of the Convent Manager, Lorraine Brennan. This is a very busy house, which also hosts Province events and hospitality to others, including visitors from developing countries and Sisters from other Communities. This provides great interest for the Sisters and enables them to maintain an interest in what is happening in the wider province and in the Congregation globally.

As the number of Sisters in the convent is declining year on year, the Convent in Blackley is too large and no longer considered suitable for the smaller number living there.

The Trustees sought the advice of the Sisters of the Province as well as our professional advisors and a new building was agreed. Work commenced in 2019 but was held up in March due to Covid 19 restrictions. It is hoped that it will be completed in 2021.



Lorraine Brennan  
Convent Manager

## PRIORY COMMUNITY

This small Community in Birmingham has an open-door arrangement whereby local groups use our facilities for meeting and some elderly people join the Sisters for a regular “knit & natter” group and other activities. Church services in the convent Chapel are open to outsiders who are always made welcome by the Sisters.

## WATERLOOVILLE

This is another small Community of Sisters who have lived in the area for more than fifty years and who enjoy very good relationships with the local community. Though they are now elderly they continue to make a contribution to the local area and also provide after care support for people who were in their care many years ago.

# Partnerships in the UK

## Brushstrokes

Brushstrokes serves the whole community across Sandwell, West Birmingham and beyond, particularly asylum seekers, refugees and newcomers to the area. The focus is on providing support and services to the most vulnerable and building up individuals by treating them with kindness and respect and affirming their rights and dignity. Brushstrokes currently welcomes people from over 65 countries.

The work with refugees continues to expand, helping them to rebuild their lives and settle into new homes, education and work in the Sandwell area. The core activities are driven by the needs of the people who use the services, both in the community and those identified on outreach visits.

Some of the main activities are, offering outreach support, practical help, teaching ESOL (English for Speakers of Other Languages), asylum guides, social activities, housing support, education, information, advice and guidance.

In early 2019, the Trustees made a commitment to contribute £30,000 per year for five years to Brushstrokes, beginning July 2019 to cover the costs of rent of a more suitable building.

## Sophia House

In 2018 a small house vacated by our Sisters in the Birmingham area became surplus to our requirements. Rather than putting it on the market the Trustees decided to offer it as a residence for homeless documented women refugees who needed accommodation and help to integrate into society.

Entering into a partnership agreement with Father Hudson's Society, who run other services for asylum seekers and refugees, Sophia House was opened as a joint project. A small team of volunteers supports the project leaders providing benefits to these women and there are plans to develop the services in the coming year.

## Anawim

Anawim is a very special centre for women in Birmingham providing services in a therapeutic environment. Anawim exists to support women and their children, especially women vulnerable to exploitation, offending behaviour, drug abuse and prostitution. It seeks to empower women, provide positive choices to help them achieve and reach their full potential to change and turn their lives around.



## Partnerships in the UK (continued)

### Anawim (continued)

With provision of a viable alternative to custody, Anawim works to increase the women's self-worth, recognise potential and offer hope. It works to keep families together where appropriate, empower women towards independence with regular employment, raise each woman's self-awareness and sense of dignity, trust and responsibility towards herself, her children and the wider community.

Three Sisters are on the Anawim board of Trustees. In addition, one Sister works full time as head of the counselling team. We also part-fund the salary of the Finance Officer.



## International Partnerships

*" will spread your branches in all directions...  
I do not wish it said any longer, that I am French...  
I belong to every country where there are souls to  
save."*

St. Mary Euphrasia / Conference 58 and 6



# Angola/Mozambique



## Partnership with Good Shepherd Sisters

The Trustees agreed to renew the funding commitment of £25,000 per year to the Sector of Angola/Mozambique until 2021.

The Good Shepherd mission in Angola/Mozambique is being carried out in 7 communities. Uige Province, Camabatela, Samba Cajú, Talatona, Kikolo Lubango and Nampula in Mozambique.

2019 is the first year of implementation of the strategic plan and one of the key achievements has been to finalize the construction of the St John Eudes School Complex. There are now a total 24 classrooms: 9 brand new classrooms and 3 multipurpose rooms/labs are available for Secondary Education with capacity to host, in addition to the current number of 1,300+, around 520 new students in morning and afternoon shifts. This achievement impacts significantly to reducing the number of youths outside the education system.

## Key Achievements

- Full feasibility study for a social business project with a focus on agriculture has been finalized and the project begun in 2020 (see more details below)
- The community development component of the project in Kikolo, which moves from strictly education to 360 degrees support to the local vulnerable community of Ndala Mulemba finally started, a full-time staff has been hired with a team of 10 community activists; activities are currently ongoing with a special focus now on Covid-19 prevention.
- 541 beneficiaries completed the vocational training during 2019 in several specialization (computer skills, tailoring & dressmaking, cooking & pastry, English)
- 1,300+ beneficiaries in primary and secondary school in Kikolo community
- 1,075 beneficiaries accessed the primary health service in Samba Caju community
- 200+ beneficiaries accessed the primary health service in Camabatela community
- 152 beneficiaries accessed the adult literacy training in Uige community
- 217 beneficiaries were assisted at the child centre in Nampula community.

## Angola/Mozambique (continued)

### Sister Andrea reports on a visit to Angola earlier this year

“I set out with Sister Eileen on a visit to Angola on the 10 February 2020. It was with great excitement and enthusiasm we travelled to experience the partnership we share with our Sisters in Angola/Mozambique.



Sister Andrea (left) and Sister Eileen (right)

After our twenty-hour journey we arrived in Talatona Community in Luanda. We were welcomed in wonderful style with the Sisters and girls singing joyfully on the steps of the Convent and then we were served the beautiful fruits of this country.

The aim of the partnership is to create solidarity between our two Provinces focused on long term development plans and improving structures and services. Working with GSIF (Good Shepherd International Foundation), Our Sisters in Angola have set up a mission development office and during our short ten-day visit we saw in direct action what the sector has achieved in just a few years.

We started with a visit to the Susan Chia College in Luanda. There are students of all ages from very young people taking literacy classes to older children and adults taking classes in sewing, cooking, computers and languages. The classes were full of enthusiastic students hungry to learn. They all expressed such gratitude for this school and such joy in the act of learning. My heart melted when I saw them take so seriously what we take for granted in our own country.

## Angola/Mozambique (continued)

### Sister Andrea reports on a visit to Angola earlier this year (continued)

During the time spent with the Community they told us stories about their experiences during the many years of war in their country. Many of the Sisters had themselves suffered greatly at that time. We came to realise, we were among a group of heroic women who have been through much pain and horror.

Next day we set off for the north. We broke the long journey at our little Community in Samba Caju where the sisters live in a tiny house which has suffered greatly in the war. The Sisters shared a meal with us and showed us their ministries. They look after some very distressed children, mostly girls. They also run a little clinic where they treat local people for a variety of health issues, as well as being a strength and support to many women who have been through the trauma of war.

Finally, we arrived at Camabatela and were welcomed by dear Sister Veronica whom we knew from her stay in Our Community in Britain. We awoke the next morning to the sound of hundreds of children making their way to the school of St Francis where Sister Veronica teaches and which we run in partnership with the Capuchin Friars.

Before visiting the school, we looked around our maternity clinic which is staffed by the Sisters. Many women also call in here for treatment and medication on their way to work in the fields. The equipment and medication are limited, but the sisters do a wonderful job providing for the maternity needs of women and babies in the area.

One of the main reasons for our visit was to see the newly opened St John Eudes Secondary School in Kikolo. One young man told us in very good English that the school had saved his life. He said he had been drifting for four years, with no education until he found this School. When Sr Rita asked him what he would do with his education he said he would spend his whole life going around encouraging others to get an education. "I just want people to get what I have now" he said. This statement moved us all and when we saw on a large poster, on the outside wall of the school, the sign saying that this school was built in partnership with our own Province of Great Britain we were very moved and touched by the gratitude expressed".

# DRC Congo



## Partnership with Good Shepherd Sisters

The former Sharing Fair Cooperative in Newcastle, UK, which sold goods produced by women's centres run by our Sisters in developing countries, made a decision in 2019 to cease trading. They had surplus funds of £30,000 which had originally been donated to their project in 2012 by our Trustees. Rather than return this money to us, they asked that we direct it to a needy mission of the Congregation.

The funds were sent to our Sisters project in DRC (Democratic Republic of Congo.) This is a mission we have been supporting for a number of years.

## Slaves of the digital mines

DRC's incredible mining industry is worth an outstanding \$24 billion. The raw materials that fuel our digital age, our PCs and smartphones, are extracted from these mines: cobalt, copper, tantalum. But the living conditions of the people living in the largest copper and cobalt mining area in the country are among the worst in the world. Women, girls and children are forced to live and work in the co-called "artisanal" mines in unsafe and unhealthy conditions. They work for less than a dollar a day without any right to health care or education.

(source: [www.fondazionebuonpastore.org/congo/#programma](http://www.fondazionebuonpastore.org/congo/#programma) )

## Project Summary

As a fragile state that continues to rank at the near bottom of the UN human development indicators, DRC continues to face a variety of challenges including addressing and ensuring the protection, particularly of the country's most vulnerable: women, girls and children.

Good Shepherd Programme/Bon Pasteur Kolwezi, established in 2012 to work with these vulnerable groups initially in Domaine Marial, an isolated, impoverished and underserved mining area in the periphery of Kolwezi, has continued to draw unprecedented lessons that continue to inform an ever evolving integrated approach in mitigating the unspeakable human rights abuses in the ASM, now beyond the initial scope.

After closing the first phase of the Programme (2013-2017) with encouraging and well appreciated results; and after developing a new Strategic Plan/Theory of Change 2018-2022, the Programme has gone through a very engaging year of continued learning while responding to the challenging invitation to grow beyond one (Kanina) site.

Most of the Programme participants (beneficiaries) that include AL cooperative farmers, EEP girls and women, CPP children and the members of the targeted communities in general, reported to have found the activities they were involved in as being profitable and relevant.

# DRC Congo (continued)

## Project Summary (continued)

- 73% of supervised households rely totally on alternative income generating activities organized by the Programme. AL project has formed three more associations. Children enjoyed free education, healthcare and food.
- 142 integrated the formal education system. Summer camps were organized in the target ASM communities to safeguard children during the holiday.
- Girls have made progress in tailoring, catering, and literacy skills. Twelve girls found a job after training.
- 146 girls and 17 women successfully completed the academic year and were certified under the government skills training program.
- Community-based systems are in place to resolve conflicts and consolidate community cohesion.

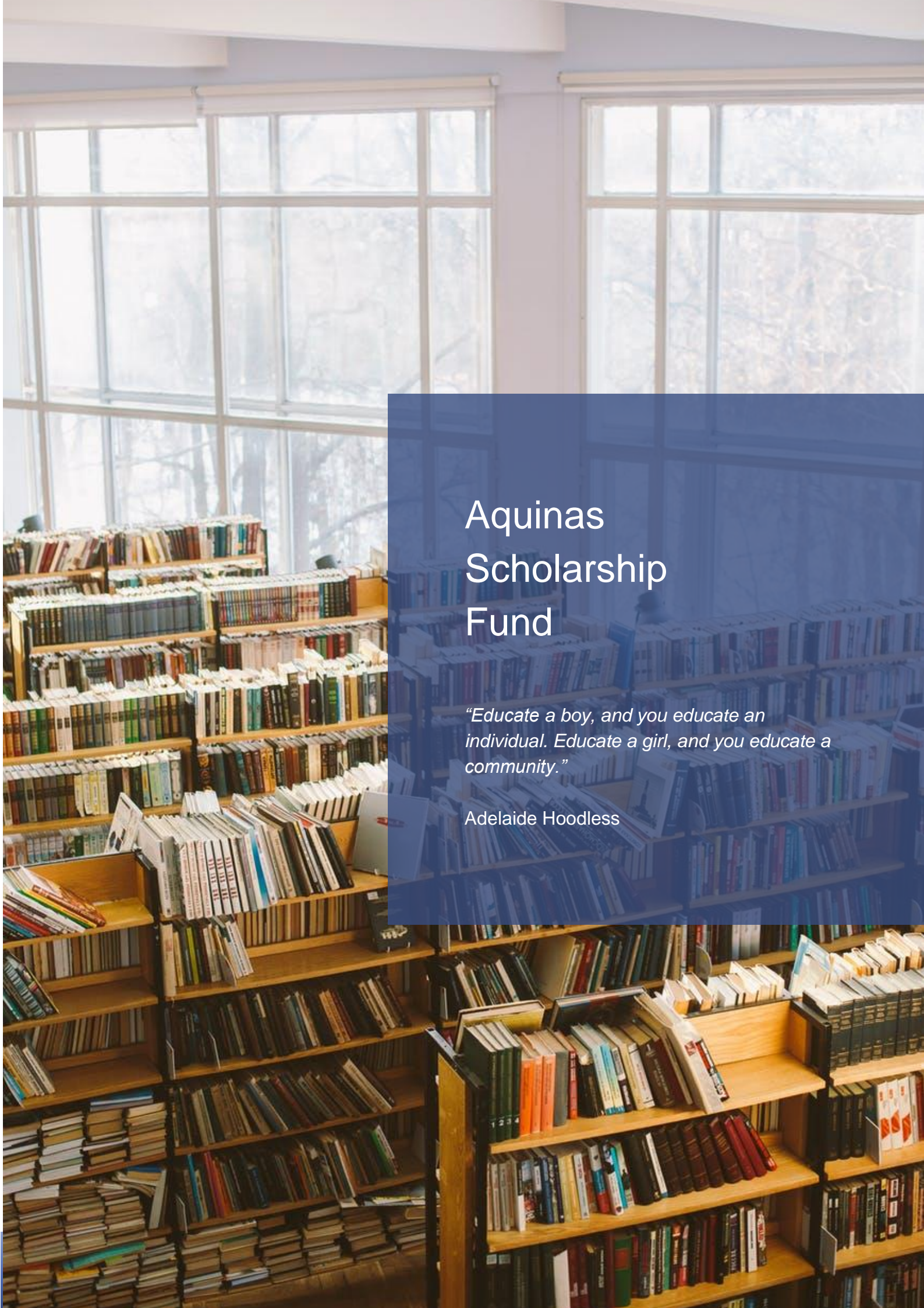
Peace groups and development committees have been organized in Kanina, Kabamba, Mukoma, Musonoie and Kapata.

The civic strengthening project and the civil society have followed up social development plans for government's implementation which yielded electrical equipment and road improvement in the communities of Kanina, Musonoie and Kapata.

A training session in the frame of the strategic plan 2018-2022 was organized to capacitate staff for better management of outcomes. Management meetings were held monthly for learning and exchange of experience.

Certified open sources and software for data collection and analysis have been incorporated in the BP M&E system. A strong community involvement in the rolling out of activities by projects continues to strengthen.

Parents of children are involved and participate in the building of the management and maintenance of basic facilities and equipment within their informal schools.

A photograph of a library interior. The room is filled with wooden bookshelves packed with books of various colors and sizes. Large windows in the background let in bright, natural light, creating a warm and inviting atmosphere. The text is overlaid on a semi-transparent blue rectangle in the center-right of the image.

# Aquinas Scholarship Fund

*“Educate a boy, and you educate an individual. Educate a girl, and you educate a community.”*

Adelaide Hoodless





## Aquinas Scholarships

We allocate £40,000 to this scholarship fund each year to support the education and professional development of our Sisters in poor countries. This prepares them to build capacity in their mission and to take leadership roles in local communities in their countries.

Currently, we have 10 students on the scholarship.

List of Sisters and their studies:

- Sr Rosaria Ngueleia – Law and Sociology at Polytechnic University in Angola
- Sr Isabel Jose Caxicula – Education at Polytechnic University in Angola
- Sr Jane Kajira Rwanda – Education degree at Catholic university of Eastern Africa
- Sr. Sara Beatriz Galindo Gonzales – San José Obrero Catholic School Center, El Salvador
- Sr. Maria Antonia Garcia Ortiz – The UCA University, El Salvador
- Sr. Blanca Estela Xar E. – Social Work, San Jose University, Costa Rica
- Sr. Mary Nirojini Croos – Social Work , Sri Lanka
- Sr. Mary Nijanthini Anton Selvaras – Social Science in Anugraha Institute in India
- Sr. Emilia Daniel Martins – Law in University in Mozambique – Nampula
- Sr. Jane Nway Nway Ei – Safeguarding of Minors in Gregorian University of Rome

### Sr Jane Nway Nway Ei

Safeguarding of minors is a priority for our Congregation worldwide and the Sisters are encouraged to engage in professional training so that safeguarding underpins the work being undertaken with vulnerable children. This is particularly important in developing countries where many kinds of exploitation of children go unnoticed and children and families are unaware of their human rights. Jane will be one of the first people in her country of Myanmar to embark on creating safeguarding policies and procedures and providing safeguarding training for others.

On the completion of her programme of studies Jane sent this message.

“I am thankful to accomplish my study on Licentiate in Safeguarding of Minors at the Gregorian University of Rome. My study included academic research, internship and practical teaching experiences. Having done the foundation courses in the first year, internship is part of Licentiate program that gives an opportunity to put into practice a wide range of competences already acquired in studies in the field of Safeguarding. I did my internship in Limerick Safeguarding Diocesan Office, Ireland, for twenty weeks, where I learned under guidance on case management, providing safeguarding training in parishes and took part in safeguarding conferences in Limerick.



Sr. Jane Nway Nway Ei

## Aquinas Scholarships (continued)

Back to the university in February 2020, continuous learning was my main goal in completing the two years programme. Safeguarding works in the context of social interaction, human relation, attitudes, professions and assumption. The practice we do must contribute to a better future. Safeguarding is a new evangelization. It requires teamwork, to build good governance, mutual learning and supporting each other.

In completing the two years course, I would like to express my heartfelt thanks and gratitude to Good Shepherd Sisters of Great Britain. Thank you!”

Sr. Jane Nway Nway Ei

### Sr Nijanthinay

“I thank my God each time I think of you and when I pray for you, I pray with joy.”

I am Sr. Nijanthiny Anton Selvarasa, reading for a BA Degree in Social Work at Anugraha College, affiliated to Madurai Kamaraj University, India.

I am sincerely grateful to the sponsors of Great Britain who are generously supporting me, through my Province Leadership Team.

The duration of my course is from June 2018 to June 2021.

**My Goal of the study:** As I am a Good Shepherd sister, I am called to work for the marginalized, poor, orphans, trafficked, abandoned, addicted, etc. especially women and children. Thus, I believe this study will help me much to work for these people in better way.

**About my study:** I am happy in this field of study, as I am learning much about social work. Many things are new to me and some of them I have already learnt. I will put in more effort in study and I will improve myself more. I will use all that I learn now in my mission in the future.”

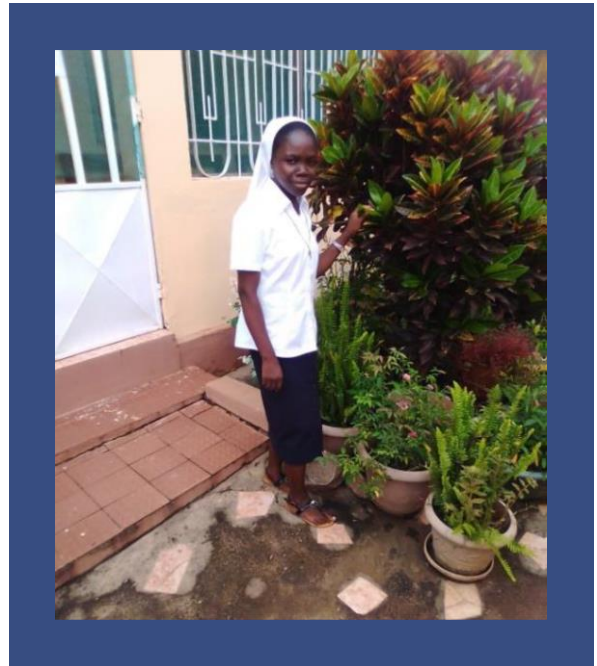
Yours lovingly, Sr. Nijanthiny

## Aquinas Scholarships (continued)

### Sr Emilia is studying law in Mozambique

“The university is good, and the teachers are also good, but the education system is very demanding and requires a great adaptation from me since I spent many years without academic classes. But, although the system seems very demanding, I am working hard and I am adapting in this same dynamic. I think that in the coming years I will not have as much difficulty as now.”

Sr Emilia Daniel Martins





## Donations

*"You have not lived today until you have done something for someone who can never repay you."*

John Bunyan

## Donation to Indonesia

We have a history of partnership with the Province of Indonesia since two young Sisters spent some years in our province community. We have been providing ongoing support to the Good Shepherd Mission in Flores, Indonesia, by donating £4,000 each year. In August 2019, our donation was used to fund their Economic Justice Project and enable them to buy large volumes of raw coffee bean supplies.



*Raw coffee beans being delivered by Coffee Farmers*

Sister Natalia writes:

“Dear Sisters, Thank you again for supporting Good Shepherd Mission in Flores/Indonesia.

We have just finished coffee harvest. The last donation we got in August 2019 to support the coffee project was used for buying the raw coffee from farmers whom we guided to process a good quality of coffee. They are happy because we guided them and bought their coffee with a good price in order they get benefit from Good Shepherd coffee project. In our compound we continue to process the coffee for drying & roasting until it’s ready to serve. Once more thank you for supporting us in order that we have capital of raw coffee for continuing the coffee project in the future. I hope you will have the opportunity to visit our project. Once again, we thank you for your generosity.

May God grant you His abundant blessings, graces, strength and good health as you continue doing His mission.

With love, prayers and gratitude, Natalia”



*Some of the staff who work every day in Coffee and Herbal Project of GS*

## Mission Development Fund

We have a small Mission Development Fund of up to £20,000 per year which allows us to support individuals who do not fit the criteria for Aquinas Scholarships. In the last year four Sisters, Sr Hortense from Madagascar, Sr Hanan from Lebanon, Sr Maria from Portugal and Sr Lolita from Syria joined our Communities in Birmingham and Manchester to improve their skills in English language.

# Donations

Donations given by the Charity year to 31 March 2020

General Donations	£41,844
Angola/Mozambique	£25,000
Aquinas Scholarship	£40,000
Anawim	£17,000
Good Shepherd Indonesia	£4,000
Christmas Donations & Gifts	£17,312
Congregation Administration Rome (used for medical care of Sisters in poor Provinces)	£35,000
International Fund - Support for two Sisters from Sri Lanka and one from Madagascar to live in the UK.	£ 2,516
<b>TOTAL</b>	<b>£182,672</b>

In addition to the above donations the charity gave £30,000 to Brushstrokes which was the first instalment of £150,000 committed to and accounted for in the year to 31 March 2019.

Provinces with more resources help those with less by contributing to the Central Fund.

Const. 141



## Property

The material resources of the congregation are at the service of our mission.

Const. 140



All properties are used to facilitate the mission and ministries of the UK Province.  
The following properties are owned by the Charity.

## Freehold Properties

### Waterlooville - Portsmouth

Coldhill Farm. Farmland & buildings – leased to tenant farmer  
Cottage Farm. Farmland and buildings leased to tenant farmer.  
149 Lovedean Lane. 2 bed detached house  
9 Laurel Court. 2 bed semi-detached house  
8 Laurel Court. 2 bed apartment

### Bitterne Southampton

Redcote Convent. 11 bed detached house  
Shalom. 6 bed detached house  
Shales Road. 8 bed detached house  
April Close. 2 bed detached house

### Ascot

Fairlight. 8 bed detached house

### London

Yeldham Road. 2 bed terraced house

### Birmingham

The Priory Convent. 12 bed detached house  
2 St Laurence Road. 3 bed semi-detached house  
4 St Laurence Road. 3 bed semi-detached house  
91 Salisbury Road. 6 bed semi-detached house

### Liverpool

18 Gypsy Lane. Cottage

### Manchester

Latrigg Crescent. 2 bed semi-detached house

### Bishopton, Scotland

2 bed semi-detached house

## Leasehold properties

### London

Burberry Court. 3 bed flat

Sparkford Garden. 2 bed flat

Kings Lodge. 4 x 1 bed apartments (Sheltered Accommodation)

### Birmingham

Middlepark Drive. 2 bed Flat

### Glasgow

Old Rutherglen road. 2 bed flat

Pollokshaw Road. 2 bed flat

### Edinburgh

Roseburn drive. 1 bed flat (sheltered accommodation)

Liberton Road - 1 bed flat (sheltered accommodation)

During the year to 31 March 2020, the following properties were sold:

2 bed flat, Liberton, Edinburgh

2 bed flat, Rochdale Road, Manchester

2 bed flat, Finchley, London

During the year to 31<sup>st</sup> March 2020, the following properties were purchased:

2 bed flat, Pollokshaws Road, Glasgow.

## Other Assets

The Charity owns cemeteries in Colinton, Edinburgh; Bishopton; Newcastle; Blackley, Manchester; Northfield, Birmingham; Troy, Monmouth; Bartestree, Herefordshire; Staplehurst, Kent; Redcote, Bitterne; St. Michael's, Waterlooville.

The Charity also owns land in Blackley, Manchester.

# Goals 2020-2021

- To continue to restructure the Province according to changing needs.
- To continue to network with our Sisters globally in order to develop the Mission for public benefit.
- To build on our partnerships: Anawim, Brushstrokes and Sophia House
- To continue to develop further International partnerships with Provinces in our Congregation
- Completion of a new building for supported living for our Sisters in Manchester which began in July 2019, along with preparations for the sale of the current convent building.

Approved for and on behalf of the Trustees:

Anne Josephine Carr

Trustee

Date of approval: 21 January 2021

***“This is what we are about.  
We plant the seeds that one day will grow.  
We water seeds already planted, knowing that they hold future  
promise.”***

**Oscar Romero**

# Independent auditor's report

## Independent auditor's report to the Trustees of The English Province of the Congregation of Our Lady of Charity of the Good Shepherd CIO

### Opinion

We have audited the accounts of The English Province of the Congregation of Our Lady of Charity of the Good Shepherd CIO (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 March 2020 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

### Basis for opinion

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

### Conclusions relating to going concern

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 accounts is not appropriate; or
- ◆ the Trustees have not disclosed in the accounts 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 accounts are authorised for issue.

### Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- ◆ the information given in the Trustees' report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

### Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

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

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](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 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

28 January 2021

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# Statement of financial activities: Year to 31 March 2020

Notes	Unrestricted funds £	Restricted funds £	Special trust fund £	2020 Total funds £	Unrestricted funds £	Restricted funds £	Special trust fund £	2019 Total funds £
<b>Income from:</b>								
Donations and legacies								
. Net assets donated from The Fairlight Charitable Company								
27	—	—	—	—	20,835,766	387,111	55,000	21,277,877
1	546,600	—	—	546,600	522,878	4,000	—	526,878
Investments and interest receivable								
2	1,284,527	121,723	—	1,406,250	1,453,262	101,109	—	1,554,371
Charitable activities								
. Fees and charges for care services								
	255,679	—	—	255,679	268,802	—	—	268,802
Other sources								
. Surplus on disposal of tangible fixed assets								
3	255,942	—	—	255,942	177,362	—	—	177,362
. Miscellaneous sources								
	23,811	—	—	23,811	58,920	—	—	58,920
<b>Total income</b>								
	<b>2,366,559</b>	<b>121,723</b>	<b>—</b>	<b>2,488,282</b>	<b>23,316,990</b>	<b>492,220</b>	<b>55,000</b>	<b>23,864,210</b>
<b>Expenditure on:</b>								
Raising funds								
. Investment management fees								
	38,024	214	—	38,238	49,170	460	—	49,630
Charitable activities								
. Provision of care services								
4	61,603	455,094	—	516,697	56,031	423,920	—	479,951
. Support of members of the Congregation and their Ministry								
5	1,167,051	447,994	—	1,615,045	1,288,861	474,720	—	1,763,581
. Donations and support of missions								
6	182,672	—	—	182,672	389,166	4,000	—	393,166
<b>Total expenditure</b>								
	<b>1,449,350</b>	<b>903,302</b>	<b>—</b>	<b>2,352,652</b>	<b>1,783,228</b>	<b>903,100</b>	<b>—</b>	<b>2,686,328</b>
<b>Net income (expenditure) before net investment (losses) gains</b>								
8	<b>917,209</b>	<b>(781,579)</b>		<b>135,630</b>	21,533,762	(410,880)	55,000	21,177,882
<b>Net investment (losses) gains</b>								
. Investment property								
	(14,320)	—	—	(14,320)	—	—	—	—
. Listed investments								
13	(2,676,248)	(391,614)	—	(3,067,862)	2,157,468	149,936	—	2,307,404
<b>Net (expenditure) income and net movement in funds</b>								
	<b>(1,773,359)</b>	<b>(1,173,193)</b>	<b>—</b>	<b>(2,946,552)</b>	23,691,230	(260,944)	55,000	23,485,286
Fund balances at 31 March 2019								
	54,537,439	3,391,367	55,000	57,983,806	30,846,209	3,652,311	—	34,498,520
<b>Fund balances at 31 March 2020</b>								
	<b>52,764,080</b>	<b>2,218,174</b>	<b>55,000</b>	<b>55,037,254</b>	<b>54,537,439</b>	<b>3,391,367</b>	<b>55,000</b>	<b>57,983,806</b>

All recognised gains and losses are included in the above statement of financial activities.

# Balance sheet: 31 March 2020

	Notes	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>					
Tangible assets	12		<b>9,901,023</b>		9,387,314
Investments					
. Listed investments	13		<b>39,292,094</b>		42,552,766
. Investment property	13		<b>2,199,999</b>		2,689,999
Programme related investments	14		<b>250,000</b>		250,000
<b>Total fixed assets</b>			<b>51,643,116</b>		54,879,477
<b>Current assets</b>					
Debtors	15	<b>35,841</b>		32,883	
Short term deposits		<b>1,409,306</b>		1,403,122	
Cash at bank and in hand		<b>2,474,354</b>		2,076,927	
<b>Total current assets</b>		<b>3,919,501</b>		3,512,932	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	16	<b>(435,363)</b>		(288,603)	
<b>Net current assets</b>			<b>3,484,138</b>		3,224,329
<b>Total assets less current liabilities</b>			<b>55,127,254</b>		58,103,806
<b>Creditors: amounts due after one year</b>	17		<b>(90,000)</b>		(120,000)
<b>Total net assets</b>			<b>55,037,254</b>		57,983,806
<b>The funds of the charity:</b>					
<b>Income funds</b>					
Restricted funds	18		<b>2,218,174</b>		3,391,367
Special trust fund	21		<b>55,000</b>		55,000
Unrestricted funds					
. Tangible fixed assets fund	19		<b>5,870,455</b>		6,166,328
. Designated funds	20		<b>35,020,490</b>		35,746,245
. General funds			<b>11,873,135</b>		12,624,866
			<b>55,037,254</b>		57,983,806

Approved by and signed  
on behalf of the Trustees by:

Anne Josephine Carr  
Trustee

Approved by the trustees on: 21 January 2021



# Statement of cash flows: Year to 31 March 2020

	Notes	2020 £	2019 £
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	<b>(1,415,577)</b>	(1,520,596)
<b>Cash flows from investing activities:</b>			
Investment income and interest received		<b>1,401,558</b>	1,551,261
Proceeds from the disposal of tangible fixed assets		<b>571,409</b>	361,034
Purchase of tangible fixed assets		<b>(835,986)</b>	(53,377)
Proceeds from the disposal of investments		<b>18,795,807</b>	4,630,549
Purchase of investments		<b>(18,469,705)</b>	(3,925,120)
<b>Net cash provided by investing activities</b>		<b>1,463,083</b>	2,564,347
<b>Cash donated from The Fairlight Charitable Company</b>		<b>—</b>	1,044,245
<b>Change in cash and cash equivalents in the year</b>		<b>47,506</b>	2,087,996
<b>Cash and cash equivalents at 31 March 2019</b>		<b>4,926,446</b>	2,838,450
<b>Cash and cash equivalents at 31 March 2020</b>	B	<b>4,973,952</b>	4,926,446

## Notes to the statement of cash flows for the year to 31 March 2020.

### A Reconciliation of net movement in funds to net cash used in operating activities

	2020 £	2019 £
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>(2,946,552)</b>	23,485,286
<b>Adjustments for:</b>		
Depreciation charge	<b>186,648</b>	182,872
Losses (gains) on investments	<b>3,067,862</b>	(2,307,404)
Investment income and interest receivable	<b>(1,406,250)</b>	(1,553,171)
Surplus on disposal of tangible fixed assets	<b>(255,942)</b>	(177,362)
Decrease (increase) decrease in debtors	<b>1,734</b>	24,751
(Decrease) increase in creditors	<b>(63,077)</b>	102,309
Net assets donated from The Fairlight Charitable Company	<b>—</b>	(21,277,877)
<b>Net cash used in operating activities</b>	<b>(1,415,577)</b>	(1,520,596)

**B Analysis of cash and cash equivalents**

	2020 £	2019 £
Cash at bank and in hand	<b>2,474,354</b>	2,076,927
Short term deposits (less than three months)	<b>1,409,306</b>	1,403,122
Cash held by investment managers	<b>1,090,292</b>	1,446,397
<b>Total cash and cash equivalents</b>	<b>4,973,952</b>	4,926,446

# Principal accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

## **Basis of preparation**

The accounts have been prepared for the year to 31 March 2020 and comparative information is provided in respect to the year to 31 March 2019.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

## **Critical accounting estimates and areas of judgement**

Preparation of the accounts requires the Trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ assessing the probability of the receipt of legacy income;
- ◆ estimating accrued expenditure;
- ◆ estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge;
- ◆ assessing the recoverability of outstanding debtors for residential and care home fees;
- ◆ determining the value of designated funds needed at the year end, in particular in respect to the assumptions made in determining the value of the retirement fund; and
- ◆ the estimation of future income and expenditure flows for the purpose of assessing going concern.

### **Assessment of going concern**

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The Trustees acknowledge the existence of Covid-19, and the fact that it is outside of the control of the charity and that it has had a wide ranging impact on society generally. The Covid-19 pandemic has changed the shape and nature of the world. It has impacted not only the basic nature of social interactions but has also had a significant economic impact at every level in ways which have been outside of the charity's control.

Covid-19 has limited the charity's work since March 2020 including interactions and operations since lockdown began. The charity is addressing these challenges by using alternative forms of communication – in particular Zoom conferencing, emails and telephone to continue to reach out and minister with limitations.

The Trustees do not consider that there will be any material impact on income or expenditure and, therefore, on the charity's financial position. The charity's income will no doubt be affected because of the falls in the values of listed investments as stock markets have reacted to the pandemic and the subsequent affect that will have on investment income. It is also possible that the income from the Care Home may be affected if it proves difficult to fill empty beds. In terms of expenditure, the impact will be small. Travel and related costs will fall as a result of lockdown. Grants, donations and support of missionary work and ministry will continue albeit the timing of some expenditure may be delayed as projects are deferred due to enforced "lockdowns". Throughout the pandemic, the Trustees will continue to keep both income and expenditure under review.

Whilst there will undoubtedly be challenges ahead, the Trustees do not expect concerns to arise over the charity's financial position.

Therefore, the Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 March 2021, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

### **Income recognition**

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

**Income recognition** (continued)

Income comprises donations and legacies, investment income and interest receivable, income from fees and charges for care services and other income including the surplus on the disposal of tangible fixed assets.

The donation from The Fairlight Charitable Trust reflects the net book value of the net assets of that charity at the date of the merger with The English Province of the Congregation of Our Lady of Charity of the Good Shepherd CIO i.e. 1 April 2018. Full details of the assets donated to the CIO and their values on the date of the merger are provided in note 27 to these accounts.

Donations, including salaries and pensions of individual religious sisters received under Gift Aid or deed of covenant, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

**Income recognition** (continued)

Income derived from the levying of fees and charges for care services is measured at the fair value of the consideration received or receivable, excluding discounts and rebates.

The surplus on disposal of tangible fixed assets is defined as the difference between the gross proceeds received and the net book value of the asset immediately prior to disposal after deducting any costs directly associated with the disposal.

Other income is measured at fair value and accounted for on an accruals basis.

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

Expenditure on raising funds includes expenditure associated with raising funds for the charity. This comprises those investment management fees charged directly to the charity. Fees in respect to those investments which comprise pooled investment vehicles, including common investment funds, are inherent within the relevant investment holding.

- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include direct and indirect expenditure on the provision of care services at the charity's care home in Blackley, Manchester, direct and support costs in respect to the support of members of the Congregation and enabling their ministry (including governance costs) and the provision of charitable grants and donations.

Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

All expenditure is stated inclusive of irrecoverable VAT.

**Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment. Such costs are identifiable in respect to each charitable activity and hence they are allocated to the appropriate heading directly. There has been no apportionment between headings in the statement of financial activities.

**Allocation of support and governance costs** (continued)

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Governance costs are allocated in full to support of members of the Congregation and their ministry.

**Tangible fixed assets**

## ◆ Land and buildings

*Non-specialised buildings*

Non-specialised buildings (freehold and long leasehold) are defined as those designed as, and used wholly or mainly for, private residential use. Those owned as at 1 April 2016 are included in these accounts at their net book value as at that date, being the date on which they were transferred to the charity. This net book value equates to their cost or deemed cost (as defined by FRS 102) as at that date. Additions since 1 April 2016 are included at cost. No depreciation is charged on such buildings. Their value and condition are reviewed annually by the trustees who are satisfied that their residual value is not materially less than their book value.

*Specialised buildings*

Specialised buildings comprise the charity's care homes, health care establishments and large residential convents. Those owned at 1 April 2016 are included in these accounts at their net book value as at that date, being the date on which they were transferred to the charity. This net book value equates to their cost or deemed cost (as defined by FRS 102) minus accumulated depreciation as at that date. Additions since 1 April 2016 are included at cost. Depreciation is provided at 2% per annum on a straight line basis in order to write off the buildings over their estimated useful life to the charity.

## ◆ Furniture, equipment and motor vehicles

Expenditure on the purchase and replacement of furniture and equipment and motor vehicles costing more than £2,000 is capitalised and depreciated over a five year period on a straight-line basis.

**Fixed asset listed investments**

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

**Fixed asset listed investments** (continued)

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value 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 at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

**Fixed asset property investments**

The valuation of investment properties (not occupied by the charity), which are rented out, is based on current open market valuation. These properties are not depreciated.

**Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

**Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

**Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

**Pension contributions**

The charity offers its employees membership of a defined contribution pension scheme administered by NOW Pensions Trustees Limited. Contributions to the scheme are debited to the statement of financial activities in the year in which they are payable to the scheme. The assets of the scheme are held by an independent corporate trustee, whose activities are governed by the National Employment Savings Trust Order 2010, made by the Secretary of State in exercise of powers conferred under the Pension Act 2008.

**Fund structure**

The income funds of the charity are, in the main, unrestricted and therefore are available for use in furtherance of the charity's objectives at the discretion of the Trustees. Within the total unrestricted funds of the charity the Trustees have identified those unrestricted funds representing the net book value of tangible fixed assets other than those applied for care services (see note 17) and amounts designated for specific purposes (see note 18).



**Fund structure** (continued)

Details of funds raised for a specific purpose, or subject to donor imposed conditions, and therefore restricted, are given in note 16.

The special trust fund comprises property assets which are held on trust by the charity (see note 21).

**Services provided by members of the Congregation**

For the purposes of these accounts, no monetary value has been placed on administrative and other services provided by the members of the Congregation.

# Notes to the accounts

## 1 Income from: Other donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Salaries and pensions of individual religious received under gift aid compliant deed of covenant	515,047	—	515,047	513,589	—	513,589
Legacies and other donations	31,553	—	31,553	9,289	4,000	13,289
	<b>546,600</b>	<b>—</b>	<b>546,600</b>	<b>522,878</b>	<b>4,000</b>	<b>526,878</b>

## 2 Income from: Investments and interest receivable

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
<b>Investment income from:</b>						
Equities	366,522	583	367,105	511,772	—	511,772
Government stock	2,182	20	2,202	1,078	—	1,078
Common investment funds or Charity Authorised Investment Funds	787,029	117,616	904,645	741,409	101,109	842,518
Fixed interest	59,972	3,376	63,348	114,236	—	114,236
Interest on cash held by investment managers	13,792	128	13,920	13,110	—	13,110
	<b>1,229,497</b>	<b>121,723</b>	<b>1,351,220</b>	<b>1,381,605</b>	<b>101,109</b>	<b>1,482,714</b>
Bank interest	17,980	—	17,980	19,839	—	19,839
Rental income	37,050	—	37,050	51,818	—	51,818
	<b>1,284,527</b>	<b>121,723</b>	<b>1,406,250</b>	<b>1,453,262</b>	<b>101,109</b>	<b>1,554,371</b>

## 3 Income from: Surplus on disposal of tangible fixed assets

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Surplus on disposal of:						
. Leasehold property	247,492	—	247,492	173,462	—	173,462
. Motor vehicles	8,450	—	8,450	3,900	—	3,900
	<b>255,942</b>	<b>—</b>	<b>255,942</b>	<b>177,362</b>	<b>—</b>	<b>177,362</b>

**4 Expenditure on: Provision of care services**

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Staff costs	—	339,695	339,695	—	311,001	311,001
Premises	61,603	34,700	96,303	56,031	35,018	91,049
Supplies and services	—	67,959	67,959	—	66,537	66,537
Management and administration expenses	—	12,740	12,740	—	11,364	11,364
	<b>61,603</b>	<b>455,094</b>	<b>516,697</b>	<b>56,031</b>	<b>423,920</b>	<b>479,951</b>

**5 Expenditure on: Support of members of the Congregation and their Ministry**

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Staff costs	439,484	166,833	606,317	466,153	170,833	636,986
Premises	283,218	116,882	400,100	313,375	118,061	431,436
Sisters' living and ministry expenses	307,308	160,274	467,582	409,938	172,657	582,595
Education, training and spiritual renewal	9,083	4,005	13,088	20,025	4,682	24,707
Governance costs (note 7)	127,958	—	127,958	79,370	8,487	87,857
	<b>1,167,051</b>	<b>447,994</b>	<b>1,615,045</b>	<b>1,288,861</b>	<b>474,720</b>	<b>1,763,581</b>

**6 Expenditure on: Donations and support of missions**

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Donations to Generalate of the Congregation	35,000	—	35,000	40,000	—	40,000
Donations to Congregational projects in Angola, Myanmar and Sri Lanka	25,000	—	25,000	110,000	—	110,000
Other Congregational donations						
Aquinas Scholarships	40,000	—	40,000	35,701	—	35,701
Donations to Brushstrokes	—	—	—	150,000	—	150,000
Donation to Anawim	17,000	—	17,000	—	—	—
Donations to other institutions	65,672	—	65,672	53,465	4,000	57,465
	<b>182,672</b>	<b>—</b>	<b>182,672</b>	<b>389,166</b>	<b>4,000</b>	<b>393,166</b>

## 7 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Professional fees in connection with the donation of net assets from The Fairlight Charitable Trust (note 27)	—	—	—	28,412	—	28,412
Other professional fees	88,951	—	88,951	26,122	4,295	30,417
Meeting costs	39,007	—	39,007	24,836	4,192	29,028
	<b>127,958</b>	<b>—</b>	<b>127,958</b>	<b>79,370</b>	<b>8,487</b>	<b>87,857</b>

## 8 Net income (expenditure) before net investment (losses) gains

This is stated after charging (crediting):

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Staff costs (note 9)	439,484	506,528	946,012	466,102	481,885	947,987
Depreciation	186,648	—	186,648	182,872	—	182,872
Surplus on disposal of tangible fixed assets (note 3)	255,942	—	255,942	177,362	—	177,362
Auditor's remuneration (including VAT)						
. Statutory audit						
- Current year	29,280	—	29,280	28,560	—	28,560
- Prior year	5,121	—	5,121	(240)	—	(240)
. Other services - advisory	34,112	—	34,112	10,752	—	10,752

## 9 Staff costs and remuneration of key management

	2020 £	2019 £
Staff costs during the year were as follows:		
Wages and salaries	854,953	867,618
Social security costs	52,346	51,443
Pension contributions	38,713	28,926
	<b>946,012</b>	<b>947,987</b>
Staff costs per function were as follows:		
Charitable activities		
. Provision of care services	339,695	311,001
. Support of members of the Congregation and their Ministry	606,317	636,986
	<b>946,012</b>	<b>947,987</b>

No employee earned £60,000 per annum or more (including taxable benefits) during the year (2019 - no employee).

**9 Staff costs and remuneration of key management** (continued)

The average number of employees during the year, calculated on an average headcount basis and analysed by function, was as follows:

	<b>2020</b> <b>Average</b>	2019 Average
Charitable activities		
. Provision of care services	<b>21</b>	33
. Support of members of the Congregation and their Ministry	<b>50</b>	44
	<b>71</b>	77

The Trustees consider that they together with the Finance Administrator, the Care Home Manager of St Euphrasia's Care Home, the Care Home Manager at Redcote Care Home and the Blackley Convent Manager comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

The total remuneration (including taxable benefits, employers' national insurance and pension contributions) of the key management personnel for the year was £123,239 (2019 - £114,931).

**10 Trustees' expenses and remuneration and transactions with trustees**

As members of the Congregation, the Trustees' living and personal expenses during the year were borne by the charity but they received no remuneration or reimbursement of expenses in connection with their duties as Trustees or members of key management during the year.

As members of the Congregation, none of the Trustees have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the Trustees to the charity was £45,456 (2019 - £54,105).

**11 Taxation**

The English Province of the Congregation of our Lady of Charity of the Good Shepherd CIO is a registered charity and, therefore, is not liable to taxation on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

## 12 Tangible fixed assets

	Land and buildings					Total £
	Freehold		Long leasehold	Furniture and equipment £	Motor vehicles £	
	Non- specialised £	Specialised £	Non- specialised £			
<b>Cost or valuation</b>						
At 1 April 2019	2,833,838	6,050,512	1,934,061	123,901	207,460	<b>11,149,772</b>
Additions	—	877,324	138,500	—	—	<b>1,015,824</b>
Disposals and elimination of fully written down items	(143,957)	—	(171,508)	—	(21,532)	<b>(336,997)</b>
At 31 March 2020	<u>2,689,881</u>	<u>6,927,836</u>	<u>1,901,053</u>	<u>123,901</u>	<u>185,928</u>	<b>11,828,599</b>
At cost	2,484,017	4,126,856	1,901,053	123,091	185,928	<b>8,821,755</b>
At deemed cost (based on 1995 valuation)	205,864	2,800,980	—	—	—	<b>3,006,844</b>
	<u>2,689,881</u>	<u>6,927,836</u>	<u>1,901,053</u>	<u>123,091</u>	<u>185,928</u>	<b>11,828,599</b>
<b>Depreciation</b>						
At 1 April 2019	140,063	1,375,778	31,462	75,995	139,160	<b>1,762,458</b>
Charge for the year	—	132,525	—	22,142	31,981	<b>186,648</b>
On disposals and eliminated of fully written down items	—	—	—	—	(21,530)	<b>(21,530)</b>
At 31 March 2020	<u>140,063</u>	<u>1,508,303</u>	<u>31,462</u>	<u>98,137</u>	<u>149,611</u>	<b>1,927,576</b>
<b>Net book values</b>						
At 31 March 2020	<u><b>2,549,818</b></u>	<u><b>5,419,533</b></u>	<u><b>1,869,591</b></u>	<u><b>25,764</b></u>	<u><b>36,317</b></u>	<u><b>9,901,023</b></u>
At 31 March 2019	<u>2,693,775</u>	<u>4,674,734</u>	<u>1,902,599</u>	<u>47,906</u>	<u>68,300</u>	<u>9,387,314</u>

Long leasehold land and buildings are held on leases substantially in excess of 50 years.

As permitted under Financial Reporting Standard FRS 102, the charity has adopted a policy of not revaluing its tangible fixed assets. Land and buildings owned at 1 April 2016 are included in the accounts at their net book value as at that date, being the date on which they were transferred to the charity. This is defined as original cost or deemed cost (as defined by FRS 102) minus accumulated depreciation where relevant. All other assets owned at 1 April 2016 are stated at their net book value as at that date, being the date on which they were transferred to the charity and equating to their original cost less depreciation. All assets acquired on or after 1 April 2016 are valued at cost less accumulated depreciation where relevant.

It is likely that there are material differences between the open market values of the charity's land and buildings and their book values. These arise from the specialised nature of some properties and the effects of inflation. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of the trustees, is not justified in terms of the benefit to the users of the accounts.

The historical cost of the land and buildings included above at a valuation cannot be ascertained with accuracy.

**12 Tangible fixed assets (continued)****Capital commitments**

At 31 March 2020, the charity had the following capital commitments in respect to additions to freehold land and buildings:

	2020 £	2019 £
Contracted but not provided for	1,100,000	—
Authorised but not contracted for	—	1,900,000

**13 Investments**

	2020 £	2019 £
<b>Listed investments</b>		
Market value at 1 April 2019	41,105,766	26,914,004
Donation from The Fairlight Charitable Company (note 27)	—	13,798,386
Additions at cost	18,469,705	3,925,120
Disposals (proceeds: £18,305,807; gains: £514,992)	(17,790,815)	(4,529,162)
Net unrealised investment (losses) gains	(3,582,854)	997,418
Market value at 31 March 2020	<b>38,201,802</b>	41,105,766
<b>Cash held by investment managers for re-investment</b>	<b>1,090,292</b>	1,446,397
	<b>39,292,094</b>	42,552,163
Cost of listed investments	<b>38,375,800</b>	35,530,223
<b>Investment properties</b>		
At 1 April 2019	2,689,999	—
Donation from The Fairlight Charitable Company (note 27)	—	1,731,401
Transferred to programme related investments (note 14)	—	(250,000)
Disposals	(490,000)	—
Revaluation	—	1,208,598
<b>At 31 March 2020</b>	<b>2,199,999</b>	2,689,999

The listed investments at 31 March 2020 comprised the following:

	2020 £	2019 £
UK Equities	4,449,533	7,983,901
UK Fixed Interest	1,325,285	1,764,588
Overseas Equities	4,054,322	4,150,512
Overseas fixed interest fund	185,302	601,913
UK Common Investment Funds or Charity Authorised Investment Funds	28,187,360	26,604,853
	<b>38,201,802</b>	41,105,767

**13 Investments (continued)**

All listed investments held directly or through funds were dealt in on a recognised stock exchange.

The following holdings comprised material holdings when compared to the value of the total listed investment portfolio at 31 March 2020:

	Value of holding £	Percentage of the market value %
Blackrock Catholic Charities Growth & Income A Inc	<b>8,224,261</b>	20.9%
Sarasin Endowments Fund Class A Inc	<b>19,088,741</b>	48.6%

In December 2019, BlackRock ceased to operate the Charifaith Income Common Investment Fund (the CIF) having obtained permission from both the Charity Commission and the FSA to convert it to a Charity Authorised Investment Fund (CAIF). As such in December, the distribution units were transferred from the Charifaith CIF to the BlackRock Catholic Charities Growth and Income Fund.

Since the year end the Charity has experienced volatility in the value of its investment portfolio as investment markets have reacted to the Covid 19 pandemic. At 31 December 2020, the charity's investments had a market value of £45,920,687 representing an increase of 20% in value since the year end.

The investment properties were revalued by the trustees at 31 March 2019 on an open market basis with the assistance of professionals with knowledge of the localities in which the properties are situated. The trustees do not consider that there has been any further material change in value.

**14 Programme related investments**

The charity leases one of its properties in Birmingham at a peppercorn rent to Jericho, an organisation that uses the property for purposes consistent with the charity's charitable objectives. The property, which was previously shown as an investment property, was reclassified as a programme related investment in 2019. The value at which the programme related investment is included in the accounts is equivalent to its net book value immediately prior to reclassification.

	2020 £	2019 £
At 1 April 2019	<b>250,000</b>	—
Reclassification (note 13)	—	250,000
At 31 March 2020	<b>250,000</b>	250,000



**15 Debtors**

	2020 £	2019 £
Investment income	20,503	15,811
Prepayments	8,318	9,840
Other debtors	7,020	7,232
	<b>35,841</b>	<b>32,883</b>

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

	2020 £	2019 £
Monies held on behalf of individual members of the Congregation	146,154	144,018
Expense creditors and accruals	69,949	106,421
Additions to tangible fixed assets	179,838	—
Care fees received in advance	8,422	8,064
Other creditors	1,000	100
Grants payable	30,000	30,000
	<b>435,363</b>	<b>288,603</b>

**17 Creditors: amounts falling due after one year**

	2020 £	2019 £
Grants payable	90,000	120,000

## 18 Restricted funds

The income funds of the charity include restricted funds comprising the following:

	At 1 April 2019 £	Donation from Fairlight Charitable Company (note 27) £	Other income £	Expenditure £	Investment losses £	At 31 March 2020 £
St Mary's Home fund	116,005	—	3,511	(60)	(7,866)	111,590
International funds	294,576	—	8,915	(154)	(19,975)	283,362
Finchley fund	2,980,786	—	109,297	(903,088)	(363,773)	1,823,222
	<b>3,391,367</b>	<b>—</b>	<b>121,723</b>	<b>(903,302)</b>	<b>(391,614)</b>	<b>2,218,174</b>

	At 1 April 2018 £	Donation from Fairlight Charitable Company (note 27) £	Other income £	Expenditure £	Investment gains £	At 31 March 2019 £
St Mary's Home fund	—	109,374	3,883	(130)	2,878	116,005
International funds	—	277,737	9,861	(330)	7,308	294,576
Mission and project work	—	—	4,000	(4,000)	—	—
Finchley fund	3,652,311	—	87,365	(898,640)	139,750	2,980,786
	<b>3,652,311</b>	<b>387,111</b>	<b>105,109</b>	<b>(903,100)</b>	<b>149,936</b>	<b>3,391,367</b>

### ***St Mary's Home Fund***

The assets of this fund are used exclusively for the support of the religious, educational and welfare work of the Order among girls and young women, preferably in Hampshire. The assets are not to be used for the general purposes of the Congregation and, therefore, the Trustees consider this fund to be restricted.

### ***International Funds***

The funds are restricted to work carried out by the Congregation overseas.

### ***Missionary and project work***

The mission and project work fund comprised donations and grants to be applied for the purposes of specific overseas and UK missions and projects.

### ***Finchley fund***

The Finchley fund represents sale proceeds from the disposal of a property held at Finchley, London, together with the proceeds from past part disposals of other property on the same site. Under the terms of the trust deed under which the property was held, any proceeds from the disposal of the property must be applied in England.

## 19 Tangible fixed assets fund

	2020 £	2019 £
At 1 April 2019	<b>6,130,587</b>	2,932,483
Donation from The Fairlight Charitable Company (note 27)	—	3,478,732
Net movement in year	<b>(260,142)</b>	(280,628)
At 31 March 2020	<b>5,870,455</b>	6,130,587

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets excluding those used for care services. A decision was made to separate this fund from the general fund and other designated funds of the charity in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

## 20 Designated funds

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

	At 1 April 2019 £	Donation from Fairlight Charitable Company (note 27) £	New designations £	Utilised/ released £	At 31 March 2020 £
Anawim support fund	183,984	—	—	(17,000)	166,984
Congregational giving fund	16,363,127	—	—	(788,572)	15,574,555
Care services – Blackley	2,001,541	—	108,017	—	2,109,558
Care services – Southampton	1,190,900	—	—	(28,200)	1,162,700
Retirement reserve	16,000,000	—	—	—	16,000,000
National Inquiry fund	6,693	—	—	—	6,693
	<b>35,746,245</b>	<b>—</b>	<b>108,017</b>	<b>(833,772)</b>	<b>35,020,490</b>

	At 1 April 2018 £	Donation from Fairlight Charitable Company (note 27) £	New designations £	Utilised/ released £	At 31 March 2019 £
Anawim support fund	—	183,984	—	—	183,984
Congregational giving fund	10,000,000	—	6,618,177	(255,050)	16,363,127
Care services – Blackley	2,044,900	—	—	(43,359)	2,001,541
Care services – Southampton	—	1,219,100	—	(28,200)	1,190,900
Retirement reserve	11,000,000	11,000,000	—	(6,000,000)	16,000,000
National Inquiry fund	206,693	—	—	(200,000)	6,693
	<b>23,251,593</b>	<b>12,403,084</b>	<b>6,618,177</b>	<b>(6,526,609)</b>	<b>35,746,245</b>

**20 Designated funds** (continued)

- ◆ **Anawim Support Fund**  
A fund has been designated to recognise the charity's commitment to provide support to Anawim – Women Working Together (Charity Registration Number: 1159706).
  
- ◆ **Congregational giving fund**  
The Congregational giving fund represents money set aside to generate income which will be applied towards the making of grants both to charities generally and also to the international Congregation.
  
- ◆ **Care services**  
These funds represent the net assets employed by each of the charity's care homes. Such assets are essential to the continued operation of the homes and, therefore, have been designated as separate funds.
  
- ◆ **Retirement reserve**  
This consists of monies which the Trustees have set aside in order to provide for the Sisters in their retirement. The amount of the fund has been calculated using actuarial principles, but having regard to the resources actually available.
  
- ◆ **National Inquiry Fund**  
This fund represents monies set aside to meet potential legal and related costs in respect to the ongoing national Inquiries into child sexual abuse in both England and Wales and in Scotland.

## 21 Special trust fund

	At 1 April 2019 £	Donation from Fairlight Charitable Company (note 27) £	Income £	Expenditure £	Investment gains £	At 31 March 2020 £
The Poncia Trust	55,000	—	—	—	—	55,000

	At 1 April 2018 £	Donation from Fairlight Charitable Company (note 27) £	Income £	Expenditure £	Investment gains £	At 31 March 2019 £
The Poncia Trust	—	55,000	—	—	—	55,000

### *The Poncia Trust*

The special trust fund represents the Poncia Trust for which the charity acts as trustee. The assets of the Poncia Trust comprise a property located at The Priory, 2 Maryland Drive, Birmingham B31 2AR and are held by the Trust as permanent endowment for the furtherance of the religious and other charitable work of the Congregation in the city or vicinity of Birmingham. In accordance with a vesting Direction dated 29 June 2018, the property is held by the charity.

## 22 Analysis of net assets between funds

	General funds £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Special trust fund £	Total funds £
<b>Fund balances at 31 March 2020 are represented by:</b>						
Tangible fixed assets	—	5,870,455	3,975,568	—	55,000	9,901,023
Investments	8,228,997	—	31,044,922	2,218,174	—	41,492,093
Programme related investments	250,000	—	—	—	—	250,000
Net current/liabilities assets	3,484,138	—	—	—	—	3,484,138
Long term creditors	(90,000)	—	—	—	—	(90,000)
<b>Total net assets</b>	<b>11,873,135</b>	<b>5,870,455</b>	<b>35,020,490</b>	<b>2,218,174</b>	<b>55,000</b>	<b>55,037,254</b>

	General funds £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Special trust fund £	Total funds £
Fund balances at 31 March 2019 are represented by:						
Tangible fixed assets	—	6,130,587	3,201,727	—	55,000	9,387,314
Investments	9,306,278	—	32,544,518	3,391,367	—	45,242,163
Programme related investments	250,000	—	—	—	—	250,000
Net current/liabilities assets	3,224,329	—	—	—	—	3,224,329
Long term creditors	(120,000)	—	—	—	—	(120,000)
<b>Total net assets</b>	<b>12,660,607</b>	<b>6,130,587</b>	<b>35,746,245</b>	<b>3,391,367</b>	<b>55,000</b>	<b>57,983,806</b>

**22 Analysis of net assets between funds (continued)**

The total unrealised gains as at 31 March 2020 constitutes movements on revaluation and are as follows:

	2020 £	2019 £
<b>Unrealised (losses) gains included above:</b>		
On investments	(173,998)	5,575,544
<b>Total unrealised gains at 31 March 2020</b>	<b>(173,998)</b>	<b>5,575,544</b>
<b>Reconciliation of movements in unrealised (losses) gains</b>		
Unrealised gains at 1 April 2019	5,575,544	4,765,728
In respect to disposals of listed investments in the year	(2,166,688)	(187,603)
Net losses arising on revaluation of listed investments arising in the year	(3,582,854)	997,419
<b>Total unrealised (losses) gains at 31 March 2020</b>	<b>(173,998)</b>	<b>5,575,544</b>

**23 Ultimate control**

The charity, which is constituted as a CIO, was controlled throughout the period by The English Province of the Congregation of Our Lady of Charity of the Good Shepherd CIO by virtue of the fact that the Provincial Leader of the Province appoints the trustees.

**24 Contingent liabilities**

A contingent liability arises in respect to claims that may arise as a result of allegations that have been made regarding the standard of care provided to children and young people in residential establishments operated by the Congregation in the past. There are currently two National Inquiries into historical child abuse in England and Wales and in Scotland. The Congregation and the charity are co-operating in any way that they can to support the work of the Inquiries. The historic nature of these allegations mean that the trustees have only limited facts available to them and at present they are unable to quantify any possible liability should one arise.

**25 Grant commitments**

At 31 March 2020 the Trustees had committed to make grants subject to certain conditions being met by the intended recipients. Grants committed to overseas provinces of the Congregation comprised £25,000 to Angola (to be paid in 2021) (2019: £50,000). The Trustees had also committed, for the foreseeable future, to part fund the salary costs of an employee at Anawim-Women Working Together amounting to £17,000 in the year to 31 March 2021 (2019: £17,000).

**26 Related party transactions**

Sister Rosemary Kean, Sister Matilda Sinead Collier and Sister Anne Josephine Carr are trustees of 'Anawim-Women Working Together'. A £1,000 (2019: £nil) donation was paid to Anawim in the year and part of a salary was financed at a total of £17,000 (2019: £17,000) and this commitment will continue into 2021 (see note 25). During the year nil (2019 - £4,125) was reimbursed by Anawim for the provision of support functions.

Other than the receipt of donations from the Trustees (see note 10), there were no related party transactions during the year which required disclosure (2019 - none).

## 27 Transfer of activities, assets and liabilities

In September 2015 two religious congregations fused together canonically - the English Province of the Congregation of Our Lady of Charity (OLC) and the English Province of the Congregation of Our Lady of Charity of the Good Shepherd.

Until 1 April 2018, the assets of OLC were administered through a charitable company, The Fairlight Charitable Company, (Charity Registration No. 1160865). In order to align the civil structure with the Canonical position, it was agreed that the two charities should join together and The Fairlight Charitable Company was merged into the Congregation of Our Lady of the Good Shepherd CIO. This merger took place with effect from 1 April 2018 with the activities, assets and liabilities of The Fairlight Charitable Company being transferred at midnight on 31 March 2018 to the Congregation of Our Lady of the Good Shepherd CIO by means of a legal transfer deed.

The net assets transferred comprised:

	1 April 2018 £
Tangible fixed assets (note 12)	
. Cost	5,171,637
. Depreciation	(418,805)
	<u>4,752,832</u>
Fixed asset investments (note 13)	
. Market value of listed investments	13,798,386
. Investment properties	1,731,401
. Cash held by investment managers	459,626
	<u>15,989,413</u>
Net current assets	<u>535,632</u>
<b>Total net assets</b>	<u><b>21,277,877</b></u>

The assets and liabilities were represented by the following funds:

	1 April 2018 £
Unrestricted funds	
. General fund	4,953,950
. Tangible fixed assets fund (note 19)	3,478,732
. Designated funds (note 20)	12,403,084
	<u>20,835,766</u>
Restricted funds	387,111
Special trust fund	55,000
	<u>21,277,877</u>