



# Community of St Mary the Virgin at Wantage

## Annual Report and Accounts

for the year ended 31 March 2018

Charity Registration Number 240513

Community of  
St Mary the Virgin

## Contents

Reference and administration details .....	3
Report of Trustees .....	5
Introduction .....	5
Prayer, worship and hospitality .....	5
CSMV network .....	6
St Mary's Convent re-imagined .....	7
Governance and operations .....	7
Risk management .....	9
Statement of trustees' responsibilities .....	10
Financial review .....	10
Reserves .....	11
Fundraising .....	12
Conclusion .....	12
Independent auditor's report 31 March 2018 .....	13
Accounts 31 March 2018 .....	16
Statement of financial activities Year to 31 March 2018 .....	16
Balance sheet 31 March 2018 .....	17
Statement of cash flows 31 March 2018 .....	18
Principal accounting policies 31 March 2018 .....	19
Notes to the accounts 31 March 2018 .....	25

Front cover photograph: Visiting the science area at St Hilda's Secondary School, Pune, India.

## Reference and administration details

<b>Trustees</b>	Mrs Sandra Capel Sister Stella Colkett (appointed 9 May 2017) The Venerable Olivia Graham (appointed 9 May 2017) Mr Alastair Hunter (Chair) The Revd Prof Teresa Morgan (appointed 9 May 2017) The Revd Toby Wright
<b>Principal address</b>	Community of St Mary the Virgin St Mary's Convent Denchworth Road Wantage Oxfordshire OX12 9AU
<b>Sister in Charge</b>	Sister Stella Colkett
<b>Telephone</b>	01235 763141
<b>Website</b>	csmv.co.uk
<b>Charity registration number</b>	240513
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Bankers</b>	National Westminster Bank plc 11 Market Place Abingdon Oxfordshire OX14 3HH
<b>Investment managers</b>	CCLA Investment Management Limited 85 Queen Victoria Street London EC4V 4ET  Investec Wealth & Investment Limited 100 Wood Street London EC2V 7AN
<b>Solicitors</b>	Winckworth Sherwood LLP 16 Beaumont Street Oxford OX1 2LZ





Members of the Osiligi Maasai Warrior Troupe during their visit to Wantage

## Report of Trustees

### Introduction

The trustees present their report together with the accounts of the Community of St Mary the Virgin at Wantage (CSMV or the charity) for the year to 31 March 2018.

Many activities highlighted in this report focus on the work undertaken by the trustees and Sisters as they begin to realise a new vision for CSMV.

In setting the charity's objectives and planning its activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

At St Mary's Convent in Wantage, the Sisters of the Community continued the daily cycle of worship and prayer, which has been unbroken for the last 170 years. Founded in 1848 by the Revd William John Butler, then vicar of Wantage, CSMV was one of the first Anglican religious communities to be established in England since the dissolution of the monasteries by Henry VIII.

But reaching out beyond the boundary of St Mary's Convent to support the local community, particularly in education, has always been at the heart of the Community's mission.

Strengthening CSMV's ties with educational and charitable partners has been a priority this year. Two multi-academy trusts have taken office space at the Convent. St Mary's Lodge, a large house on the site, was converted into six

affordable-rent, self-contained flats for recently qualified teachers. And most significantly, detailed plans to convert and develop part of the Victorian Convent building to incorporate a new welcoming reception area, office space and conference facilities have been approved by the local planning authority.

### Prayer, worship and hospitality

The life of prayer and worship of the Community continues in the Office, said and sung five times a day in the Chapel of St Mary Magdalene. The Eucharist is also celebrated six days a week.

Alongside this daily cycle, the Community offers facilities for quiet days, retreats and meetings serving over 1,000 people during the year to 31 March 2018. In addition to several parish groups and organisations, the CSMV Associates and Oblates have held individually-guided retreats, conducted retreats and quiet days during the year. The Oxford Diocesan Board of Education has continued to use the facilities for performance, resilience and support sessions for head teachers, including overnight stays. In October, St Mary's Convent hosted the Osiligi Maasai Warrior Troupe, for part of their charity and fundraising tour of the UK.

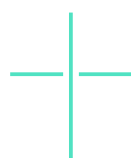
CSMV has also formed an alliance with the Community of the Resurrection (CR), Mirfield, Yorkshire. In addition to the mutual support the Communities are able to offer each other, a series of joint and shared retreats have been planned. The first took place in mid-April 2018 when Sister Elizabeth Jane (CSMV) and Brother Philip (CR) led a silent retreat, "Prayer in the Risen

Christ”.

Working with and alongside the local community is a vital element of CSMV’s mission and ministry. In 2017, CSMV made a first grant of £20,000 to local Oxfordshire charity BeSpace, to support its pioneering work. BeSpace facilitates quiet areas, often in schools, for children and adults to pray and reflect on who and why they are. Since its first prayer space event in 2010, the charity has overseen more than 270, almost 30 of them in the Wantage and Grove area. CSMV will continue to support BeSpace for the next two years.

CSMV is offering similar support to Discovering Prayer, a website set up by CSMV Oblate Michelle Eyre. It is aimed at both people who are new to praying and want to explore it, and seasoned “pray-ers” who want to try out new ways to pray. The charity has challenged itself to get 10,000 new people praying in the decade ending 2020.

In 2017, the Diocese of Oxford announced the development of the Community of St Frideswide, a new prayer and mission community principally for young adults, taking its name from the



**Community of St Frideswide**  
stfrideswidecommunity.org

patron saint of the City of Oxford. The Revd Kate Seagrave has been appointed to serve as mission priest to the new Community. Kate has made a number of visits to CSMV to speak to the Sisters about community life and to seek their support and prayers for the new venture. CSMV will also be supporting the Community of St Frideswide financially as it becomes established.

## CSMV network

The close ties and prayerful support of CSMV’s Oblates and Associates both in the UK and abroad has continued.

CSMV maintains close contacts with projects previously run by Sisters of the Community in India, Botswana and South Africa, as well as supporting a Malagasy community of Anglican Sisters. A special fund, known as Wantage Overseas, provides periodic financial support to these groups.

In November 2017, the chair of trustees, Alastair Hunter, accompanied Sister Stella, Sister in Charge, for a week long visit to the Society of St Mary the Virgin in India (SSMVI) in Pune, India. The main purpose of the journey was to strengthen the ties between the two organisations, but the visit also provided an opportunity to gain a better understanding of SSMVI’s financial position and its plans and ambitions for the institutions it runs.

Closer to home, the Oblate Fellowship of CSMV currently numbers 70 Oblates and 3 Novice Oblates who meet in five regional groups. This year the Fellowship focussed on improving communication between themselves and the communities in which they live, and on publicising the Oblate vocation. As part of that campaign the Oblate Fellowship have produced an attractive new leaflet designed to answer the question “What is an Oblate?”.

The Associates of CSMV number 171, with 37 living outside the UK. They meet regularly at Wantage and in two regional groups. The Associates have focused on raising the profile of the Convent within the local area. Many now join the Sisters from time to time for Eucharist followed by coffee and fellowship.

## St Mary’s Convent re-imagined



Artist's impressions of the planned new reception area at St Mary's Convent

The year was one of re-imagining the Convent and how it can serve the charitable objects of CSMV. Much has been done on the site to make it more accessible for education groups whose work the Sisters want to support.

The Community's working relationship with the Oxford Diocesan Schools Trust (ODST) was cemented in May 2017 when the Bishop of Oxford, the Rt Revd Steven Croft, made his first visit to the Community and blessed a new partnership between the two organisations. A covenant was signed which committed the two to co-operate in supporting education in the Diocese of Oxford. The covenant also offered ODST additional office, meeting and conference space at St Mary's Convent, bringing an empty wing of the building back into use.

Another highlight of the year was the conversion of St Mary's Lodge, a large late-19<sup>th</sup> century building, into six self-contained flats. These are being let at affordable rents to recently qualified teachers taking up posts in the area. The cost of accommodation in Oxfordshire is very high, which has hindered teacher recruitment for local schools. The Sisters wanted to offer a home to the next generation of teachers, attracting the brightest and best to serve the schools and communities of Wantage and the surrounding area.

In the autumn of 2017, CSMV welcomed the central staff of the Vale Academy Trust to a new office base in the studio building on the Convent site. The numbers of central staff of the multi-

academy trust had outgrown its original office space at the nearby King Alfred's Academy.

Plans for a major renewal of parts of St Mary's Convent were also commissioned and approved by the trustees during the year. The Victorian building will have a new glass-fronted entrance and reception area between two wings of the existing Convent buildings. ODST will occupy office space on one side of the new entrance, while new conference and meeting rooms will be created on the other. Planning permission has been granted by the Vale of the White Horse District Council and work on the project is scheduled to start in late 2018.

The Sisters will be expanding their invitation to those sensitive to the religious life to live, work and pray alongside the Sisters, a project known as Alongsiders. The experience of Alongsiders has been mutually creative. The Sisters want to offer the chance for more people to explore the religious life.

## Governance and operations

As reported last year, the trustees have reformulated the charitable objectives of CSMV and are in the process of transferring CSMV's assets and activities into a new Charitable Incorporated Organisation (CIO). The new charitable objectives, which have been approved by the Charity Commission, are as follows:

- To advance the Christian religion for the

benefit of the public, in particular through maintaining St Mary's Convent, Wantage and sustaining the religious community there, as well as the promotion of the religious life generally, in accordance with the doctrine of the Church of England and of those churches in communion with the Church of England; and

- For the benefit of the public, to promote and support education in institutions or through projects which have an Anglican character, or through joint and ecumenical enterprises which include an Anglican partner, in such ways as the trustees think fit; and
- To support projects which assist in the care and treatment of persons suffering from illness of any description or in need of rehabilitation, in particular for vulnerable women and girls and women suffering from mental illnesses, including through the provision by such projects of facilities for work and recreation and the promotion of health education.

We are currently waiting for the Charity Commission to register the new CIO. Pending that, the governing document of the charity remains a Deed Poll (Trust Deed) dated 30 September 1879. Under the terms of this trust deed, as amended, the assets of the Community are vested in a charitable trust, which is registered with the Charity Commission for England and Wales (registration number 240513).



Oblates catching up during their annual gathering at St Mary's Convent



Sister Stella speaking to Oblates in summer 2017

Under an Order of the Charity Commission dated 15 April 2011, the trustees of the charity are incorporated under the provisions of Part 12 of the Charities Act 2011 as "The Trustees of the Community of St Mary the Virgin at Wantage."

The trustees are responsible for the overall governance of the charity. They are permitted to serve for as long as they are able with the agreement of the other trustees. In the event of a vacancy, the remaining trustees appoint a new trustee. The trustees meet at least four times a year. The trustees confirm that they have complied with their duty under section 36 of the Charities Act 2011 to have regard to the Charity Commission's guidance on public benefit.

An induction programme and training opportunities for new trustees ensure that they are appropriately briefed on their responsibilities and on the activities and financial position of CSMV. When necessary, the trustees seek advice and support from CSMV's professional advisers, including property consultants, investment managers, solicitors and accountants. During the year under review, the trustees appointed Gina Hocking as Steward and Clerk to the Trustees. She is responsible for overseeing the staff and day-to-day operations at St Mary's Convent. The Steward reports to the Sister in Charge and the



chair of trustees.

The trustees consider that they, including the Sister in Charge, together with the Steward, comprise the key management of the charity. The Sister in Charge is a member of the Community and, since May 2017, a trustee. Whilst her living and personal expenses are borne by the charity, she receives no remuneration or reimbursement of expenses in connection with her duties as a member of key management.

The charity has a small team of finance and estates staff to run the Convent site in Wantage and administer the charity's finances. During the year under review, the staff who care for the less-able Sisters were transferred from a contractor to the direct employment of CSMV. A similar transfer has taken place since 31 March 2018 in respect of reception staff who welcome visitors and guests to the Convent. Catering and cleaning staff continue to be provided by an external contractor.

Senior staff report to the Steward and Sister in Charge. The Sister in Charge is also responsible for the day-to-day care of members of the Community and for their ministry. She advises the trustees of the views of the Sisters about the future direction of the charity and any other relevant matters. The trustees and Sisters are grateful for the hard work and care provided by everyone who works at the Convent.

## Risk management

The trustees undertake an annual review of the principal risks and uncertainties that the charity faces. They regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review. This ensures that action is taken to implement changes to those policies, systems and procedures, should they be needed, to minimise or manage any potential impact on the charity should those risks materialise. This work has identified a number of key risks for the charity which are described below together with the principal ways in which they are mitigated:

- Most of the Sisters are over state pension age. The trustees are aware that there is both a moral and legal obligation to care for the Community's older members. None



Sisters conducting one of the five daily Offices in the Chapel of St Mary Magdalene

of the Sisters have resources of their own as all earnings, pensions and other income are donated to the charity. As the age profile of the Sisters increases, so too does the need to provide care for them. Key elements of the management of this risk are: (a) ensuring that the charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which is based on actuarial principles; and (b) ensuring that processes are in place to regularly review the ministries and needs of individual Sisters, encouraging them when appropriate to take on less demanding ministries, and to identify those who need extra care and help.

- Operationally the charity works with vulnerable people. The trustees recognise the necessity of ensuring the protection and safety of all those that the charity serves, including the older Sisters. Where appropriate, staff and those who volunteer for the charity must obtain clearance from the Disclosure and Barring Service (DBS).
- The charity donates to other organisations whose objectives are consistent with its own. Whether or not the funds are used here in the UK or overseas, the trustees ensure that they are fully briefed about and familiar with the work of any potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that written reports

Bishop Steven Croft and Sister Stella watch as Kathy Winrow, Chair of ODST Trustees and Alastair Hunter, Chair of CSMV Trustees, sign a commitment to co-operate in supporting education in the Diocese of Oxford



of how the monies have been utilised and applied are obtained from the recipient.

- One of the charity's principal assets comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to policies agreed by the trustees. The trustees meet regularly with the investment managers and the managers' performance and that of the investment portfolios are monitored. The investment strategy is assessed annually to ensure it remains appropriate to the charity's needs both now and in the future.

### Statement of trustees' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in

Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);

- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that 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 relevant Charity (Accounts and Reports) Regulations and the provisions of the Deed Poll, as amended. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Financial review

The accounts for the year to 31 March 2018, which follow this report, have been prepared in accordance with the accounting policies



The tranquil grounds of St Mary's Convent

set out on pages 19 - 24 and comply with the charity's governing document, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

A summary of the financial results can be found on page 16. The charity incurred a deficit in the year, reflecting in part expenditure on updating CSMV's charitable objectives and legal structure and on preparing for the planned renewal of parts of the Convent. Once these projects have been brought to fruition over the next two years, the trustees expect to set a balanced budget.

The fall in investment income compared with the previous year reflects a change in the way that investment returns are recorded rather than any decline in investment performance. During the year, the investment portfolio previously managed by Barclays Wealth & Investment Management was transferred to CCLA Investment Management. Income earned on this portfolio is now reflected in changes in its market value rather than being reported as income.

During the year, the charity spent £1.4m on improving various buildings on its site in Wantage and preparing for the renewal of the Convent building, as discussed elsewhere in this report. This expenditure is reflected in the value of tangible fixed assets shown in the balance sheet on page 17.

The trustees are permitted to appoint investment managers and arrange for the charity's investments to be held by a corporate body as the trustees' nominee in accordance with Charity Commission Orders dated 12 May 1995 and 1 May 1996 under Section 105 Charities Act 2011. The trustees are also permitted to invest in overseas stock markets in accordance with a Charity Commission Order dated 24 June 2004 under Section 105 Charities Act 2011. The charity's investments are managed by CCLA Investment Management and Investec Asset Management. The investment managers operate within specific guidelines which are reviewed regularly by the trustees. These state that a reasonable balance between income and capital appreciation should be maintained. The trustees have stipulated that they do not wish to invest in companies that have significant interests in alcohol, tobacco, gambling, armaments, or projects that are environmentally unfriendly.

## Reserves

The balance sheet at 31 March 2018 shows total reserves of £31.2m (2017: £31.4m). Of these reserves, £9.5m is represented by tangible fixed assets, principally the Convent and related buildings in Wantage. A fund of this amount is shown separately to recognise the investment in these assets which are home to the Sisters and used to further CSMV's charitable objectives.

In addition, the trustees have set aside £3m as a designated reserve to ensure that the charity always has sufficient funds available to care for the Sisters in their retirement. The value of this fund is reviewed annually using actuarial

principles. Given the increasing average age of the Sisters, this sum will provide only modest resources to look after the Sisters as they are likely to need increasing support over time.

Restricted funds, comprising monies given specifically for overseas missionary and other particular work, totalled £159,075 (2017: £204,458) at the end of the year. Endowment funds, being funds which must be held indefinitely but where the income generated may be applied for CSMV's general charitable purpose, totalled £183,773 (2017: £177,313) at the end of the year.

The trustees have carefully considered the charity's need for free reserves, i.e. those funds not invested in tangible fixed assets or restricted for specific purposes. The charity relies to a large extent on returns from its investments to generate the income required to continue to run St Mary's Convent in Wantage, support the Sisters in their calling and more generally carry out CSMV's charitable objectives. Taking into account likely future expenditure needs, other sources of income and estimated long-term investment returns, the trustees consider that they need to maintain an investment portfolio worth approximately £15m (at current price levels) in order to generate sufficient income to sustain the charity, including caring for the Sisters in their retirement.

Accordingly, it is the policy of the trustees to hold unrestricted reserves represented by investments of approximately this amount. At 31 March 2018, such reserves amounted to £21.5m (as shown in note 18 to the accounts), comprising the designated Sisters' care fund of £3m and general unrestricted reserves held as investments of £18.5m. Over the next two years, however, the trustees plan to spend approximately £5m on the renewal of a significant part of St Mary's Convent (as referred to earlier in this report). This will reduce the charity's total unrestricted reserves held as investments closer to the £15m target.

## Fundraising

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the

tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells or swaps data. It ensures that supporters' and donors' communication preferences can be changed at any time. The charity does not employ the services of professional fundraisers. It undertakes to investigate and learn from any complaints regarding its fundraising activities. During the year to 31 March 2018, the charity received no complaints about such activities..

## Conclusion

In thinking about the future of CSMV, the trustees have focused on three questions as they continue to support the work of the Sisters and life of the Community:

- How do our founding objectives relate to the needs of today's world?
- What resources do we have and how can they best be deployed for maximum effect?
- What is the most effective governance structure for the charity?

One of the 2016-17 highlights for the Community was the development of updated charitable objectives. While retaining the essence of the original 19<sup>th</sup> century trust, the new framing allows CSMV to respond more effectively to today's world. In 2017-18, as reflected in this report, we have taken the first steps along the path towards using the resources of the charity to bring these revised objectives to life. We look forward to completing the updating of CSMV's governance in the near future when we transfer the assets and activities into the planned new Charitable Incorporated Organisation.

This report was approved by the trustees on 29 November 2018 and signed on their behalf by Alastair Hunter.

## Independent auditor's report 31 March 2018

### Report of the independent auditor to the trustees of the Community of St Mary the Virgin at Wantage

#### Opinion

We have audited the accounts of the Community of St Mary the Virgin at Wantage (the 'charity') for the year ended 31 March 2018 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 2018 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.

## Independent auditor's report 31 March 2018

### **Other information**

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

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

We have nothing to report in this regard.

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

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

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

### **Responsibilities of trustees**

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

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

## Independent auditor's report 31 March 2018

### **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

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 2018

Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds £	
<b>Income from:</b>						
Donations and legacies	1	81,480	9,940	—	91,420	97,676
Investment income and interest receivable	2	309,086	1,688	—	310,774	563,282
Charitable activities						
. Visitor income	3	45,213	—	—	45,213	50,049
Other sources						
. Surplus on disposal of tangible fixed assets		111,045	—	—	111,045	—
. Miscellaneous income		27,402	—	—	27,402	18,585
<b>Total income</b>		<b>574,226</b>	<b>11,628</b>	<b>—</b>	<b>585,854</b>	<b>729,592</b>
<b>Expenditure on:</b>						
Raising funds						
. Investment managers' fees	4	36,793	—	—	36,793	95,455
Charitable activities						
. Support of members of the Community and advancement of their ministry	5	1,279,407	2,921	—	1,282,328	1,286,742
. Support of former members of the Community	5	—	—	—	—	(30,606)
. Assisting others in the UK and overseas	5	57,450	54,090	—	111,540	74,908
Other:						
. Loss on disposal of tangible fixed assets		—	—	—	—	55,903
<b>Total expenditure</b>		<b>1,373,650</b>	<b>57,011</b>	<b>—</b>	<b>1,430,661</b>	<b>1,482,402</b>
<b>Net expenditure before investment gains</b>						
		(799,424)	(45,383)	—	(844,807)	(752,810)
Net gains on listed investments		505,722	—	6,460	512,182	2,615,594
Net gains on investment properties		60,000	—	—	60,000	—
<b>Net movement in funds</b>	7	<b>(233,702)</b>	<b>(45,383)</b>	<b>6,460</b>	<b>(272,625)</b>	<b>1,862,784</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward at 1 April 2017		31,041,468	204,458	177,313	31,423,239	29,560,455
Total funds carried forward at 31 March 2018		30,807,766	159,075	183,773	31,150,614	31,423,239

All of the charity's activities derived from continuing operations during the above two financial periods.

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

Miscellaneous income in 2017 and the loss on disposal of tangible fixed assets in that year related to unrestricted funds only.



## Balance sheet 31 March 2018

	Notes	2018 £	2018 £	2017 £	2017 £
<b>Fixed assets</b>					
Tangible assets	10		<b>9,463,636</b>		7,394,236
Investments	11		<b>21,684,697</b>		22,512,990
			<b>31,148,333</b>		29,907,226
<b>Current assets</b>					
Debtors	12	<b>112,481</b>		84,231	
Cash at bank and in hand		<b>146,382</b>		1,598,066	
		<b>258,863</b>		1,682,297	
<b>Creditors:</b> amounts falling due within one year	13	<b>(256,582)</b>		(166,284)	
<b>Net current assets</b>			<b>2,281</b>		1,516,013
<b>Total net assets</b>			<b>31,150,614</b>		<b>31,423,239</b>
<b>Represented by:</b>					
<b>Capital funds</b>					
Permanent endowment funds	14		<b>183,773</b>		177,313
<b>Income funds</b>					
Restricted funds	15		<b>159,075</b>		204,458
Unrestricted funds					
. Tangible fixed assets fund	16	<b>9,463,636</b>		7,394,236	
. Designated funds	17	<b>3,000,000</b>		3,000,000	
. General funds		<b>18,344,130</b>		20,647,232	
			<b>30,807,766</b>		31,041,468
			<b>31,150,614</b>		<b>31,423,239</b>

Approved by the trustees on 29 November 2018 and signed on their behalf by:

Alastair Hunter  
Trustee

## Statement of cash flows 31 March 2018

	Notes	2018 £	2017 £
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	<b>(1,255,559)</b>	(2,685,919)
<b>Cash flows from investing activities:</b>			
Investment income and interest received		<b>310,774</b>	563,282
Proceeds from the disposal of tangible fixed assets		<b>369,869</b>	1,744,097
Proceeds from the disposal of listed investments		<b>11,773,853</b>	5,649,202
Purchase of tangible fixed assets		<b>(1,262,243)</b>	(18,221)
Purchase of listed investments		<b>(11,157,769)</b>	(3,757,162)
Purchase of investment properties		<b>(210,000)</b>	—
<b>Net cash (used in) provided by investing activities</b>		<b>(175,516)</b>	4,181,198
<b>Change in cash and cash equivalents in the year</b>		<b>(1,431,075)</b>	1,495,279
<b>Cash and cash equivalents at 1 April 2017</b>	B	<b>2,075,277</b>	579,998
<b>Cash and cash equivalents at 31 March 2018</b>	B	<b>644,202</b>	2,075,277

Notes to the statement of cash flows for the year to 31 March 2018.

<b>A Reconciliation of net movement in funds to net cash used in operating activities</b>			
		2018 £	2017 £
<b>Net movement in funds (as per the statement of financial activities)</b>		<b>(272,625)</b>	1,862,784
<b>Adjustments for:</b>			
Depreciation charge		<b>61,519</b>	77,879
Gains on listed investments		<b>(512,182)</b>	(2,615,594)
Gains on investment properties		<b>(60,000)</b>	—
Investment income and interest receivable		<b>(310,774)</b>	(563,282)
(Surplus) loss on disposal of tangible fixed assets		<b>(111,045)</b>	55,903
Increase in debtors		<b>(28,250)</b>	(36,460)
Decrease in creditors		<b>(22,202)</b>	(1,467,149)
<b>Net cash used in operating activities</b>		<b>(1,255,559)</b>	(2,685,919)
<b>B Analysis of cash and cash equivalents</b>			
		2018 £	2017 £
Cash at bank and in hand		<b>146,382</b>	1,598,066
Cash held by investment managers		<b>497,820</b>	477,211
<b>Total cash and cash equivalents</b>		<b>644,202</b>	2,075,277

## Principal accounting policies 31 March 2018

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

### **Basis of preparation**

These accounts have been prepared for the year to 31 March 2018 with comparative information given in respect to the year to 31 March 2017.

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 to make significant judgements and estimates.

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

- ◆ determining the probability of receiving legacy income when the charity has been informed of its entitlement;
- ◆ estimating the useful economic life of tangible fixed assets for the purpose of determining a depreciation charge;
- ◆ determining the value of freehold land and buildings held for both charitable and investment purposes;
- ◆ estimating the value of the designated fund set aside to provide for the costs of potential future care needs of the CSMV Sisters.

## Principal accounting policies 31 March 2018

### **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 of a period of one year from the date of approval of these accounts.

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 2019, 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 comprises donations, legacies, investment income and interest receivable, income from visitors, and other income, including the surplus on the disposal of tangible fixed assets and miscellaneous income.

Donations, including income of individual Sisters who are members of the Community, 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.

## Principal accounting policies 31 March 2018

### **Income recognition** (continued)

Entitlement to legacies is taken as the earlier of the date on which either: the charity is aware that probate has been granted or 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 a gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the charity.

Investment income is recognised once the dividend 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 derived from visitors is measured at the fair value of the consideration received or receivable.

The surplus (or deficit) on the disposal of tangible fixed assets is calculated as the difference between the sale proceeds net of sale costs and the net book value of the asset immediately prior to disposal. It is accounted for once legal completion of the disposal has taken place.

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.

Resources expended comprise the following:

- a. Expenditure on raising funds which comprises fees paid to investment managers.
- b. The costs of charitable activities comprising expenditure on the charity's primary charitable purposes as described in the trustees' report and include the following:
  - ◆ Expenditure on the support of members of the Community and the advancement of their ministry;

## Principal accounting policies 31 March 2018

### Expenditure recognition(continued)

- ◆ The provision of payments to former members of the Community in recognition of the fact that they may face financial hardship; and
- ◆ Assisting others in the UK and overseas: this comprises charitable donations and grants in support of charitable work both in the UK and overseas.

All expenditure is stated inclusive of irrecoverable VAT.

### Governance costs

The majority of costs are directly attributable to specific activities. Governance costs are allocated to the costs of supporting members of the Community and their ministry.

### Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

- ◆ *Freehold land and buildings*

Freehold land and buildings comprise of the charity's main freehold property of St Mary's Convent and other smaller properties. Depreciation is charged on the buildings at a rate of 1% per annum. No depreciation is charged on the land.

The buildings were revalued to their open market value on 31 March 2016. Additions since that date have been recorded at cost.

- ◆ *Freehold improvements*

Freehold improvements comprise of modernisation and other improvements of the charity's properties.

- ◆ *Assets under construction*

Assets under construction include the cost (including professional fees and irrecoverable VAT) of the construction of dwellings and other functional properties on the charity's freehold land. No depreciation is charged on such assets. On completion the costs are transferred to freehold land and buildings or other appropriate categories of tangible fixed assets.

- ◆ *Fixtures and fittings*

Expenditure on the purchase and replacement of fixtures and fittings is capitalised and depreciated at 15% to 20% on a straight-line basis.

- ◆ *Motor vehicles*

Motor vehicles are capitalised and depreciated over a four-year period on a straight line basis in order to write off the cost of each vehicle over its estimated useful life.

- ◆ *Plant and machinery and office equipment*

Expenditure on the purchase and replacement of plant and machinery and office equipment is capitalised and depreciated over five to fifteen years on a straight line basis.

## Principal accounting policies 31 March 2018

### Fixed asset investments

#### ◆ 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 investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning investments and within particular sectors.

#### ◆ Properties held for investment purposes are included in these accounts at open market value.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and 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 fair value at the year end and 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.

### Subsidiary undertakings

The charity beneficially owns the entire issued share capital of St Mary's Convent Limited, a company registered in England and Wales (Company Registration Number 10889088). The subsidiary was incorporated on 27 July 2017.

The company was dormant throughout the period.

### Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. Debtors 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.

## Principal accounting policies 31 March 2018

### **Creditors and provisions**

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

### **Funds**

Endowment funds comprise monies which must be held indefinitely (unless the Charity Commission agrees otherwise) with income generated from the funds being applied towards specific or general purposes as applicable. Details of the funds are given in note 14 to the accounts.

Restricted funds comprise monies raised for, or with their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions. Details of these funds are given in note 15 to the accounts.

The charity's funds include a number of unrestricted income funds which are available for application towards the charity's objectives generally. Within unrestricted funds, the trustees have designated certain amounts for specific purposes and have identified those non-liquid funds represented by tangible fixed assets. Details of these funds are given in notes 16 and 17 to the accounts.

### **Foreign currencies**

Income received, and costs incurred, in foreign currencies are translated into Sterling at the rate of exchange in force at the year end. This policy does not comply with FRS 102 but has been adopted to avoid over-complexity. The amounts involved are not material.



## Notes to the accounts 31 March 2018

### 1 Income from: Donations and legacies

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Pensions and other income of individual Sisters who are members of the Community	69,666	—	<b>69,666</b>	74,164
Other donations and gifts	11,649	4,940	<b>16,589</b>	14,938
Legacies	165	5,000	<b>5,165</b>	8,574
<b>2018 Total funds</b>	<b>81,480</b>	<b>9,940</b>	<b>91,420</b>	<b>97,676</b>
2017 Total funds	91,624	6,052	97,676	

### 2 Income from: Investment income and interest receivable

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Income from listed investments	276,847	1,688	<b>278,535</b>	521,948
Investment property rentals	31,490	—	<b>31,490</b>	41,063
Bank interest	749	—	<b>749</b>	271
<b>2018 Total funds</b>	<b>309,086</b>	<b>1,688</b>	<b>310,774</b>	<b>563,282</b>
2017 Total funds	562,659	623	563,282	

### 3 Income from: Visitor income

	Unrestricted funds	
	2018 £	2017 £
Income from oblates, associates and other visitors	<b>45,213</b>	50,049

### 4 Expenditure on: Raising funds

	Unrestricted funds	
	2018 £	2017 £
Investment managers' fees	<b>36,793</b>	95,455

## Notes to the accounts 31 March 2018

### 5 Expenditure on: Charitable activities

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
<b>Support of members of the Community and the advancement of their ministry</b>				
Staff costs (note 8)	228,011	—	<b>228,011</b>	219,607
Premises costs	330,858	—	<b>330,858</b>	369,869
Other living and personal costs	501,697	—	<b>501,697</b>	522,209
Depreciation	61,519	—	<b>61,519</b>	77,879
Administrative and sundry costs	88,977	2,921	<b>91,898</b>	73,307
Governance costs (see note 6)	68,345	—	<b>68,345</b>	23,871
<b>2018 Total funds</b>	<b>1,279,407</b>	<b>2,921</b>	<b>1,282,328</b>	<b>1,286,742</b>
2017 Total funds	1,283,689	3,053	1,286,742	
<b>Support of former members of the Community</b>				
Provision for payments				
. Prior year over provision	—	—	—	(30,606)
<b>2018 Total funds</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(30,606)</b>
2017 Total funds	(30,606)	—	(30,606)	
<b>Assisting others in the United Kingdom and overseas</b>				
Grants, donations and related costs	57,450	54,090	<b>111,540</b>	74,908
<b>2018 Total funds</b>	<b>57,450</b>	<b>54,090</b>	<b>111,540</b>	<b>74,908</b>
2017 Total funds	51,750	23,158	74,908	

### 6 Governance costs

	Unrestricted funds	
	2018 £	2017 £
Audit and related fees (note 7)	<b>54,869</b>	15,000
Trustee expenses	<b>1,386</b>	1,795
Professional fees	<b>12,090</b>	7,076
	<b>68,345</b>	23,871

## Notes to the accounts 31 March 2018

### 7 Net movement in funds

This is stated after charging:

	2018 Total funds £	2017 Total funds £
Staff costs (note 8)	228,011	219,607
Auditor's remuneration		
· Statutory audit	12,960	15,000
· HR consultancy	35,789	—
· VAT services	3,060	—
· Company secretarial services	1,560	—
· Direct taxation services	1,500	—
Depreciation	61,519	77,879

### 8 Staff costs, trustees' remuneration and remuneration of key management personnel

Staff costs during the year were as follows:

	2018 £	2017 £
Wages and salaries	211,879	202,828
Social security costs	15,327	16,584
Pension costs	805	195
	<b>228,011</b>	<b>219,607</b>

The average number of employees during the year, calculated on a full time equivalent basis, was 7.2 (2017 – 6.8).

No employees earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year (2017 – none).

The key management personnel in charge of directing and managing the charity comprise the trustees, the Steward and the Sister in Charge (who has herself been a trustee since May 2017). The total remuneration paid to key management personnel in the year ended 31 March 2018 was £9,417 (2018 - £nil).

As a member of the Community, the living and personal expenses of the Sister in Charge are borne by the charity. The Sister in Charge receives no remuneration or reimbursement of expenses in connection with her duties as a member of key management personnel. Her living and personal expenses, which are borne by the charity, are consistent with amounts paid in respect of other members of the Community.

None of the other trustees received any remuneration in connection with their duties as trustees. Expenses of £1,386 (2017 - £1,795) have been reimbursed to two trustees (excluding the Sister in Charge, see above) (2017 – three, excluding the Sister in Charge).

## Notes to the accounts 31 March 2018

### 9 Taxation

The Community of St Mary the Virgin at Wantage is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

### 10 Tangible fixed assets

	Freehold land, buildings and improvements £	Assets under construction £	Plant and machinery £	Office equipment and fixtures & fittings £	Motor vehicles £	Total £
<b>Cost or valuation</b>						
At 1 April 2017	7,339,999	—	296,010	84,347	34,264	<b>7,754,620</b>
Additions	980,663	389,090	—	—	4,990	<b>1,374,743</b>
Disposals	(260,000)	—	—	—	—	<b>(260,000)</b>
Transfer from investment properties (note 11)	1,015,000	—	—	—	—	<b>1,015,000</b>
At 31 March 2018	<b>9,075,662</b>	<b>389,090</b>	<b>296,010</b>	<b>84,347</b>	<b>39,254</b>	<b>9,884,363</b>
Cost	980,663	389,090	296,010	84,347	39,254	<b>1,789,364</b>
Valuation	8,094,999	—	—	—	—	<b>8,094,999</b>
	<b>9,075,662</b>	<b>389,090</b>	<b>296,010</b>	<b>84,347</b>	<b>39,254</b>	<b>9,884,363</b>
<b>Depreciation</b>						
At 1 April 2017	44,479	—	209,921	82,778	23,206	<b>360,384</b>
Charge for the year	44,088	—	11,978	1,267	4,186	<b>61,519</b>
Disposals	(1,176)	—	—	—	—	<b>(1,176)</b>
At 31 March 2018	<b>87,391</b>	<b>—</b>	<b>221,899</b>	<b>84,045</b>	<b>27,392</b>	<b>420,727</b>
<b>Net book values</b>						
At 31 March 2018	<b>8,988,271</b>	<b>389,090</b>	<b>74,111</b>	<b>302</b>	<b>11,862</b>	<b>9,463,636</b>
At 31 March 2017	<b>7,295,520</b>	<b>—</b>	<b>86,089</b>	<b>1,569</b>	<b>11,058</b>	<b>7,394,236</b>

The net book value of freehold land, buildings and improvements at 31 March 2018 consists of:

	2018 £	2017 £
Freehold land	<b>3,513,380</b>	2,942,022
Freehold buildings	<b>4,494,228</b>	4,353,498
Freehold improvements	<b>980,663</b>	—
	<b>8,988,271</b>	<b>7,295,520</b>

The trustees revalued the freehold land and buildings during the year to 31 March 2016, based on a valuation performed by Green & Co. Additions since that date have been recorded at cost.

## Notes to the accounts 31 March 2018

### 10 Tangible fixed assets (continued)

The valuation during the year to 31 March 2016 was completed in accordance with the appropriate sections of the Royal Institution of Chartered Surveyors (RICS) Valuation Professional Standards incorporating the International Valuation Standards, Global and UK Edition, January 2014 (the 'Red Book'). The basis of valuation used was the open market value under vacant possession, being the value that contracts would exchange value for in an arms length transaction after proper marketing, wherein each party had acted knowledgeably, prudently and without compulsion.

At 31 March 2018, the charity had £37,000 of capital commitments in respect of renovations and refurbishments (2017 - £nil). As at 31 March 2018 the charity had also begun the procurement process for the appointment of a contractor for the refurbishment work at the main convent. Quantity surveyors have estimated that this project will cost in the region of £5 million.

### 11 Investments

At 31 March 2018 fixed asset investments comprised:

	2018 £	2017 £
Freehold investment properties	<b>1,945,000</b>	2,690,000
Listed investments and cash held for re-investment	<b>19,739,697</b>	19,822,990
	<b>21,684,697</b>	22,512,990

The majority of investment properties were purchased or constructed very many years ago and no reliable record of their original cost can be found. However, it is believed that the historical cost would have been negligible. The trustees are of the opinion that the inability to disclose information relating to the historical cost of the properties does not detract from the understanding of the accounts.

All freehold investment properties were revalued as at 31 March 2018 by Green & Co with the valuation reflecting the market value of the land and buildings at that date.

Movements on freehold investment properties are summarised below:

	2018 £	2017 £
Value at 1 April 2017	<b>2,690,000</b>	3,690,000
Transfer to tangible fixed assets following change in use (note 10)	<b>(1,015,000)</b>	(1,000,000)
Additions at cost	<b>210,000</b>	—
Net unrealised gains on revaluation	<b>60,000</b>	—
Value at 31 March 2018	<b>1,945,000</b>	2,690,000

## Notes to the accounts 31 March 2018

### 11 Investments (continued)

Net gains on investment properties were all attributable to unrestricted funds.

	2018 £	2017 £
<b>Listed investments and cash held for re-investment</b>		
<b>Listed investments</b>		
Market value at 1 April 2017	19,345,779	18,622,225
Additions at cost	11,157,769	3,757,162
Disposals at book value (proceeds: £11,773,853; losses: £67,172)	(11,841,025)	(5,194,068)
Net unrealised gains	579,354	2,160,460
Market value at 31 March 2018	<u>19,241,877</u>	<u>19,345,779</u>
<b>Cash held by investment managers for re-investment</b>	<u>497,820</u>	<u>477,211</u>
	<u>19,739,697</u>	<u>19,822,990</u>
Cost of listed investments at 31 March 2018	<u>17,044,262</u>	<u>15,258,699</u>

Of the net gains on listed investments during the year, £505,722 of gains were attributable to unrestricted funds and gains of £6,460 were attributable to endowment funds (2017: unrestricted fund gains of £2,574,061, restricted fund losses of £241, endowment fund losses of £41,774).

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

Listed investments held at 31 March 2018 comprised the following:

	2018 £	2017 £
UK Equities	2,360,163	7,036,877
Overseas Equities	3,032,309	3,394,597
UK Fixed interest	1,532,831	5,192,989
Overseas Fixed interest	409,352	701,777
Pooled investment funds	9,907,317	—
UK Alternatives	1,999,905	2,700,296
Cash and liquidity	—	319,243
	<u>19,241,877</u>	<u>19,345,779</u>

At 31 March 2018, the following significant holdings were held:

	2018 £	% of investments
CBF Church of England Investment Fund Accumulation	<u>9,907,317</u>	<u>51</u>

### 12 Debtors

	2018 £	2017 £
Prepayments	41,386	75,996
VAT recoverable	62,660	—
Other debtors	8,435	8,235
	<u>112,481</u>	<u>84,231</u>

## Notes to the accounts 31 March 2018

### 13 Creditors: amounts falling due within one year

	2018 £	2017 £
Expense creditors	66,878	84,013
Accruals and deferred income	62,940	49,541
Capital creditors	112,500	21,000
Other creditors	7,714	1,237
Social security and other taxes	6,550	10,493
	<b>256,582</b>	<b>166,284</b>

### 14 Permanent endowment funds

The capital of the following permanent endowment fund must be preserved, although the income may be used in accordance with the terms of the endowment at the discretion of the trustees.

	At 1 April 2017 £	Investment gains £	At 31 March 2018 £
Convent of St Thomas fund	177,313	6,460	<b>183,773</b>

The Convent of St Thomas fund represents the net assets of the former Community of St Thomas the Martyr. The fund is governed by a 1959 Charity Commission Scheme. CSMV is entitled to apply the income for its charitable work and can, with the prior approval of the Charity Commission, apply all or part of the fund on building works at the main convent or other premises belonging to the charity.

### 15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	At 1 April 2017 £	Income £	Expenditure £	At 31 March 2018 £
CSMV Oblates fund	5,357	3,360	(2,921)	<b>5,796</b>
Wantage Overseas fund	199,101	8,268	(54,090)	<b>153,279</b>
	<b>204,458</b>	<b>11,628</b>	<b>(57,011)</b>	<b>159,075</b>

The specific purposes for which the funds held during the year and at 31 March 2018 are to be applied are as follows:

- ◆ The CSMV Oblates fund is used for the instruction and support of CSMV oblates.
- ◆ The Wantage Overseas fund is to support continuing charitable work in India and Africa.

## Notes to the accounts 31 March 2018

### 16 Tangible fixed asset fund

	£
At 1 April 2017	7,394,236
Net movement in year	2,069,400
At 31 March 2018	<b>9,463,636</b>

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. A decision was made to separate this fund from the general fund 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 to meet future contingencies.

### 17 Designated funds

The income fund of the charity includes the following designated funds set aside out of unrestricted funds by the trustees for specific purposes:

	At 1 April 2017 £	New designation £	Released £	At 31 March 2018 £
Sisters' care fund	3,000,000	—	—	<b>3,000,000</b>

The Sisters' care fund consists of monies which the trustees have set aside in order to ensure that the charity has sufficient funds to meet the basic living expenses and costs of potential future care needs of the CSMV Sisters. Actual living and care costs incurred are included as part of the normal expenditure of the charity. The value of the fund has been calculated using actuarial principles to reflect potential future costs. It is reviewed annually in the light of changes to the number of the Community's members and their age profile.

### 18 Analysis of net assets between funds

	General funds £	Tangible fixed assets and designated funds £	Restricted funds £	Endowment funds £	Total 2018 £
<b>Fund balances at 31 March 2018 are represented by:</b>					
Tangible fixed assets	—	9,463,636	—	—	<b>9,463,636</b>
Investments	18,500,924	3,000,000	—	183,773	<b>21,684,697</b>
Net current (liabilities) assets	(156,794)	—	159,075	—	<b>2,281</b>
<b>Total net assets</b>	<b>18,344,130</b>	<b>12,463,636</b>	<b>159,075</b>	<b>183,773</b>	<b>31,150,614</b>



## Notes to the accounts 31 March 2018

### 19 Analysis of net assets between funds (continued)

Funds include unrealised gains on revaluation. The total unrealised gains as at 31 March 2018 are as follows:

	2018 £	2017 £
<b>Unrealised gains included above:</b>		
On tangible fixed assets	<b>8,007,608</b>	7,295,520
On investment properties	<b>1,475,000</b>	2,430,000
On listed investments	<b>2,197,615</b>	4,087,079
<b>Total unrealised gains at 31 March 2018</b>	<b>11,680,223</b>	13,812,599
<b>Reconciliation of movements in unrealised gains (losses)</b>		
Unrealised gains at 1 April 2017	<b>13,812,599</b>	13,775,462
Less: depreciation in respect of revalued amounts	<b>(43,696)</b>	(44,479)
Less: in respect of disposals in the year	<b>(2,728,034)</b>	(2,078,844)
	<b>11,040,869</b>	11,652,139
Add: net gains arising on revaluation in the year	<b>639,354</b>	2,160,460
<b>Total unrealised gains at 31 March 2018</b>	<b>11,680,223</b>	13,812,599

### 20 Ultimate control

The charity is controlled by the trustees, as a body.

### 21 Related parties

A member of key management personnel of the charity is a director of the Vale Academy Trust. During the year ended 31 March 2018 the charity received rent in respect of office space from the Vale Academy Trust totalling £6,750 (2017 - £nil) and was owed £nil at 31 March 2018 (2017 - £nil).

