Religious Sisters of Charity CIO

Annual Report and Accounts

31 December 2025

Charity Registration Numbers
1206893 (England and Wales) and
SC053679 (Scotland)

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Reference and administrative details about the charity, its trustees and its advisers

Trustees	Sister Mary Teresa Clarke Sister Jacinta Boland Sister Catherine Egan Sister Patricia Lenihan Sister Alice McGilly (until 14 March 2025) Sister Anne Micheline O'Donnell (appointed 4 July 2025)
Community Leader	Sister Mary Teresa Clarke
Administrative address	St Joseph's Convent 36 Mare Street Hackney London E8 4AD
Telephone	020 8510 3675
E-mail	bursar@rsoccaritas.org
Charity registration number (England and Wales)	1206893
Charity registration number (Scotland)	SC053679
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Principal bankers	NatWest Bank plc Public Sector and Charities Team Bolton Parklands, 3 Parklands De Havilland Way Bolton BL6 4YU
Investment managers	BlackRock Investment Management Limited 33 King William Street London EC4R 9AS

Reference and administrative details about the charity, its trustees and its advisers

Solicitors	Stone King LLP Upper Borough Court Upper Borough Walls Bath BA1 1RG

The trustees present their report together with the accounts of Religious Sisters of Charity CIO (the "charity") for the year ended 31 December 2025.

With effect from midnight on 31 December 2024, the activities, assets and liabilities of the charity The Religious Sisters of Charity were transferred to The Religious Sisters of Charity CIO in accordance with a legal transfer of undertaking deed. Although the previous charity is a separate legal entity to The Religious Sisters of Charity CIO, These accounts have been prepared under merger accounting in accordance with paragraphs 27.12 – 27.13 of the Charities SORP FRS102 in recognition that the new legal entity is continuing with the charitable purposes of the previous entity. As such, the results of the Religious Sisters of Charity for the year to 31 December 2025 form the comparative period for the purpose of these financial statements.

The accounts have been prepared in accordance with the accounting policies set out on pages 23 to 28 of the attached accounts and comply with the charity's trust deed, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, regulations applicable to those two Acts 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).

Introduction

The Religious Sisters of Charity (the "Congregation") is a Roman Catholic religious congregation, founded by Venerable Mary Aikenhead in Ireland in 1815 where its Generalate is still located. With her Sisters she visited and ministered to the poor in their homes, she visited prisons, started schools and eventually realised her dream: a hospital for the poor where they could be treated with dignity and compassion. Today we carry on this work where possible. The Congregation is governed by its own constitution.



The accounts accompanying this report deal only with the affairs of the charitable trust on which the Congregation has invested all property used for its purpose in England and Scotland. The charity is a Charitable Incorporated Organisation (CIO) and is registered with the Charity Commission and governed by a constitution dated 6th February 2024 Charity Registration number 1206893 (England and Wales) SC053679 (Scotland).

Mission

The English/Scottish Community of the Congregation of the Religious Sisters of Charity aims to support the religious and other charitable works in the service of the poor, carried out by the members of the Congregation, and to care for those members throughout their lives with the Congregation.

When setting the objectives and planning the work of the charity for the year, and when encouraging the work of the individual sisters, the trustees have given careful consideration to the Charity Commission's guidance on public benefit. These ministries of the sisters of the Congregation, all of which benefit numerous members of the general public, can be defined under the following areas:

Worship and prayer

Our prayer life is a very important aspect of our daily living. Our sisters devote time each day to both private and community prayer and with the wider community in the parishes where they live in celebration of the Eucharist. A period of six to eight days is set aside each year for individual retreat. Sisters also celebrate and pray with the wider community in gatherings of people of all faiths and none and are just present and available to listen and guide people with their daily problems and concerns.

Social and pastoral care

Many of our sisters continue to volunteer in various forms of social and pastoral care in England and Scotland and covering all aspects of Church life. The sisters are a listening ear for those living alone, a sympathetic presence for the sick, isolated, fearful, bereaved and the lonely. We seek to reach out to the poor and marginalised in the areas where we live, regardless of their beliefs, gender or personal circumstances.

Activities, specific objectives and relevant policies

Activities and specific objectives

As stated above under "Mission", the activities of the charity are to care for members of the Congregation and to enable them to carry out their ministries which fall within five principal areas: caring for members of the Congregation, worship and prayer, social and pastoral care. Each of these is considered in turn below.

Caring for members of the Congregation

In common with many religious congregations in England today, the age profile of the members of our Congregation in this Province is increasing as existing members grow older and the number of new vocations becomes minimal. At 31 December 2025 we had 22 sisters in the English / Scottish Community, the average age of the sisters is 83 years.

The Congregation has an obligation, both moral and legal, to provide for its members, none of whom have resources of their own and all of whom have devoted a significant part of their lives to working either on a voluntary basis or in a paid capacity, for the poor and marginalised in society. As the age profile increases so too does the need to provide increasing and increasingly expensive care to the sisters. We have 10 members receiving care and support, the trustees expect this number to increase over the next decade. In line with this, the trustees are giving careful consideration to the impact of this and the property requirements and the financial implications for the Congregation.

Worship and prayer
As a Congregation, we remain committed to spreading the Gospel through our shared worship with the local communities wherever we live, assisting them through prayer and supporting Parish life.

Health care
Our healthcare facilities in England and Scotland were set up as separate charitable companies. The Congregation has now withdrawn from all Governance roles within our former Hospices in England and Scotland. A number of our sisters continue to volunteer in pastoral roles.

Social and pastoral work
A number of our sisters continue to volunteer within the local Communities where we live to support and walk alongside those in need. The following are some examples of the social and pastoral work undertaken by individual sisters:

- Working with agencies that support vulnerable individuals
- Pastoral care in Hospices and nursing homes
- Various justice and peace initiatives
- Bereavement support

The aims of the trustees with regard to social and pastoral care include:

- Having assessed the needs of the community in the local areas, to enable all members where possible to carry out meaningful social and pastoral work;
- To encourage and support members to work with and assist the poor and marginalised;

As we work with vulnerable adults, the trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serves. This means that any sister engaged in a ministry as a volunteer or working for the charity with children or vulnerable adults must have clearance from the Disclosure and Barring Service.

Review of activities

Worship and prayer
Our retired sisters commit themselves to prayerfully support the endeavours of the Congregation daily. Many of our sisters continue to be available and endeavour to support the Local Parish in a variety of roles. Participation in Parish Liturgies and our roles as Eucharistic Ministers give witness to our continuing commitment to spreading the gospel.

Sisters involved in parish work visit the frail elderly in their homes and bringing them Communion. Our sisters working in Parishes continue to be a presence for those who are bereaved or isolated and often don't have any visitors for long periods of time.

Care of members of the Congregation

Our older sisters have devoted their lives to caring for others, working in many areas such as education, health care or pastoral social work. They continue to be very interested and support those ministries by prayer and intercession.



In 2022 the trustees, anticipating that increasing numbers of our sisters would need care and support and wishing to provide this care on a professional and stable basis, outsourced the Care Management and the Facility Management.

The sisters can continue to enjoy the companionship of each other while they receive care and support in their own Convent during their retirement years. This continues to work well, and we are very grateful to the Management and staff of Apleona UK who continue to accommodate and support all our sisters in care and retirement.

Pastoral Care

This can include providing spiritual, pastoral and religious care to patients, relatives and staff within Hospices or where our sisters may visit. A number of our sisters continue to volunteer in the ministry of Pastoral care.



Social and pastoral work

Throughout the year, our sisters continued to carry out various forms of social and pastoral work, in a voluntary capacity.

For sisters working in Parishes this may involve just being available, supporting local churches and community groups, participating in prayer services, working with organisations such as CAFOD, acting as ministers of the Eucharist, visiting those with mobility issues and assisting in the support of the parish community.

Volunteering

Throughout the year, sisters continue to work in a voluntary capacity, assisting the poor and marginalised and those in need. The sisters receive no financial contribution for this work which contributes to the overall achievement of the charity's objectives.

In addition, sisters are involved in the administration work of the charity, without which the charity would not be able to function as effectively or fully as it does. It is impossible to measure the amount of time sisters actually spend in voluntary work in these areas. A few sisters work in more than one area, giving their services where necessary.

Investment policy

The charity's investments are managed by BlackRock Investment Management Limited. There are no restrictions on the charity's power to invest.

The investment strategy is set out by the trustees and takes into account income requirements, the risk profile and the investment managers' view of the market prospects in the medium term. The overall investment policy is to maximise total returns through a diversified portfolio, aiming to provide the level of income advised by the trustees and, at the same time, with a view to ensuring that capital appreciation of the fund exceeds inflation over any five-year period.

The charity's policy carries the following ethical restrictions:

1. Investment in any activity which is in conflict with the 'sanctity of life', as identified through the use of the Ethical Investment Research Services;
2. Any tobacco companies;
3. Any company with over 10% of turnover from military sales; and
4. Any company producing pornography.

In addition, at our Chapter in 2019, we also agreed we would divest from fossil fuels.

Investment performance

At 31 December 2025, the charity had listed investments with a market value of £13,112,339 (2024 - £13,369,065).

Representatives of the trustees meet with the investment managers regularly to review the performance of the portfolio and the investment strategy.

Financial report for the year

A summary of the year's results can be found on page 20 of this annual report and accounts.

In the year to 31 December 2025, total income amounted to £552,919 (2024 - £1,367,557) with expenditure being £1,842,704 (2024 - £1,831,790).

The charity's income for the year ended 31 December 2025 comprises investment income, donations including sisters' salaries and pensions, and legacies. Expenditure comprises donations and the costs of supporting members of the Congregation and their ministry.

Net expenditure before investment gains for the year amounted to £1,289,785 (2024 - net expenditure of £464,233). Investment gains were £941,517 (2024 - gains of £809,200) and the net expenditure and decrease in funds for the year amounted to £348,768 (2024 – net income and net increase in funds of £344,967).

The beneficiaries of our charitable works can be assured that all the income of the charity must be applied for charitable purposes, as shall advance the Religious and other Charitable work of the Congregation.

The charity benefits from tax exemption on income from its activities and on its investment income and gains provided these are applied for its charitable aims. As a charity, it is also entitled to a reduction of 80% on business rates on the property it occupies for its charitable purposes. The financial benefits we receive resulting from these exemptions are used for Charitable purposes and enabling the sisters to live out our faith and to put that faith into practice through a wide variety of religious and other charitable works.

Because of the nature of the charity's activities, we are unable to reclaim the VAT input tax on our costs as income is exempt for VAT purposes. The charity has also paid tax as an employer through the national insurance contributions it makes. The charity brings very substantial benefits to local communities and society in general through the social and pastoral work provided by the sisters mainly on a voluntary basis.

The charity also creates social assets without cost to the Exchequer through the sisters' links with older people within the community and through the significant amount of voluntary work carried out by the sisters.

Reserves policy and financial position

Reserves policy

The trustees have examined the requirement for free reserves i.e., those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed.

The trustees consider that, given the nature of the charity's work and its future commitments, the level of free reserves should remain relatively high at between 12 and 24 months' recurring expenditure on general funds. The trustees reached this conclusion after assessing their recurring commitment to:

- the care of members of the Congregation - many of whom as they grow older will require more care and support;
- the need to maintain the charity's freehold properties - many of which are now relatively old, in a good state of maintenance and order; and
- to healthcare services generally.

In addition, the trustees feel it prudent to have sufficient reserves at any point in time to be able to respond to unforeseen emergencies.

The trustees are of the opinion that this level of reserves provides sufficient flexibility to cover shortfalls in incoming resources, adequate working capital to cover core costs, and will allow the charity to meet its commitments to its work in healthcare and to members of the Congregation and will enable the charity to cope and respond to unforeseen emergencies.

Financial position

The balance sheet shows total reserves of £19.7 million (2024 - £20.1 million).

£5.8 million (2024 - £5.9 million) is represented by tangible fixed assets used by the sisters. A decision was made to separate this fund from the general funds in recognition of the fact that the tangible fixed assets are used in the day-to-day work of the charity and the fund cannot therefore be easily realised if needed to meet future contingencies.

In addition, £0.4 million (2024 - £0.4 million) is represented by a property used for purposes consistent with the charity's objectives but by another organisation. This is shown on the balance sheet as the programme related investment fund.

Actuarial calculations performed during the period indicate that £11.2 million is required to fund the long-term care of the members of the Congregation living in England and Wales. Given the increasing age profile of the sisters and the lack of new vocations, this sum will provide modest resources to look after the sisters, many of whom will need increasing support and increasingly expensive residential and nursing care. In 2005, the Congregation's Generalate donated £3.7 million specifically for this purpose. This money has been utilised in part but the balance is held within a restricted "long term care fund" which had a market value of £4.5 million (2024 - £4.2 million) at the year end. The balance of the £6.7 million comprises a designated fund of £6.7 million.

£0.25 million (2024 - £0.25 million) has been set aside or designated for the refurbishment and furnishing of accommodation for elderly members of the Congregation.

Funds which are available to support the work of the sisters in the future are those shown on the balance sheet as general funds or 'free reserves' of £2 million (2024 - £2.5 million). At 31 December 2025, the charity's free reserves fall within the parameters of the above policy. The trustees are content with this position at the present time. The trustees are conscious of the general economic and political uncertainties that exist globally and of the impact these uncertainties may have on world stock markets and the economy more generally.

In particular, the level of reserves is deemed sufficient when considered in the light of the uncertainties arising due to the current macroeconomic and geopolitical concerns.

Future plans for 2026

Care Facility – St Joseph's Convent, Hackney
The trustees will continue to work closely with Apleona UK who provide the ongoing facility and care management of the St Joseph's Convent.

Changes in the model of Governance for England and Scotland
Over 2023 / 2024. In view of the age profile of the sisters and following a period of discernment, which was initiated by the Congregational Leader and her Leadership Team, the Governance structure has transitioned to a Community Leader and Trustees Model in January 2024. The Province of England and Scotland has entered into a period of Ad Experimentum. The Trustees of the charity will continue to be the Congregational Leader, the Community Leader, members of the General Leadership Team and members of the Canonical area.

Governance, structure and management

Governance
In terms of Canon law, the Congregation is governed at an international level by the Superior General and her General Leadership Team at our Generalate in Dublin, Ireland. They are elected every six years at a General Chapter, by delegates from each of the Provinces and

Regions. The English/Scottish Community as previously stated is now governed by the Community Leader and Trustees.

The Leader and Trustees are appointed by the General Leadership Team, after consultation with the members of the English / Scottish Community. The Trustees are chosen for their personal qualities, their understanding and experience of the ministries of the sisters throughout the area and to secure good skills mix among them. The Congreagational Leader and one of her team continue to visit the communities at least once every six years.

In terms of Civil law, the charity was governed by a trust deed dated 17 December 1962 and is a registered charity - Charity Registration No 231323 (England and Wales) and Charity Registration No SC039185 (Scotland).

At midnight on 31 December 2025, the assets and liabilities of the charity (Charity Number 231323) transferred to the Religious Sisters of Charity CIO (Charity Number 1206893). SC053679 (Scotland)

The Trustees remain very grateful to all our advisors who guided and supported us through this process over the period needed to complete this project which will aid in the efforts to modernise the structure, constitution and governance of the charity. The trustees of the charity are the English / Scottish Community Leader, the Congregational Leader and additionally trustees members in accordance with the Constitution of the CIO (charity number 1206893).

Being members of the Congregation, the trustees' living, and personal expenses are paid by the charity, but they do not receive any remuneration for their services as trustees. As all trustees are members of the Congregation, they have a detailed knowledge of the works of the charity and its structure. On being appointed, the new trustees spend some time being inducted by the Congregational Leader. They also meet with the Congregation's legal, accounting, investment and property advisers during to obtain a full briefing of their responsibilities and the charity's position.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts.

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the 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 and in Scotland requires the trustees to prepare accounts for each financial year which give a true picture of the state of affairs of the charity at the end of the year, and of the income and expenditure for that period. In preparing the accounts giving a true and fair view, 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 to the United Kingdom and Republic of Ireland (FRS 102);

- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations in England and Wales, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2005 and the provisions of the charity's trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking responsible steps for the prevention and detection of fraud and other irregularities.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet monthly to review developments with regard to the charity, its members and its activities and make any important decisions. When necessary, the trustees seek advice and support from our professional advisors including property consultants, investment managers, accountants and solicitors. The day to day management of the charity's activities, and the implementation of policies, is delegated to the appropriate members of the Congregation. At 31 December 2025, we had 22 sisters in the English/Scottish Province living in different locations.

Key management personnel

The trustees consider that they comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis.

All trustees are members of the Congregation and whilst their living and personal expenses are borne by the charity, they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or work as key management.

Working with other organisations

The charity works closely with a number of other charities and public bodies in the field of providing pastoral care and support, this work is carried out on a voluntary basis.

Working with other organisations

In all cases, working together with other charities and public bodies enhances communication and understanding thus enabling services to these people to be provided more efficiently and avoiding duplication of effort.

Examples of some of the organisations, the sisters have worked with which the charity has cooperated during the year are as follows:

- Roman Catholic Dioceses of Westminster, Shrewsbury, Birmingham, Motherwell and Glasgow
- Jesuit Refugee Services, London

- UNANIMA International
- Medaille Trust
- TRAC, Restore
- The former Hospices of the Charity in England and Scotland.

Risk management

The trustees recognise their responsibility for the management of risks faced by the charity, the Congregation in England and Scotland and its individual members.

The areas identified for particular attention within our risk management strategy are:

Governance and management looks at the risk of the Congregation, and hence the charity, suffering from a lack of direction, at the skills and training of its members and staff, and the good use of its resources.

Operational looks at the risks inherent in the charity's activities including the care of the older and frail sisters, the members of the Congregation engaging in inappropriate activities, the unsuitability of buildings, poor maintenance, shortcomings in the services provided, difficulties with staff, poor health and safety, lack of a disaster recovery plan, etc.

Financial risks include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies, etc.

Reputational looks at possible damage to the Congregation's, and hence the charity's, reputation.

Regulatory looks at the effects of government policies, the consequences of non-compliance with laws and regulations and poor risk assessment.

Having assessed the major risks to which the charity is exposed, the trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks.

The key risks for the charity, as identified by the trustees, are described below together with the principal ways in which they are mitigated:

- An analysis of the age profile of the members of the Congregation shows that the average age in the Province, at 31 December was 83 years. The trustees are aware that there is both a moral and legal obligation to care for the older members. None of the sisters 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. As the age profile increases, so too does the need to provide care for the sisters. 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 has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual sisters encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.

- Operationally the charity works with vulnerable adults and older people. The trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serves. This means that sisters engaged in any ministry in Great Britain and all those who work or volunteer for the charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS).

  - The trustees are grateful for the ongoing support and the extensive training programmes provided by the Religious Life Safeguarding Service (RLSS)

  - The trustees, acutely aware of the vital nature of this work and the diminishing number of sisters who would be able to support the Community in this new regulatory framework, have engaged an external experienced Designated Safeguarding Lead (DSL) to work with the trustees in all areas and support and update the sisters in all aspects of safeguarding.

  - The trustees are therefore committed to work with:

    - The Catholic Safeguarding Standards Agency (CSSA); and

    - The Scottish Safeguarding Standards Agency (SCSSA).

- The charity will when necessary donate sums in support of the wider Congregation and other organisations. These donations would be to fund projects administered directly by members of the Congregation. The trustees always ensure that they are fully briefed about and familiar with the work of a potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that, wherever possible (and always in the case of monies sent overseas), a full written report of how the monies have been utilised and applied is obtained from the recipient.

- The charity's principal asset 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 a policy agreed by the trustees. The trustees meet twice a year with the investment managers and the managers' performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs - both now and in the future.

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 data, it never swaps data and ensures that communication preferences can be changed at any time. The charity does not actively engage in fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

To members of the English / Scottish Community and all colleagues

The trustees wish to record their thanks for the professionalism and commitment of all their colleagues and the individual sisters in this Community. Their dedication and continued service are very much appreciated.

Signed on behalf of the trustees:

Sr Mary Teresa Clarke

Trustee - Sister Mary Teresa Clarke

Approved by the trustees on: 23:09:2026.

Independent auditor's report to the trustees of Religious Sisters of Charity CIO

Opinion

We have audited the accounts of Religious Sisters of Charity CIO (the 'charity') for the year ended 31 December 2025 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 December 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 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 set out on page 10, 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with those Acts and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charity through discussions with management and representatives from the trustees and from our knowledge and experience of the charity sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011 and Regulations made under that Act; the Charities and Trustee Investment (Scotland) Act 2005; the Charities Accounts (Scotland) Regulations 2006; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of trustees' meetings.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management and representatives from the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested and reviewed journal entries to identify unusual transactions;
- Carried out substantive testing of expenditure including the authorisation thereof;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of trustees; and
- Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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. 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 Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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 Audit LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

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

25 September 2026

Statement of financial activities Year to 31 December 2025

	Notes	**Un-restricted funds £**	**Restricted funds £**	**2025 Total funds £**	Un-restricted funds £	Restricted funds £	2024 Total funds £
Income from:							
Donations and legacies	1	**102,931**	**—**	**102,931**	898,006	—	898,006
Investment income and interest receivable	2	**314,589**	**143,690**	**458,279**	322,133	97,804	419,937
Other sources							
. Surplus on disposal of tangible fixed assets		**3,700**	**—**	**3,700**	—	—	—
. Miscellaneous sources		**3,000**	**—**	**3,000**	49,614	—	49,614
Total income		**424,220**	**143,690**	**567,910**	1,269,753	97,804	1,367,557
Expenditure on:							
Charitable activities							
. Charitable grants and donations	3	**25,072**	**—**	**25,072**	(53,460)	—	(53,460)
. Support of members of the Congregation and their ministry	4	**1,686,815**	**143,690**	**1,830,505**	1,787,446	97,804	1,885,250
Total expenditure		**1,711,887**	**143,690**	**1,855,577**	1,733,986	97,804	1,831,790
Net (expenditure) before gains on investments		**(1,287,667)**	**—**	**(1,287,667)**	(464,233)	—	(464,233)
Net gains on investments	12	**644,480**	**297,037**	**941,517**	569,853	239,347	809,200
Net movement in funds		**(643,187)**	**297,037**	**(346,150)**	105,620	239,347	344,967
Reconciliation of funds:							
Total funds brought forward at 1 January 2025		**15,874,687**	**4,217,782**	**20,092,469**	15,769,067	3,978,435	19,747,502
Total funds carried forward at 31 December 2025		**15,231,500**	**4,514,819**	**19,746,319**	15,874,687	4,217,782	20,092,469

As described in the notes to the accounts, the charitable trust's net assets and activities were transferred on a going concern basis to the newly registered Charitable Incorporated Organisation with effect from midnight on 31 December 2024.

Merger accounting has been applied in these financial statements in accordance with paragraphs 27.12 - 27.13 of the Charities SORP FRS 102 in recognition that the new legal entity is continuing with the charitable purposes and serving the same beneficiaries of the previous entity. Consequently, the comparative figures presented above and in these financial statements relate to The Religious Sisters of Charity (Charity Registration Number: 231323) for the year ended 31 December 2024.

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

Balance sheet 31 December 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	10		**5,828,907**		5,942,086
Programme related investments	11		**389,762**		389,762
Investments	12		**13,112,339**		13,369,065
			19,331,008		19,700,913
Current assets					
Debtors	13	**161,630**		474,924	
Cash at bank and in hand		**562,452**		165,314	
		724,082		640,238	
Liabilities					
Creditors: amounts falling due within one year	14	**(308,771)**		(248,682)	
Net current assets			**415,311**		391,556
Total net assets			**19,746,319**		20,092,469
Represented by:					
The funds of the charity					
Restricted funds	15		**4,514,819**		4,217,782
Unrestricted funds					
. General funds			**2,012,831**		2,542,839
. Tangible fixed assets fund	16		**5,828,907**		5,942,086
. Programme related investment fund	17		**389,762**		389,762
. Designated funds	18		**7,000,000**		7,000,000
Total funds			**19,746,319**		20,092,469

Approved by the trustees and signed on their behalf by:

Sister Mary Teresa Clarke

Trustee - Sr Mary Teresa Clarke

Approved by the trustees on: 23.09.2026.

Statement of cash flows Year to 31 December 2025

	Notes	2025 £	2024 £
Cash flows from operating activities:			
Net cash used in operating activities	A	**(1,200,945)**	(1,080,277)
Cash flows from investing activities:			
Investment income and interest received		**448,484**	422,204
Proceeds from the disposal of tangible fixed assets		**3,700**	—
Purchase of tangible fixed assets		**(52,344)**	(130,536)
Proceeds from the disposal of investments		**2,998,243**	1,300,000
Purchase of investments		**(1,800,000)**	(600,000)
Net cash provided by investing activities		**1,598,083**	991,668
Change in cash and cash equivalents in the year		**397,138**	(88,609)
Cash and cash equivalents at 1 January 2025	B	**165,314**	253,923
Cash and cash equivalents at 31 December 2025	B	**562,452**	165,314

Notes to the cash flow statement for the year to 31 December 2025

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

	2025 £	2024 £
Net movement in funds (as per the statement of financial activities)	**(346,150)**	344,967
Adjustments for:		
Depreciation charge	**165,523**	158,363
Gains on investments	**(941,517)**	(809,200)
Investment income and interest receivable	**(458,279)**	(419,937)
Surplus on disposal of tangible fixed assets	**(3,700)**	—
Decrease (increase) in debtors	**323,089**	(356,615)
Increase in creditors	**60,089**	2,145
Net cash used in operating activities	**(1,200,945)**	(1,080,277)

B Analysis of cash and cash equivalents

	2025 £	2024 £
Cash at bank and in hand	**562,452**	165,314

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

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 December 2025 with comparative information provided for the year to 31 December 2024.

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), the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and applicable Charities Accounts (Scotland) Regulations.

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.

Merger accounting

The assets, liabilities and activities of the charitable trust were transferred to the new incorporated entity on 31 December 2024. Merger accounting has been applied in these financial statements in accordance with paragraphs 27. 12 - 27. 13 of the Charities SORP FRS102 in recognition that the new legal entity is continuing with the charitable purposes and beneficiaries of the previous entity. Consequently, the comparative figures presented in these financial statements relate to the legacy charity for the year ended 31 December 2024.

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:

- estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge;
- determining amounts to be designated and, in particular, estimating the size of the sisters' retirement fund, created in order to provide for the continuing care of the members of the Congregation; and
- estimating 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 do not expect material concerns to arise over the charity's financial position or 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 December 2026, the most significant areas that affect the carrying value of the assets held by the successor 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, interest receivable, the surplus on disposal of tangible fixed assets and miscellaneous income.

Donations, including salaries and pensions of individual religious 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.

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 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.

A surplus on the disposal of tangible fixed assets is defined as the difference between the sale proceeds and the net book value of the asset at the time of disposal and after deducting any costs associated with the disposal. The surplus is recognised at the time when legal completion of the sale takes place.

Miscellaneous 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.

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 charitable grants and donations, costs in respect to the support of members of the Congregation and enabling their ministry including governance costs.

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.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

All expenditure is stated inclusive of irrecoverable VAT.

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.

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.

All expenditure on support and governance is attributed directly to the charitable activities of supporting members of the Congregation and enabling their ministry and hence there has been no apportionment between headings.

Tangible fixed assets
All assets costing more than £1,500 and with an expected useful life exceeding one year are capitalised.

- Freehold land and buildings
  Land and buildings are included on the balance sheet at 1999 valuations (which were determined by the trustees with professional assistance on the basis of replacement cost for existing use) with additions since those dates included at cost. As permitted under the transitional arrangements for FRS 102, the charity has elected to treat the 1999 valuations as deemed cost.

  Land and buildings comprise:

  - Non-specialised land and buildings are those designed as, and used wholly or mainly for, private residential accommodation. Such land and buildings are not depreciated. 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 comprise the Congregation's large residential convents and the care home for the elderly sisters. Depreciation is provided at 2% per annum on a straight-line basis to write the buildings off over their estimated useful economic life to the charity.

- Furniture and equipment

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated on a straight line basis over the following periods on order to write off each asset over its estimated useful economic life.

- ◊ Computer equipment 4 years
- ◊ Furniture 5 years
- ◊ Plant and similar assets 15 years

- ♦ 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.

Programme related investments
Programme related investments relate to a freehold property used by another charitable organisation for purposes consistent with the charity's objectives. The property is included at deemed cost.

Fixed asset 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.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is 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.

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.

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.

Fund structure
General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

The tangible fixed assets fund comprises the net book value of the charity's tangible fixed assets, the existence of which is fundamental to the charity being able to perform its charitable work and thereby achieve its charitable objectives. The value represented by such assets should not be regarded, therefore, as realisable.

The programme related investments fund represents the book value of those properties classified as programme related investments i.e. those properties occupied by other organisations at a peppercorn rent or reduced market value rent but used for purposes consistent with the charitable objectives of the charity.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

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

Pension contributions
Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 7. There were no outstanding contributions at the year-end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

Notes to the accounts Year to 31 December 2025

1 Income from: donations and legacies

	Unrestricted funds £	Restricted funds £	2025 Total funds £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	**256,004**	—	**256,004**
Donations	**20,597**	—	**20,597**
Legacies	**(173,670)**	—	**(173,670)**
2025 Total funds	**102,931**	—	**102,931**

	Unrestricted funds £	*Restricted funds £*	*2024 Total funds £*
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	*243,749*	—	*243,749*
Donations	*1,257*	—	*1,257*
Legacies	*653,000*	—	*653,000*
2024 Total funds	*898,006*	—	*898,006*

2 Income from: investment income and interest receivable

	Unrestricted funds £	Restricted funds £	2025 Total funds £
Income from listed investments			
. UK Charity Authorised Investment Funds	**311,764**	**143,690**	**455,454**
Interest receivable	**2,825**	—	**2,825**
2025 Total funds	**314,589**	**143,690**	**458,279**

	Unrestricted funds £	*Restricted funds £*	*2024 Total funds £*
Income from listed investments			
. UK Charity Authorised Investment Funds	*322,133*	*97,804*	*419,937*
2024 Total funds	*322,133*	*97,804*	*419,937*

3 Expenditure on: Charitable activities – Charitable grants and donations

	Unrestricted funds £	Restricted funds £	2025 Total funds £
General donations	**72**	—	**72**
Contributions to the Congregation's Generalate	**25,000**	—	**25,000**
2025 Total funds	**25,072**	—	**25,072**

3 Expenditure on: Charitable activities – Charitable grants and donations (continued)

	Unrestricted funds £	*Restricted funds £*	*2024 Total funds £*
General donations	*1,540*	*—*	*1,540*
Contributions to the Congregation's Generalate	*25,000*	*—*	*25,000*
Contributions to Congregation's Generalate – correction	*(80,000)*	*—*	*(80,000)*
2024 Total funds	*(53,460)*	*—*	*(53,460)*

In 2023 contributions to the generalate were overstated by £80,000 and this was **corrected in 2024**.

4 Expenditure on: Charitable activities – Support of members of the Congregation and their ministry

	Unrestricted funds £	**Restricted funds £**	**2025 Total funds £**
Premises	**292,835**	**—**	**292,835**
Facility management fee and related costs (see below)	**963,386**	**143,690**	**1,107,076**
Staff costs	**13,457**	**—**	**13,457**
Sisters' personal expenses	**202,195**	**—**	**202,195**
Education, training and spiritual renewal	**15,127**	**—**	**15,127**
Miscellaneous expenses	**41,433**	**—**	**41,433**
Governance (note 5)	**158,382**	**—**	**158,382**
2025 Total funds	**1,686,815**	**143,690**	**1,830,505**

	Unrestricted funds £	*Restricted funds £*	*2024 Total funds £*
Premises	*295,833*	*—*	*295,833*
Facility management fee and related costs (see below)	*996,013*	*97,804*	*1,093,817*
Staff costs	*12,009*	*—*	*12,009*
Sisters' personal expenses	*219,668*	*—*	*219,668*
Education, training and spiritual renewal	*13,558*	*—*	*13,558*
Miscellaneous expenses	*8,568*	*—*	*8,568*
Governance (note 5)	*241,797*	*—*	*241,797*
2024 Total funds	*1,787,446*	*97,804*	*1,885,250*

The charity outsources the management and running of its convent facility at Hackney to Apleona (formerly Neylons Facility Management).

5 Governance costs

	Unrestricted funds £	Restricted funds £	2025 Total funds £
Auditor's fees	**65,644**	**—**	**65,644**
Legal fees	**51,562**	**—**	**51,562**
Other governance expenses	**41,176**	**—**	**41,176**
	158,382	**—**	**158,382**

	Unrestricted funds £	*Restricted funds £*	*2024 Total funds £*
Auditor's fees	*49,502*	*—*	*49,502*
Legal fees	*172,494*	*—*	*172,494*
Other governance expenses	*19,801*	*—*	*19,801*
	241,797	*—*	*241,797*

6 Net (expenditure) before transfers and before gains on investments

This is stated after charging:

	Unrestricted funds £	Restricted funds £	2025 Total funds £
Auditor's remuneration			
-Statutory audit services	**34,100**	—	**34,100**
-Statutory audit services – prior year	**3,000**	—	**3,000**
-Other services	**28,504**	—	**28,504**
Depreciation	**165,523**	—	**165,523**

	Unrestricted funds £	*Restricted funds £*	*2024 Total funds £*
Auditor's remuneration			
-Statutory audit services	*28,114*	*—*	*28,114*
-Statutory audit services – prior year	*4,160*	*—*	*4,160*
-Other services	*17,228*	*—*	*17,228*
Depreciation	*158,363*	*—*	*158,363*

7 Staff costs and remuneration of key management personnel

Since June 2022 the charity has outsourced the management of its convent facility at Hackney to Neylons Facility Management. All employees were transferred to Neylons Facility Management on 15 June 2022 under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE). The charity has no permanent staff of its own.

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees. The total remuneration (including taxable benefit but excluding employer's pension contributions) of the key management personnel for the year was £nil (2024 - £nil).

8 Trustees' expenses and remuneration and transactions with trustees

The charity's trustees are all members of the Congregation and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Congregation, are borne by the charity. No trustee received any remuneration or reimbursement of expenses in connection with their duties as trustees (2024 - none).

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 £74,986 (2024 - £34,713).

9 Taxation

Religious Sisters of Charity is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

10 Tangible fixed assets

	Freehold Non specialised £	Leasehold Non specialised £	Long leasehold Specialised £	Computers, furniture and equipment £	Motor vehicles £	**Total £**
Cost or deemed cost						
At 1 January 2025	1,979,898	326,164	5,757,757	1,004,899	116,666	**9,185,384**
Additions	—	—	—	37,046	15,298	**52,344**
Disposals	—	—	—	—	(20,420)	**(20,420)**
At 31 December 2025	1,979,898	326,164	5,757,757	1,041,945	111,544	**9,217,308**
At cost	684,109	326,164	5,757,757	1,041,945	111,544	**7,921,519**
Deemed cost (1999 valuation)	1,295,789	—	—	—	—	**1,295,789**
	1,979,898	326,164	5,757,757	1,041,945	111,544	**9,217,308**
Depreciation						
At 1 January 2025	800,132	—	1,583,139	756,127	103,900	**3,243,298**
Charge for the year	—	—	115,155	43,840	6,528	**165,523**
On disposals	—	—	—	—	(20,420)	**(20,420)**
At 31 December 2025	800,132	—	1,698,294	799,967	90,008	**3,388,401**
Net book values						
At 31 December 2025	**1,179,766**	**326,164**	**4,059,463**	**241,978**	**21,536**	**5,828,907**
At 31 December 2024	1,179,766	326,164	4,174,618	248,772	12,766	5,942,086

10 Tangible fixed assets (continued)

As permitted under Financial Reporting Standard 102 (FRS 102) the charity has continued to adopt a policy of not revaluing its tangible fixed assets. The book value of freehold land and buildings is based on a 1999 valuation net of depreciation, where appropriate, with additions since that date at cost and after adjusting for any impairment losses. As permitted under the transitional arrangements for FRS 102, the charity has elected to treat this valuation as deemed cost. Other tangible fixed assets are stated at cost.

It is likely that there are differences between the open market value of the freehold land and buildings and their book values. These arise because of the specialised nature of several of the properties. 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 freehold land and buildings included above at valuation cannot be ascertained with accuracy without incurring significant research time and costs which in the opinion of the trustees are not justified.

Capital commitments

At 31 December 2025, the charity had no capital commitments (2024 - none).

11 Programme related investments

	2025 **£**	2024 £
At 1 January 2025 and 31 December 2025	**389,762**	389,762

The charity owns a freehold property and on 30 October 2017 the property was made available to The Medaille Trust Limited (Charity Registration Number 1117830), a charity established to help the victims of human trafficking in the UK, for a ten year lease period at a peppercorn rent.

12 Investments

	Total 2025 **£**	Total 2024 £
Listed investments		
Fair (market) value at 1 January 2025	**13,369,065**	13,259,865
Disposal proceeds	**(2,998,243)**	(1,300,000)
Additions	**1,800,000**	600,000
Realised (losses) gains on disposal	**(5,532)**	11,472
Net unrealised investment gains	**947,049**	797,728
Fair (market) value at 31 December 2025	**13,112,339**	13,369,065
At cost	**10,898,949**	11,947,379

Net investment gains of £644,480 (2024 - gains of £569,853) are attributable to unrestricted funds and net investment gains of £297,037 (2024 - gains of £239,347) are attributable to restricted funds.

12 Investments (continued)

Listed investments comprised the following:

	2025 £	2024 £
UK Charity Authorised Investment Funds	**13,112,339**	13,369,065

The following investments represent a material holding relative to the market value of the total listed investments portfolio held at that date:

	2025		2024	
Holding	**Market value of holding £**	**Percentage of portfolio %**	Market value of holding £	Percentage of portfolio %
BlackRock Catholic Charities Growth & Income Fund	**13,112,339**	**100%**	13,369,065	100%

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

13 Debtors

	2025 £	2024 £
Prepayments	**14,240**	10,869
Investment income receivable	**111,850**	102,055
Accrued income – legacy receivable	—	362,000
Other debtors	**35,540**	—
	161,630	474,924

14 Creditors: amounts falling due within one year

	2025 £	2024 £
Amounts due to the Generalate of the Religious Sisters of Charity	**25,000**	25,000
Accruals	**283,771**	223,682
	308,771	248,682

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 a specific purpose:

	At 1 January 2025 £	**Income £**	**Expenditure £**	**Gains/ (Losses) £**	**At 31 December 2025 £**
Long term care fund	**4,217,782**	**143,690**	**(143,690)**	**297,037**	**4,514,819**
	4,217,782	**143,690**	**(143,690)**	**297,037**	**4,514,819**

	At 1 January 2024 £	*Income £*	*Expenditure £*	*Gains/ (Losses) £*	*At 31 December 2024 £*
Long term care fund	*3,978,435*	*97,804*	*(97,804)*	*239,347*	*4,217,782*
	3,978,435	*97,804*	*(97,804)*	*239,347*	*4,217,782*

The long-term care fund is to be used for the sisters' long-term care. This sum will provide modest resources to look after the sisters, many of whom will need increasing support and increasingly expensive residential and nursing care.

16 Tangible fixed assets fund

	2025 £	2024 £
At 1 January 2025	**5,942,086**	5,969,912
Net movement in year	**(115,297)**	(27,826)
At 31 December 2025	**5,826,789**	5,942,086

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 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.

17 Programme related investment fund

	2025 £	2024 £
At 1 January 2025 and 31 December 2025	**389,762**	389,762

The programme related investments fund represents the book value of the property assets classified as programme related investments i.e. the property owned by the charity but occupied by the Medaille Trust at a peppercorn rent for purposes consistent with the charitable objectives of the charity.

18 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 January 2025 £	Released /added in year £	At 31 December 2025 £
Sisters' retirement fund	**6,750,000**	—	**6,750,000**
Repairs and maintenance fund	**250,000**	—	**250,000**
	7,000,000	—	**7,000,000**

	At 1 January 2024 £	*Released /added in year £*	*At 31 December 2024 £*
Sisters' retirement fund	*6,750,000*	—	*6,750,000*
Repairs and maintenance fund	*250,000*	—	*250,000*
	7,000,000	—	*7,000,000*

- **Sisters' retirement fund**

  Actuarial calculations performed during the year indicate that £11.2 million is required to fund the long term care of the members of the Congregation living in England and Wales.

  Part of the fund is represented by an investment portfolio which had a value of £4.5 million at 31 December 2025 and is part of the charity's restricted funds (note 15).

  The designated fund comprises the balance of £6.7 million set aside by the trustees in order to provide fully for the sisters in their retirement. The fund will be utilised over the expected lives of the sisters.

- **Repairs and maintenance fund**

  £250,000 has been set aside for the refurbishment and furnishing of accommodation for elderly members of the Congregation. It is anticipated that this fund will be utilised over the next four years.

19 Analysis of net assets between funds

	General funds £	Tangible fixed asset funds £	Programme related investment fund £	Designated funds £	Restricted funds £	Total 2025 £
Fund balances at 31 December 2025 are represented by:						
Tangible fixed assets	**—**	**5,828,907**	**—**	**—**	**—**	**5,828,907**
Programme related investments	**—**	**—**	**389,762**	**—**	**—**	**389,762**
Investments	**1,597,520**	**—**	**—**	**7,000,000**	**4,514,819**	**13,112,339**
Net current assets	**415,311**	**—**	**—**	**—**	**—**	**415,311**
Total net assets	**2,012,831**	**5,828,907**	**389,762**	**7,000,000**	**4,514,819**	**19,746,319**

	General funds £	*Tangible fixed asset funds £*	*Programme related investment fund £*	*Designated funds £*	*Restricted funds £*	*Total 2024 £*
Fund balances at 31 December 2024 are represented by:						
Tangible fixed assets	—	5,942,086	—	—	—	5,942,086
Programme related investments	—	—	389,762	—	—	389,762
Investments	2,151,283	—	—	7,000,000	4,217,782	13,369,065
Net current assets	391,556	—	—	—	—	391,556
Total net assets	2,542,839	5,942,086	389,762	7,000,000	4,217,782	20,092,469

The total unrealised gains as at 31 December 2025 constitute movements on revaluation and are as follows:

	2025 £	2024 £
Unrealised gains included above:		
On investments	**2,213,390**	1,421,686
Total unrealised gains at 31 December 2025	**2,213,390**	1,421,686
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2025	**1,421,686**	674,525
Less: released on disposals	**(155,345)**	(50,567)
Add: net gains arising on revaluation in the year	**947,049**	797,728
Total unrealised gains at 31 December 2025	**2,213,390**	1,421,686

20 Ultimate control

The charity, which is constituted as a CIO, was controlled throughout the period by the Province of Great Britain and Ireland of the Religious Sisters of Charity by virtue of the fact that the Superior of the Congregation appoints the trustees. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the Province in England and Wales are vested in the trustees of the charity, who undertake all transactions entered into in the course of the Province's charitable activities.

21 Related party transactions

With the exception of the transactions referred to in note 8 to these accounts, there were no other related party transactions (2024 - none).

22 Members liability

Sister Mary Teresa Clarke, by virtue of holding that office, is ex-officio the sole member of the CIO for as long as she holds that office. If the CIO is wound up, the member of the CIO has no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.