SISTERS OF CHARITY
OF OUR LADY MOTHER OF MERCY SCMM

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

CHARITY NO: 1190918

SISTERS OF CHARITY OF OUR LADY MOTHER OF MERCY SCMM

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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Introduction

The trustees submit their report and financial statements for the year ended 31 December 2025.

The financial statements have been prepared in accordance with the accounting policies set out on pages 9 and 10 of the statements and comply with the Charity's Constitution, the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016 and Update Bulletin 2 published on 5 October 2018), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The results of the activities for all services operated within the United Kingdom and Republic of Ireland are encompassed within the financial statements.

History of the Organisation

The Institute of the Sisters of Charity of Our Lady, Mother of Mercy, the Generalate of which is in Tilburg, The Netherlands, was founded in 1832 in Tilburg, The Netherlands. It being an Apostolic Religious Institute of Pontifical Right, the most recent Constitutions were approved by the Congregations for Religious and Secular Institutes in 1988.

The Institute began its work in Britain in 1861, and these works became the responsibility of the newly-formed English Province in 1962. The Charity, which promotes the work of the Institute in the UK and elsewhere, was constituted as a Charitable Incorporated Organisation in July 2020 registered with the Charity Commission under the number 1190918. On 1 April 2021 the CIO took over the assets and liabilities and activities of the Charity known as The Sisters of Charity of Our Lady Mother of Mercy (registered under the number 234283) by way of a transfer agreement signed by the Trustees of both Charities. There are currently 4 sisters in communities in North Wales and Limerick, Ireland. Those sisters who are able are engaged in a variety of apostolates, mainly within the fields of spiritual, pastoral and social care; none of the ministries is the specific financial responsibility of the Institute.

The nature and aim of the Institute, and Institute policy, are set out in the Constitution of the Institute.

Principal Aims and Activities

The spirit of the Institute is essentially apostolic.
"By expressing God's mercy in our actions in a spirit of simplicity, we respond to the call to be of service, preferably to the poor, the oppressed and the needy."(Constitutions Chapter 1, Article 2)

This is usually within the context of another organisation, such as a Diocesan team or through another charity, enabling sisters to be involved in a variety of ministries, according to local need, and the specific talents of sisters.

It is the policy of the Congregation to respond "Wherever I may be needed, and wherever I may be sent", which may involve sisters being invited to work in another Province or Region. In that case the sisters are supported financially from the Generalate.

While we may not always be able to respond physically to the poor, we can do so financially, through other Organisations and Charities. To this end, we have undertaken, throughout the Institute, to set aside a sum each year to allocate to projects, which we feel are in accordance with the aim of our Institute. This fund is called the Consol Fund, which takes its name from the words Congregation Solidarity. Contributions are made following a review of the aims and practices of the charity or project, and also its financial accounts. If the donation is for a project overseas, then it must be paid through a British-based organisation, who can then account for its allocation.

As an Institute, we have a policy of centralisation of funds, which means that funds held in a Province are at the disposal of the entire Institute, via our Generalate.

In the 1960's, it was recognised that the costs of caring for our ageing sisters in the future would need to be addressed, as they had all worked in religious institutions, (ie hospitals, children's homes, schools), and some would not qualify for a State Pension. To this end, a Designated Fund was established, and is reviewed annually, in a meeting with the Investment Managers, the Trustees and our financial advisers. At the start of 2023 on reviewing the amount held in various investments and the future needs of the sisters it was decided to transfer all the managed funds into a cash investment held through Investment Managers.

Public Benefit

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives.

The public benefit which the charity provides includes the following:

- Care of the sick and elderly on a permanent and respite basis
- Care of the elderly members of the order
- The relief of those in need because of age, ill-health, disability, financial hardship, or other disadvantage.
- Provision of sacred spaces, churches and worship services
- Contribution to the good mental and physical health of those with whom they are in contact.

Review of activities

During the period those sisters who were able continued to be involved in a range of activities in line with our policy. Ministries were conducted in Parishes, Dioceses and in promoting spirituality.

The Institute continued to support the poor, oppressed, needy and young and a total of £12,701 was donated to various causes during the course of the year.

Bryn Mair Convent, the house in North Wales, was adapted to give the care required for the older members of the Order. In 2025 it was decided to close Bryn Mair and put the property up for sale. Redundancy payments were made to staff of £97,192 in total.

Financial Report for the period

The main financial activities of the charity are encompassed within the unrestricted fund and the designated fund. The unrestricted fund records income and expenditure of day-to-day receipts and payments concerning in particular the sisters' own living expenses, their works and activities and the support of the various people and causes they serve. This fund produced an increase in net assets of £107,751 for the year after a transfer of £72,944 from the designated fund and a transfer of £250 from the restricted fund (see Notes 4 and 12 to the accounts).

The designated fund is a fund that was set up some years ago to cater for the needs of the sisters in retirement, and a greater narrative will be given on this fund under the heading of the Charity's assets. For the year to 31 December 2025, the designated funds increased by £1,464 after the transfer of funds to the unrestricted fund in the year.

The trustees consider that the financial affairs of the Charity are satisfactory but there are still some concerns about the funds that will be required to sustain the Sisters in retirement. The Charity funds are supplemented by funds from the Institute Generalate in Holland. In this period £656,701 has been received from this source.

Charity's Assets

The charity owns a number of properties as detailed in the financial statements and these are held and used by the Sisters themselves for their own residential purposes. Several of the properties have been professionally valued in the last number of years and these values have been incorporated into the accounts. The trustees are of the opinion that the current open market value of the freehold land and buildings is in excess of the values shown on the balance sheet but such values could be dependent on planning permissions to be obtained in the event of any disposals.

The other main assets of the charity comprise a cash investment and cash held at the bank.

As mentioned above in the financial review the designated fund was set up to cater for the needs of elderly sisters. The sisters are now retired and of pensionable age and this fund is now being used to finance current liabilities.

Reserves Policy and Future Plans

The policies of the Institute will continue to be followed and the two main commitments are that of supporting the policies outlined above and catering for the needs of the elderly sisters. Careful monitoring of reserves will continue to be crucial in attempting to ensure that future needs will be met.

Risk Management

The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen the risks.

Trustees' Responsibilities Statement

The trustees are required under the Charities Act 2011 to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Charity's financial activities during the period and of its financial position at the period end. The trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- 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 material departures disclosed and explained in the accounts;
- prepare the statements 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 records which disclose with reasonable accuracy at any time the financial position of the charity and which also enable them to ensure that the financial statements comply with applicable law and regulations. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps to prevent and detect fraud and other irregularities.

Structure governance and management

The Charity is regulated by its Constitution and was registered with the Charities Commission on 18 August 2020 under the number 1190918. The Charity is registered under the name of "Sisters of Charity of Our Lady Mother of Mercy SCMM" and is known as The Sisters of Charity of Our Lady Mother of Mercy.

The Regional Coordinator, in conjunction with the Provincial bursar, run the day-to-day affairs of the Charity.

The Regional Coordinator is appointed by the General Council of the Sisters of Charity of Our Lady Mother of Mercy.

The Trustees for the Charity in England:

The following persons were trustees of the charity, as defined by the provisions of the Charities Act 2011 and were in office during the financial period.

Sister Anne McEvoy
Sister Patricia Trussell
Sister Cecilia Turtle

Bankers:
The principal bankers for the charity services are:
NatWest Bank
Port Sunlight Branch
Wirral, Merseyside CH62 4YU

Investment Advisers
Rathbones
100 Old Hall Street
Liverpool L3 9AB
Tel: 0151 227 2030 Fax: 0151 227 2444

Solicitors:
The principal solicitors and legal advisers to the charity are:
Blackhurst Swainson Goodier
3&4 Aalborg Square
Lancaster LA1 1BJ
Tel: 01524 386500 Fax: 01524 386515

Insurance brokers:
Marsh Commercial Insurance Brokers
Belvedere,
12 Booth Street
Manchester M2 4AW
Tel 0161 245 3668

Independent Examiner:
P Buck FCA DChA
Champion TLL
7-9 Station Road
Hesketh Bank
Preston PR4 6SN
Tel 01772 735000

By order of the Council

…….
Sister P Trussell

Date of approval:…….

SISTERS OF CHARITY OF OUR LADY MOTHER OF MERCY SCMM

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE SISTERS OF CHARITY OF OUR LADY MOTHER OF MERCY FOR THE YEAR ENDED 31 DECEMBER 2025

I report to the trustees on my examination of the financial statements of Sisters of Charity of our Lady Mother of Mercy SCMM (the charity) for the year ended 31 December 2025.

Respective responsibilities of trustees and examiner

The Charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this period under section 144(2) of the Charities act 2011 (the 2011Act) and that an independent examination is needed. It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act.
- Follow the procedures laid down in General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- State whether particular matters have come to my attention.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales (ICAEW), which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

P Buck FCA DChA
Champion TLL
7-9 Station Road
Hesketh Bank
Preston PR4 6SN .....

SISTERS OF CHARITY OF OUR LADY MOTHER OF MERCY SCMM

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Restricted Funds	Unrestricted Funds	Designated Funds	Total Funds	Total Funds
		2025 £	2025 £	2025 £	2025 £	2024 £
Income from						
Legacies and gifts		-	144	-	144	195
Charitable activities	1	-	64	72,930	72,994	84,882
Investments	2	-	2,402	3,518	5,920	9,908
Other		-	-	-	-	-
Funds received from Generalate		-	656,701	-	656,701	336,234
Total Incoming Resources		-	659,311	76,448	735,759	431,219
Expenditure						
Investment management costs		-	-	-	-	-
Charitable expenditure	3	-	629,141	2,040	631,181	562,690
Total Expenditure		-	629,141	2,040	631,181	562,690
Net income/(expenditure) before gains and losses on investments and movement in funds		-	30,170	74,408	104,578	(131,471)
Net gains/(losses) on Investments		-	-	-	-	-
Foreign exchange gains/(losses)		-	4,387	-	4,387	(3,044)
Net income/(expenditure) before movement in funds		-	34,557	74,408	108,965	(134,515)
Transfers between funds	4	(250)	73,194	(72,944)	-	-
Net movement in funds		(250)	107,751	1,464	108,965	(134,515)
Balance brought forward at 1 January 2025		2,250	352,814	71,554	426,618	561,133
Balance carried forward at 31 December 2025		2,000	460,565	73,018	535,583	426,618

The notes on pages 9 to 14 form part of these financial statements.

SISTERS OF CHARITY OF OUR LADY MOTHER OF MERCY SCMM

BALANCE SHEET AS AT 31 DECEMBER 2025

	Note		Total Funds 31 December 2025 £		Total Funds 31 December 2024 £
Fixed assets					
Tangible fixed assets	5		672,109		694,436
Mortgages			4,147		4,397
			676,256		698,833
Current assets					
Debtors	7	1,438		283	
Cash Investment	6	70,371		67,784	
Cash at bank and in hand	8	272,676		388,168	
		344,485		456,235	
Current liabilities					
Amounts falling due within one year	9	15,790		259,082	
Net current assets			328,695		197,153
Total assets less current liabilities			1,004,951		895,986
Liabilities due after one year					
Long term loan from Holland	10		469,368		469,368
Net assets			535,583		426,618
Unrestricted funds					
General Fund		280,096		166,329	
Unrestricted - Property revaluation reserve		180,469		186,485	
			460,565		352,814
Designated funds					
Designated – Old age funds			73,018		71,554
Restricted funds	11				
Endowment Fund			2,000		2,250
Total Funds			535,583		426,618

Approved by the Trustees on ……. and signed on their behalf by:

……
Sister P Trussell

The notes on pages 9 to 14 form part of these financial statements.

Basis of preparation and assessment of going concern

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements 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 UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016 and Update Bulletin 2 published on 5 October 2018), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, as modified by the revaluation of land and buildings and investments. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The Trustees consider that there are no material uncertainties about the Trusts ability to continue as a going concern in the foreseeable future. With respect to the future the most significant area of uncertainty that effects the carrying values of the assets held by the Trust are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the Trustee's report)

The Trustees have addressed 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 one year from the date of approval of these accounts. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The Generalate in Holland is committed to providing any support necessary to ensure that all commitments are met.

Funds Structure

The restricted fund is an endowment fund which holds amounts bequeathed to individual members of the Order by others. Such funds revert to the member either on leaving the Order or revert to the estate on death. Such monies cannot be generally utilised by the Charity, although any income arising is unrestricted in its use.

Within the Unrestricted Fund the trustees have established a designated fund to provide care for members of Order in old age. The trustees review the fund each year. All pensions and benefits accruing to retired members of the order are credited to this designated fund and funds representing the income of the fund are transferred to the unrestricted funds annually.

Income Recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations, Legacies and Other Voluntary Income are credited to the Statement of Financial Activities as they become receivable.

Where funds are received for a specific purpose as defined by the donor, these are credited to a restricted fund, and are matched against expenditure incurred with the purpose specified.

Investment income is accounted for in the period on which the Charity is entitled to receipt.

Grants received in respect of expenditure charged to the Statement of Financial Activities during the period, have been included within the Statement of Financial Activities.

Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Allocation of Expenditure

Allocation of expenditure to cost of generating funds, direct charitable costs, governance costs, and other resources expended have been made on a basis consistent with the nature of the expenditure giving consideration to the application, directly or otherwise, to external charitable causes.

VAT

Irrecoverable VAT is charged against the expenditure heading on which it was incurred.

Cost of raising funds

The cost of generating funds consists of investment management costs.

Investment Assets

The Charity holds assets in an investment portfolio. Investments are included at closing mid-market value at the Balance Sheet date.

All gains and losses on Investment assets are reported in the Statement of Financial Activities on an accruals basis.

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.

Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost or valuation.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:-

Motor Vehicles	25% reducing balance
Buildings	2% straight line

		Unrestricted Fund	Designated Fund	Total Funds 2025	Total Funds 2024
1	**Income from charitable activities**	**£**	**£**	**£**	**£**
	Sisters' salaries and benefits	-	72,930	72,930	84,818
	Other income	64	-	64	64
		64	72,930	72,994	84,882

		Unrestricted Fund	Designated Fund	Total Funds 2025	Total Funds 2024
2	**Income from investments**	**£**	**£**	**£**	**£**
	Cash Investment	-	3,126	3,126	8,235
	Mortgage interest	-	351	351	423
	Bank interest	2,402	41	2,443	1,250
		2,402	3,518	5,920	9,908

There was no income from investments in the restricted fund in the period.

		Unrestricted Fund	Designated Fund	Total Funds 2025	Total Funds 2024
3	**Charitable expenditure**	**£**	**£**	**£**	**£**
	Contributions to charitable projects	12,701	-	12,701	12,701
	Community allowances, living expenses and property costs	564,442	-	564,442	515,964
	Legal and Professional Fees	13,070	-	13,070	-
	Accountancy Fees	2,040	2,040	4,080	4,128
	Congregation Expenses	36,888	-	36,888	29,897
		629,141	2,040	631,181	562,690

None of the Trustees received any emoluments during the year (2024 £Nil).
None of the Trustees received reimbursement for any expenses in the year (2024 £Nil).

During the year statutory redundancy payments were made to a number of staff totalling £97,192.

4 Transfers between funds

A transfer of £72,944 (2024 £190,696) was made from the designated fund to the unrestricted fund as a contribution to the living costs of the Sisters.

A Transfer of £250 (2024 £nil) was made from the restricted fund to the unrestricted fund, relating to a legacy received in an earlier period for a Sister who died in this period.

5 Tangible fixed assets

	Freehold Land & Buildings £	Motor Vehicles £	Total £
Cost or Valuation			
At 1 January 2025	1,090,000	29,884	1,119,884
Additions in period	-	-	-
Disposals in period	-	(7,890)	(7,890)
At 31 December 2025			
At cost	-	21,994	21,994
At valuation	1,090,000	-	1,090,000
Depreciation			
At 1 January 2025	397,241	28,207	425,448
On disposals	-	(7,747)	(7,747)
Charge for the period	21,800	384	22,184
At 31 December 2025	419,041	20,844	439,885
Net Book Values:			
At 31 December 2025	670,959	1,150	672,109
At 1 January 2025	692,759	1,677	694,436

The land and buildings excluding the Bryn Mair property were re-valued in 2006. Bryn Mair was revalued in 2007 by Eckersley & Co, Chartered Surveyors, Preston.

The buildings have not been revalued in the reporting period as the trustees are of the opinion that the cost of revaluation would outweigh any benefit gained.

6 Cash Investments

	2025 £	2024 £
Quoted Investments:		
Market Value at 1 January 2025 (excluding cash balances)	66,000	166,000
Interest capitalised	-	-
Disposals (202: proceeds £99,965; realised profit £35)	-	(100,000)
Unrealised (losses)/profits on valuation at 31 December 2025	2,585	-
	68,585	66,000
Cash balances at 31 December 2025	1,786	1,784
Market Value at 31 December 2025	70,371	67,784

Investments listed on a recognised stock exchange are as follows

	2025 £	2024 £
Cash Investment	68,585	66,000
Cash	1,786	1,784
	70,371	67,784

7 Debtors

	2025 £	2024 £
Prepayments and accrued income	1,438	283

Accrued income of £283 (2024 £283) relates to the restricted fund.

8 Cash at Bank and in hand

	2025 £	2024 £
Cash at bank	271,868	386,895
Cash in hand	808	1,273
	272,676	388,168

Cash at bank and in hand figures were as follows: Unrestricted fund £272,226 (2024: £387,218), Restricted fund £ 0 (2024: £0) and designated fund £ 450 (2024: £950)

9 Liabilities: Amounts falling due within one year:

	2025 £	2024 £
Accruals	15,790	14,462
Income in advance	-	244,620
	15,790	259,082

Accruals relate to the unrestricted fund and the designated fund only and were as follows: unrestricted fund £13,840 (2024: £12,602) and designated fund £1,950 (2024: £1,860)

10 Long term loan from Holland

During the period there was no increase in the interest free loan to the Charity from the Congregation's Mother House in Holland. This loan is repayable as and when properties held by the Charity are sold or transferred.

11 Restricted funds

The restricted fund is an endowment fund which holds amounts bequeathed to individual members of the Order by others. Such funds revert to the member either on leaving the Order or revert to the Order on death.

Such monies cannot be generally utilised by the Charity, although any income arising is unrestricted in its use.

12 Analysis of assets between funds

	Tangible Fixed Assets £	Loans £	Mortgages £	Net Current Assets £	Total £
Unrestricted					
General fund	672,109	(469,368)	-	257,824	460,565
Designated					
Pension fund	-	-	4,147	68,871	73,018
Restricted					
Endowment fund	-	-	-	2,000	2,000
Total	672,109	(469,368)	4,147	328,695	535,583

13 APB Ethical standards

In common with many other charities of similar size and nature, our accountants assist with the preparation of the financial statements.