Congregation of Servants of Mary (London)

Annual Report and Accounts

31 December 2025

Charity Registration Number
241434

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Trustees	Sister Michelle Reilly Sister Catherine Francis Farrell Sister Joyce Mary Fryer (until 4 October 2025) Sister Ellen Rachel O'Riordan Sister Lydia Dominic Savio Edwards (The trustees are incorporated under the Charities Act 2011)
UK Treasurer	Sister Lydia Dominic Savio Edwards
Administrative address	Servite Sisters UK St Mary's Convent 90 Suffolk Road London N15 5RH
Telephone	0208 809 5674
Website	www.servitesistersinternational.org
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Charity registration number	241434
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Principal bankers	HSBC Bank plc 69 Pall Mall London SW1Y 5EY
Investment managers	BlackRock Investment Management (UK) Limited 12 Throgmorton Avenue London EC2N 2DL HSBC Global Asset Management (UK) Limited 78 St James's Street London SW1A 1EJ

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

The Trustees present their report together with the accounts of the Congregation of Servants of Mary (London) (the "Charity") for the year ended 31 December 2025.

The accounts have been prepared in accordance with the accounting policies set out on pages 26 to 31 of the attached accounts and comply with the Charity's trust deed, the Charities Act 2011 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 Congregation of Servants of Mary (the "Congregation"), commonly known as Servites, is an International Roman Catholic Religious Congregation supporting 155 Sisters worldwide. It was founded in 1864 in France. Its Congregational Office is located in Paris. The UK Servite Sisters are directly governed by the Congregational Prioress, who has delegated the legal responsibilities to her Trustees and Leadership in the U.K.

The accounts accompanying this report are the accounts of the Charitable Trust on which the assets of the Congregation in England and Scotland are held.

Charitable objectives: Mission

The object of the Congregation of Servants of Mary (London), as set out in its governing document, is the furtherance of the Roman Catholic faith supporting education in all its forms.

By caring for individual members of the Congregation throughout their lives with the Congregation, the Charity aims to enable and support the sisters to live out their faith and to put that faith into practice through a wide variety of religious and other charitable works.

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

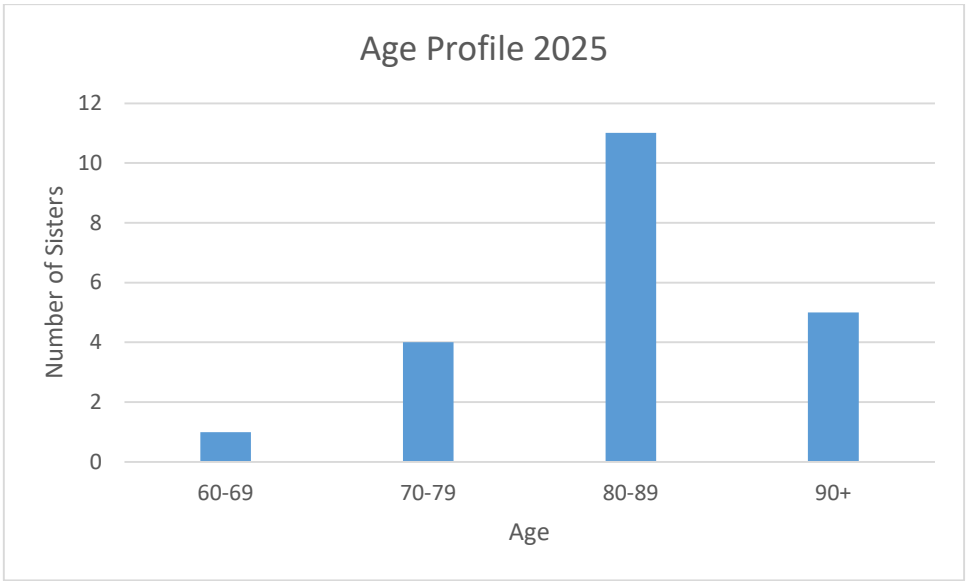
Activities, objectives and achievements of the UK community

The spiritual principles which underpin the apostolic activity of our Religious Congregation are designed to benefit the public and also to demonstrate our key ministry which is the provision of quality care for our frail and elderly Sisters. The privilege of charitable status and the benefits which accrue act as an incentive for us to fashion our Mission and Ministries so as to meet the legal definition of charity and to comply with the requirements laid down by the Charity Commission. If we, as a charity, benefit from certain financial exemptions, then we are obliged to demonstrate by clear reporting that the exemptions convey a benefit to society in the U.K. that outweighs the lost revenue.

- **Caring for members of the Congregation**

  In common with many Religious Congregations in the UK, the age profile of the members of the Congregation is increasing and currently there are no new vocations emerging in the West but the numbers of sisters are growing in the Democratic Republic of Congo (DRC) and we are now exploring a foundation in the Cote D'Ivoire. The Congregation has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted a significant part of their lives to the care of the elderly, poor and marginalised in our society.

The age profile of the Congregation in the UK on 31 December 2025 is shown graphically below:



As the age profile of the Congregation increases so too does the need to provide increasing and increasingly expensive care to the Sisters. On 31 December 2025, five of the members of the Congregation were receiving care in a new external facility, having moved there in February 2024. Over the next decade, the Trustees expect this number requiring care to increase. As a consequence, the Trustees are giving careful consideration to the impact of this on the work of individual members of the Congregation, the property requirements of the Congregation and the financial implications. In this regard, the objectives of the Trustees over the current year are summarised below. All these objectives will continue to be applicable for the next few years.

◊ Ensuring all members of the Congregation receive the high level of care they require to provide them with the quality of life they have a right to expect;

◊ Reviewing the charity's properties used as community houses and assessing their suitability as homes for the elderly and frail. Those identified as being unsuitable will be adapted or, if this proves impossible, sold and replaced with properties more appropriate for the elderly. All properties owned by the Charity have been included in a 5-year update and maintenance programme; The Sisters may need to find suitable nursing homes for Sisters with specific medical conditions that need professional interventions and support. Six Sisters moved to a new contracted-out care facility in February 2024. Two Sisters moved to care facilities in 2025. Two Sisters had periods of Respite care in contracted-out care facilities. Costs of care are high due to the level of nursing/dementia care;

◊ Enabling all members of the Congregation to continue with their individual ministries for as long as possible;

◊ Investing time and finances in properties suitable to meet the charity's objectives; and

- ◊ Supporting new members and projects in line with the religious and educational objectives of the Charity.

- **Enabling and supporting members in a variety of religious and charitable works**
  Throughout the year Sisters continued to carry out various forms of charitable works in order to fulfil their individual ministries. This work enables the Charity to reach out to those in need within society generally and benefit a very significant number of people.

  The religious and charitable works of individual members of the Congregation can be divided into these principal areas: worship and prayer, the social and pastoral work of the sisters, trusteeships and support of schools, ministry and the support of overseas missionary work and supporting younger members of the Congregation to live and study in the West and in Africa to promote our charism.

- **Worship and prayer**
  Members of the Congregation are given the opportunity for private worship and to continue to develop their knowledge and trust in Jesus and the Church through quiet prayer, study of the Gospel and spiritual development. In addition, members of the Congregation celebrate and pray with the wider community including people of all faiths and none. They do this through the provision of spiritual guidance or by just being available to listen to others in times of need, through the celebration of the Liturgy through prayer groups and church services. The sisters are active in their local Parish Communities supporting the Parishioners wherever possible. Their prayerful presence brings comfort and support to many people.

- **Social and pastoral work**
  The charity continues to realise its objectives by:

  - ◊ Enabling all members of the Congregation to carry out meaningful social and pastoral work within the community after assessing their skills and the needs of the local area.

  - ◊ Encouraging and motivating members to work with and assist the poor, elderly and marginalised; and

  - ◊ Wherever possible, ensuring sisters are remunerated for such work by way of salary or stipend. Such income is donated to the charity and thereby ensures that the work of the sisters and charity may continue into the future and develop.

  Many members of the Congregation are involved in various forms of social or pastoral work throughout the country, including support of the elderly, family support and chaplaincy in hospitals, educational establishments and in other charitable organisations. The Sisters aim to help the poor and marginalised in U.K. Society regardless of their personal background, faith, gender or individual circumstances.

- **Education in all its forms**
  A Servite Sister is a part time Assistant Chaplain at All Saints High School in North London. The Sister also volunteers in a South London Secondary School as a Chaplain one day a week. Another sister works with Religious Congregations as a Facilitator in various countries.

The schools have high expectations of the pupils in every aspect of their school life. Pupils are expected to be attentive during lessons, to be courteous to their teachers, considerate of their fellow pupils and to work to their best of their ability. The schools endeavour to enable every pupil to do full justice to their God-given talents, to see the wonders of God's creation in the subjects they study and to learn to be a useful and generous member of the school community. Every member of the teaching staff is involved in the system of pastoral care and discipline.

The Sisters are no longer Trustees of St Mary's Priory Voluntary Aided Infant School and St Mary's Priory Junior School in the London Borough of Haringey. However, the Schools, like All Saints are co-educational schools and retain a Servite link and the Servite values. St Mary's School wants to develop a happy, caring and secure community which celebrates the multicultural diversity of the pupils.

Part of the mission statement reads:

'Everyone at our school aspires to create an inclusive environment where we all feel valued and respected so that we can achieve our full potential for lifelong learning'

The children are encouraged to take some responsibility for protecting the resources of the earth. The Walking Bus helps to save energy and creates a sense of community. The school's mission is to provide a positive, inclusive, Catholic environment for learning and growth which promotes excellence and inspires each individual to discover, develop and fulfil their spiritual, intellectual and personal potential and to become lifetime learners. It is felt that the school should provide a nurturing caring social environment, based on Christian values, in which the views of all members are heard, valued and respected and in which students are supported in their complete development as young adults.

◊ A Servite sister continues her work as a governor at Servite Primary School in Kensington & Chelsea with special responsibility for Religious Education;

The following are examples of the other educational work undertaken by the sisters:

◊ School chaplaincy;

◊ Support of other agencies which deliver education in a direct way;

◊ Consultancy with religious communities in strategic planning and identifying educational/safeguarding training needs;

◊ A large number sisters are active in their local Parishes working with the poor, those in need of spiritual guidance and at times assisting in the filling in of Government Forms;

◊ There are sisters who assist the Parish Clergy and Parishioners by providing Catechetics, Prayer guidance, Spiritual Support, Bereavement Support and any other Support in their daily lives;

- ◊ Some sisters who are unable to leave their residences provide Prayerful Support and telephone or write to those requesting their guidance and support;
- ◊ Religious training of Sisters in the Democratic Republic of Congo, the Cote D'Ivoire and in Europe;
- ◊ Education of a sister from the Democratic Republic of Congo to become a Doctor of Medicine and support further studies in DRC;
- ◊ Training of Democratic Republic of Congo sisters in English language, furtherance of the Roman Catholic Faith, Theology, Spirituality and culture;
- ◊ Supporting the Mama wa Rehema Primary School and the Secondary School operated by the International Community in Butembo and Katsaya, Democratic Republic of Congo;
- ◊ Supporting the Vutahira, DRC Hospital Centre Prayerfully and Financially
- ◊ Supporting Secondary and Primary education by providing, at below market rate, offices to a multi academy trust in Olton, Solihull who support 14 Schools (2 Secondary and 12 Primary Schools). Two sisters have regular updates and contact with the CEO who works for the Trust in the Diocese of Birmingham.

- **Overseas missionary work**
  The Charity also helps support sisters working in healthcare and social and pastoral fields in the Democratic Republic of Congo, thereby helping some of the world's poorest and most disadvantaged people. Medical support for the Vutahira Hospital Centre run by the Servite sisters in the DRC is also given funds. The Congregation have now opened a new foundation of sisters in the Cote D'Ivoire The sisters are working in parishes with the poor and attending educational courses to further their studies. This will enable the sisters to serve the church in this part of Africa in the future.

Future plans

- From early 2024 the elderly and frail Servite Sisters have been cared for in a nearby Care Home run by another Charity. Six elderly sisters at St Juliana's moved to their new home. As and when needed more sisters will move into the care sector.
- In 2025 there has been a need for more Respite Care, following hospital admission or health issues that require specialist care for a short period of time. In 2025 one sister moved for Respite care to a convent in North London a number of times. This resulted in her remaining in the care home to ensure she had the medical and personal care that she needed. A second sister also received Respite care in an Essex care facility for an extended period the she returned to her religious residence. This allowed the sisters to receive appropriate care and to enable the other elderly sisters to carry out their day to day activities without having the anxiety of giving personal care to the sister concerned.

- The Trustees, U.K. Leadership Team and the Congregational Prioress will be looking at the properties that the Charity owns. Property advisors will make forward plans for the building / maintenance work needed to retain the value of the property when it is sold;

- A 5-year plan was drawn up beginning in 2026 to carry out the necessary works and repairs to ensure the values of the properties were retained;

- The Leadership and Trustees will work together to provide what is needed for the sisters in the next stage of their life. One sister requested that an assisted living flat be purchased to ensure her health needs were met. This has happened in August 2026 and the necessary surveys and renovation of the premises to accommodate her needs has been planned.

- As a result of the sister moving to a new flat in West Sussex the flat which she lived in was deemed unsuitable for an aging person with health needs. Permission was sought from the Congregational Prioress and Council to sell the property and the permission was granted. This sale will happen in early 2027.

- The Trustees have set aside adequate funds to employ more administrative personnel using Agency Staff and thus relinquishing much of the day-to-day administrative duties required by the Charity. It is also planned to employ a bursar to oversee the Finances. Also to employ Business Administrator to carry out the other areas of Administration of the Charity. A Secretary to the Trustees, Leadership and Safeguarding Meetings has been sourced. This Secretarial assistance is provided remotely and the Secretary is not a direct employee but an out-sourced Consultant.

- The Charity over the next 2 years hopes to become a CIO and change their Charitable Status to allow for Lay Trustees and Trustees from outside of the U.K.

Relevant policies

- **Safeguarding policy**
  The Charity has a robust policy for protecting adults at risk of abuse or neglect and has a designated safeguarding lead. In the event of any safeguarding incidents being reported they will be passed on to the relevant authorities as appropriate. The incident will be investigated in accordance with guidelines provided by the Religious Life Safeguarding Agency (RLSS) and the Catholic Safeguarding Standards Agency (CSSA), and appropriate action will be taken as required. The Charity was inspected by CSSA in 2025 and a positive report was given to the Charity.

- **Fundraising policy**
  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 manages its own 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 2025, the charity received no complaints about its fundraising activities.

- **Investment policy**

  The Charity's investments are managed by BlackRock Investment Management (UK) Limited and HSBC Global Asset Management (UK) Limited. There are no restrictions on the Charity's power to invest apart from following the Charity's Ethical Investment Policy.

  The Trustees' investment powers are set out in the Charity's trust deed. The investment strategy is set by the Trustees and takes into account income requirements, the risk profile and the investment managers' views of the market prospects in the medium term.

  The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised by the Trustees and their advisors from time to time. There is also an ethical policy precluding investment in any company which, after reasonable enquiry, clearly has significant profits from an activity which is contrary to the objectives of the Roman Catholic Church, mainly armaments, pornography, environmental issues, slavery, and oppressive regimes.

  The performance of the portfolio and the Charity's investment strategy are reviewed by the Trustees and their representative who meet with the investment managers at least twice a year.

  The Treasurer and Trustees receive quarterly reports and summaries detailing the performance of the portfolios.

  Following the completion of the sale of St Juliana's Convent, in 2024, the Trustees and two Leaderhip Coordinators agreed to make a short-term quarterly investment of £1 million pounds sterling. The purpose of this investment was to support our younger members in the DRC and the Cote D'Ivoire in their subsistence, studies, training, ministries, travel and visas. Since 2025 the interest on this investment had been sent to the Congregations account in Belgium as they monitor the needs of the Sisters and send to the Trustees receipts of use of the funds that have been presented to them. Evidence of the end use of this donation is presented in newsletters, receipts for purchases, photographic evidence of purchases and use of the money. The capital £1 million sterling is retained by the U.K. Charity.

  The Congregation Assessment is paid in two tranches: £20,000 in April and £20,000 in September 2025. This will be reviewed annually in November by the Trustees and the Leadership in the U.K. This contract is agreed with the Congregational Prioress who provides proof of receipt immediately on reception and annually confirming the contract made with the U.K. Charity outlining the end use of the funds.

- **Grants, donations and support of missionary work and ministry**

  Grants, donations and other payments in support of missionary work and ministry are decided on by the Trustees in consultation with other members of the Congregation as appropriate. In the main, the Charity supports the ministries of the Congregation of Servants of Mary in overseas countries. During the year the Charity made donations to the Congregation. Details can be found in note 3 to the accounts.

The Trustees continue to give financial support to United Kingdom through donations to organisations whose work is within the objects of the Charity. Registered Catholic Charities in the U.K. have received emergency appeal donations for natural disasters in Venezuela, Philippines and Myanmar. Following Hurricane Melissa a donation was donated to the Servite Sisters in Jamaica to help rebuild the lives of the poor people who had been affected and to Educational establishments. Following receipt of the donations proof of end use was provided. Applications for grants and donations are not invited and the Charity does not regard itself as a grant making entity.

- **Data protection**
  Members of the Congregation are contacted by email and can request access to all personal information that is retained. Details of staff, volunteers and Sisters are held in the Charities Registered Offices in St. Mary's Convent. The information and records are held in compliance with data protection regulations. In 2025 there was 1 employee for the Charity.

Volunteers

Volunteers are friends of the community and they share their spiritual gifts with the sisters and general public in the U.K. Our Associates are in constant communication, their contribution both active and passive i.e. in supportive prayer is invaluable to our works.

Other Volunteers assist with Administrative, Safeguarding responsibilities, providing transport to and from appointments and Household Chores.

Financial review

- **Results for the year**
  A summary of the year's results can be found on page 23 of this report and accounts.

  During 2025 total income amounted to £2,187,037 (2024 - £1,356,619). Of the income, a total of £410,422 (2024 - £464,605) related to donations and legacies. This figure includes salaries and pensions of the sisters amounting to £404,767 (2024 - £417,366) covenanted to the charity. Investment income and interest receivable totalled £941,947 (2024 - £883,088). Income from other sources amounted to £834,668 (2024 - £8,926) which include a surplus of £843,238 (2024 - £nil) from the sale of St Juliana's in Bognor Regis.

  Expenditure totalled £1,087,606 compared to £1,300,591 in 2024. Expenditure incurred on maintaining the members of the Congregation and supporting them in their pastoral work and ministry amounted to £952,813 (2024 - £1,170,466). This included staff costs of £18,277 (2024 - £197,489) which for 2024 mostly related to staff employed to care for the sisters in the home in Bognor Regis, which was closed, and £455,375 (2024 - £425,627) spent on care home fees. Charitable grants and donations made amounted to £77,031 (2024 - £72,436). Further details about grants and donations are provided in note 3 to the accounts. Fees paid to the charity's investment managers during the year amounted to £57,762 (2024 - £57,689).

  Net income for the year before investment gains, therefore, was £1,099,431 (2024 - £56,028). Investment gains of £2,340,876 (2024 – net gains of £1,814,489) resulted in an

increase in funds for the year of £3,440,307 (2024 – increase of £1,870,517).

- **Investment performance**

  The investment managers continued to invest in accordance with the trustees' investment policy set out earlier in this report and complied with the ethical guidelines in keeping with the Catholic Church investment policies which are given to them.

  During the year the charity's listed investments achieved an income yield of 2.81% (2024 – 3.02%) and a capital yield of 7.68% (2024 – 6.39%).

  The Trustees will continue to review performance by meeting with the investment managers twice a year and monitoring investments on a quarterly basis. The Trustees view their investments as being for the long term, they remain confident that the policy adopted is appropriate for the charity.

  The Charity has one programme related investment property held to generate rental income and supports its objectives in Catholic education by leasing at below market value.

- **Reserves policy and financial position**

  Reserves policy

  The reader will discern from the foregoing that the Charity carries out a diverse range of activities and is responsible for care and support of sisters whose average age is increasing and whose needs are changing. The Trustees have examined the need 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 commitments, the level of free reserves should be equal to three to five years' expenditure.

  Financial position

  The balance sheet shows total reserves of £37.1m (2024 - £33.7m). Of this, £1.9m is represented by properties and other tangible fixed assets essential for the support and work of the sisters. A programme related investment fund of £150,000 has been established following the decision and agreement to lease one of the charity's properties on favourable terms to Our Lady and All Saints Catholic Multi Academy Trust, an organisation with educational charitable objectives consistent with the Servite Sisters.

  In addition, the Trustees have set aside £13.2m (2024 - £13.2m) as designated funds to meet the cost of the care and welfare of the sisters in their retirement. The funds set aside to provide for the sisters in their retirement, none of whom have resources of their own, have been re-assessed during the year. The calculations are based on actuarial methods to provide £75,000 per annum for sisters over 85 years of age, £55,000 per annum for sisters over 70 years of age, £50,000 per annum for sisters over 66 years of age and £120,000 per annum for sisters being looked after at a new facility at Nordon House. Following the reassessment of the retirement reserve the trustees have set aside £1m as an Administrative Fund towards the costs associated with the running of the Charity as the age profile of the sisters increases and more lay personnel are needed. The Charity will employ Professional Finance staff, Administrative Staff and agencies to assist with personal care, household support, travel arrangements, other assistance when needed.

A further fund of £7m has been set aside by the Trustees to refurbish its properties in the next five years as properties held by the charity are in need of extensive repairs/renovations. A further fund of £7m has been set aside by the Trustees to refurbish its properties in the next five years to ensure the properties are maintained to the best standard. The Charity Property Advisors have indicated those properties which would benefit from refurbishment and work will commence in 2026. The fund is also for acquiring properties as the sisters' needs dictate.

Funds available to support the work of the sisters in the future, in particular the support of the Congregation's ministry and its missionary and charitable work overseas, are shown as general funds on the balance sheet and amount to £13.8m. This figure needs to be considered in the light of the increasing age profile of the sisters and the need for the Charity to continue to support the work of the Congregation, both in this country and overseas. Investment assets are important to the Charity because of the income generated therefrom. Given the continuing volatility in world stock markets and the higher levels of inflation, there is a real need to retain monies to enable the long-term financial stability of the Charity. In particular, the level of reserves is deemed sufficient when considered in the light of the current macroeconomic and geopolitical climate.

Discussions continue at an international level about the structure and work of the Congregation going forward. These discussions may have an impact on the focus of the charity's work and hence its need for financial reserves. Consequently, the Trustees will continue to review the Charity's financial position and its reserves policy over time with a view to ensuring both are consistent with the Charity's future plans and commitments. The Trustees will assess the need for further designations of funds during the coming financial year. In the meantime, the Trustees are content that the free reserves are adequate but not excessive.

- **Tax exemptions etc**

The beneficiaries of the work of the Charity have the assurance that all of the income of the Charity must be applied for charitable purposes in furtherance of the Charity's object of furthering the Roman Catholic Faith. The Charity enjoys U.K. 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 received as a result of these exemptions are all applied for the purposes of furthering the Roman Catholic Faith by enabling and supporting the Sisters to live out their faith and to put that faith into practice through a wide variety of religious and other charitable works.

The nature of the Charity's activities means that it is unable to reclaim VAT input tax on its costs as it is exempt for VAT purposes. The Charity also pays tax as an employer through the national insurance contributions it makes.

The Charity brings very substantial benefits to the local communities and society in general through the sisters' ministries, the social and pastoral work provided by sisters (often on a voluntary basis), and to the pupils/staff in the schools in which the sisters work or have an association.

The Charity endeavours to behave in terms of sustainability whilst retaining a social conscience and aims to cause minimal harm to the environment. Members, staff and volunteers are encouraged to consider their environmental impact in the use of utilities and recycle whenever possible. Ensuring that water is used appropriately, electricity is renewable where possible. Replacement boilers and equipment meet environmental standards and consider the environment. The members of the Charity are supported to use sustainable policies by acting responsibly and ethically. Ethical investment policies are followed and they deliver a benefit to the wider world, environmentally and socially. Impact Investing: ensuring that following the Charity Commission's guidance (CC4) – which generally dictate that the Trjustees can invest ethically as long as it does not cause significant financial detriment to the Charity's core mission.

In line with Pope Francis document 'Laudate O Si' we endeavour to care for the earth, our common home.

The charity is looking forward to the years ahead as Pope Leo XIV has been continuing the work already begun by Pope Francis. In 2025/2026 we are encouraged to pray for peace and to work for the poor in society.

Governance, structure and management

- **Governance**

  In terms of Canon law, the Congregation is governed at an international level by the Major Superior and her Congregational Council. They are elected every five years at a General Chapter or a meeting of representatives of all communities of the Congregation. The Congregational Prioress delegates to the U.K. Entity, two Coordinators and the Trustees her delegated representatives in the United Kingdom. The U.K. Servite Sisters are an Entity with shared responsibilities: Pastoral, Animation and Administration Accompaniment. As the number of Sisters decrease the responsibilities are shared and lay volunteers/employees support the functioning of the Charity. Members of the Leadership are chosen for their personal qualities, their understanding and experience of the ministries of the sisters throughout England and to secure a good skills mix among them. To ensure that there is a system of accountability operational throughout the Entity, the U.K. Coordinators regularly report to the Congregational Prioress and her Council. The Congregational Prioress sends regular communications and meets with the U.K. sisters both in person and virtually using technology. The U.K. Coordinators and Trustees receive regular updates about the progress and development of the ministries carried out by the sisters. At least once in her term of office the Congregational Prioress will formally visit all the communities and those sisters who live singly.

In terms of Civil law, the Charity is governed by a Trust Deed dated 12 October 1966 and is a Registered Charity – Charity Registration No. 241434. The Trustees of the Charity are the members of the UK Servite Sisters or those appointed by the Trustees. The Trustees are incorporated under the Charities Act 2011. The Congregational Prioress delegates following consultation with the other U.K. Trustees and appoints new Trustees. As all Trustees are members of the Congregation they have a detailed knowledge of the work of the charity and of its structure. On being appointed new Trustees are if possible, required to spend time with those Trustees leaving office. They also meet with the Congregation's legal, accounting, investment and property advisers to obtain a full briefing of their responsibilities and the Charity's position. The Trustees regularly consult and seek assistance from professional advisors.

All Trustees are members of the Congregation of Servants of Mary (London) and as such their living and personal costs are borne by the Charity. However, they receive no remuneration or expenses for their services as Trustees. The volunteer Lay Safeguarding Lead attends all Trustee Meetings and receives Safeguarding Training by Religious Life Safeguarding Service. The Safeguarding Lead ensures that all the U.K. sisters in active Ministry have DBS checks and on-going training. The Safeguarding Lead receives expenses from the Charity.

The names of the Trustees who served during the year are set out on page 1.

- **Governance**

  The names of the current trustees are:

  - Sister Michelle Reilly OSM – Head Trustee & Servite School Religious Education Governor
  - Sister (Catherine) Francis Farrell OSM – Trustee – Apostolate supporting the sick / elderly.
  - Sister Joyce Mary Fryer OSM – Trustee (until 4 October 2025 when she died)
  - Sister (Ellen) Rachel O'Riordan OSM – Trustee & Hospital Chaplain
  - Sister (Lydia) Dominic Savio Lydia Edwards – Treasurer, Trustee and School Chaplain.

- **Statement of Trustees' responsibilities**

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

  The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the charity for that year. In preparing 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 of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- ◊ make judgements and estimates that are reasonable and prudent;
- ◊ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- ◊ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that 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, the applicable Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

- ♦ **Structure and management reporting**

The Trustees are ultimately responsible for the policies, activities, and assets of the Charity. They meet quarterly or more if needed to review developments with regard to the Charity or its activities and make any important decisions. When necessary, the Trustees seek advice and support from the Charity's professional advisers including property consultants, investments managers, solicitors, accountants, insurers and HR Facilitators. The day-to-day management of the Charity's activities, and the implementation of policies, is delegated to the appropriate members of the Congregation, Professional Advisors or Volunteers.

There were 21 sisters in the UK on the 31 December 2025. The Sisters live in eleven houses under the jurisdiction of the Congregational Prioress and her Council. The Charity owns eleven of these Convents. A house in the grounds of the old Olton Convent known as Bethany is also owned by the Charity and is let to a multi-academy trust at a reduced rent in compliance with the charities objectives to support catholic education and ensure public benefit in line with the Charity's objectives to promote the furtherance of Catholic Education and the Catholic Faith.

Trustee training included attendance at various courses and conferences, including:

- ◊ Catholic Charities Conference;
- ◊ Safeguarding training RLSS
- ◊ Catholic Safeguarding Service Agency CSSA
- ◊ Financial Risk Assessment Training;
- ◊ Investment Training;

- ◊ GDPR Training;
- ◊ Risk Assessment Training;
- ◊ Apostolic and Missionary Training; and
- ◊ Religious/Spiritual Training.
- ◊ Trustee Training with Conference for Religious of England and Wales,
- ◊ Association of Provincial Bursars

♦ **Key management**

The Trustees consider that they together with the U.K. Leadership and the Safeguarding Lead 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 and the Treasurer 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 Treasurer.

♦ **Risk management**

The Trustees undertake an annual review of the principal risks and uncertainties that the Charity faces categorising the risks between those affecting the governance and management of the Charity, operational risks, financial risks, reputational risks and those which occur because of circumstances outside of the Charity's control such as changes in government policy, laws and regulations. They regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures should they be needed to minimise or manage any potential impact on the Charity should those risks materialise.

Having assessed the major risks to which the Charity is exposed the Trustees believe that by monitoring reserve levels, by ensuring that 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 UK Community on 31 December 2025 was 84 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 children and vulnerable adults including 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 committed fully to implementing the policies of the Catholic Safeguarding Standards Agency (CSSA) and the Religious Life Safeguarding Service (RLSS).

The Congregation ensures compliance with all current safeguarding procedures and has adopted the policies of the CSSA and RLSS. The Congregation has supported the work of the Independent Inquiry into Child Sexual Abuse in the Catholic Church. Within the Congregation, Mrs Florence Collins is our named Lay Adult responsible for DBS checks and attending forums / courses. There are policies and procedures in place to ensure immediate action should the need arise.

◊ The Charity donates sums in support of the wider Congregation and other Catholic organisations. The vast majority of donations sent overseas are to fund projects administered directly by members of the Congregation. Whether or not the funds are used here in Great Britain or overseas, 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 manager's performance and that of the portfolio are monitored. Quarterly reports are received. The investment strategy is assessed regularly to ensure it remains appropriate to the Charity's needs, both now and in the future.

◊ The risk of lack of new members is being mitigated by actively recruiting new members from the Democratic Republic of Congo (DRC). The Congregation is growing in Africa and the sisters from the DRC are promoting the objectives of the Charity by assisting in the UK and in the DRC. The Congregation in Africa has opened a new mission in the Cote D'Ivoire to further the Catholic faith, to assist the poor people around them, to ensure training for the sisters in a more secure environment in Africa and to promote vocations.

- ◊ The risk of lack of personnel is high and succession planning using professional advisors and agency employees is taking place. Funds have been allocated to cover employing the necessary lay professionals required to carry out administrative tasks the sisters can no longer cover.

- ◊ The risk of only having sisters as Trustees means that the Charity cannot provide what is the professional skills expected by the Charity Commission. Therefore, the Charity is hoping to become a CIO which would enable Lay Trustees with Professional skills and experience. Appointing Trustees from outside of the U.K. would then be a possibility.

- ◊ Risk of cybercrime and fraud are high but policies and programmes have been put into place to try to keep risk to a minimum. Cyber insurance has been added to the Charity Insurance Policies to ensure that there is a safety net for the Charity.

Employees, volunteers, and members of the Congregation

The Trustees wish to record their recognition of the professionalism and commitment of all their staff, volunteers and the individual members of the Congregation. Their dedication and positive approach are very much appreciated.

Approved by the trustees and signed on their behalf by:



Trustee - Sister Michelle Reilly

Approved by the trustees on: 26/10/2026.

Independent auditor's report to the trustees of Congregation of Servants of Mary (London)

Opinion

We have audited the accounts of Congregation of Servants of Mary (London) (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.

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 there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception
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 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 14 and page 15, 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 report in accordance with the Act 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 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; 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 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 trustees 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 financial statements 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. 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

29 October 2026

Statement of financial activities Year to 31 December 2025

	Notes	Unrestricted funds 2025 £	2024 £
Income from:			
Donations and legacies	1	**410,422**	464,605
Investments and bank interest	2	**941,947**	883,088
Other sources:			
. Miscellaneous income		**1,916**	7,657
. Foreign exchange gains		**—**	1,269
. Surplus on disposal of property		**832,752**	—
Total income		**2,187,037**	1,356,619
Expenditure on:			
Raising funds			
. Investment manager fees		**57,762**	57,689
Charitable activities			
. Charitable grants and donations	3	**77,031**	72,436
. Support of members of the Congregation and enabling their ministry	4	**952,813**	1,170,466
Total expenditure		**1,087,606**	1,300,591
Net income before gains on investments	6	**1,099,431**	56,028
Net gains on investments	11	**2,340,876**	1,814,489
Net income and net movement in funds		**3,440,307**	1,870,517
Reconciliation of funds:			
Total funds brought forward at 1 January 2025		**33,663,249**	31,792,732
Total funds carried forward at 31 December 2025		**37,103,556**	33,663,249

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

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

Balance sheet 31 December 2025

	Notes	2025 £	2024 £
Fixed assets:			
Tangible assets	10	**1,931,864**	2,454,203
Investments	11	**31,675,177**	29,359,157
Programme related investments	12	**150,000**	150,000
Total fixed assets		**33,757,041**	31,963,360
Current assets:			
Debtors	13	**32,889**	27,652
Short term deposit		**1,000,000**	—
Cash at bank and in hand		**2,369,250**	1,724,838
Total current assets		**3,402,139**	1,752,490
Liabilities:			
Creditors: amounts falling due within one year	14	**(55,624)**	(52,601)
Net current assets		**3,346,515**	1,699,889
Total net assets		**37,103,556**	33,663,249
The funds of the charity:			
Unrestricted income funds			
. Tangible fixed assets fund	15	**1,931,864**	2,454,203
. Programme related investment fund	16	**150,000**	150,000
. Designated funds	17	**21,200,000**	21,200,000
. General funds		**13,821,692**	9,859,046
Total charity funds		**37,103,556**	33,663,249

Approved by the trustees
and signed on their behalf by:

Sr. Michelle M. E. Reilly

Trustee - Sister Michelle Reilly

Approved on: 26/10/2026

Statement of cash flows Year to 31 December 2025

	Notes	2025 £	2024 £
Cash flows from operating activities:			
Net cash used in operating activities	A	**(675,447)**	(817,937)
Cash flows from investing activities:			
Investment income and interest received		**943,049**	875,241
Proceeds from the disposal of tangible fixed assets		**1,354,822**	—
Purchase of tangible fixed assets		**(2,868)**	—
Proceeds from the disposal of investments		**6,086,450**	5,395,440
Purchase of investments		**(6,111,181)**	(5,356,535)
Purchase of short term deposit		**(1,000,000)**	—
Net cash provided by investing activities		**1,270,272**	914,146
Change in cash and cash equivalents in the year		**594,825**	96,209
Cash and cash equivalents at 1 January 2025	B	**1,781,647**	1,685,438
Cash and cash equivalents at 31 December 2025	B	**2,376,472**	1,781,647

Notes to the statement of cash flows 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)	**3,440,307**	1,870,517
Adjustments for:		
Depreciation	**3,137**	28,184
Gains on investments	**(2,340,876)**	(1,814,489)
Investment income and interest receivable	**(941,947)**	(883,088)
Surplus on disposal of tangible fixed assets	**(832,752)**	—
Increase in debtors	**(6,339)**	(3,976)
Increase (decrease) in creditors	**3,023**	(15,085)
Net cash used in operating activities	**(675,447)**	(817,937)

B Analysis of cash and cash equivalents

	2025 £	2024 £
Cash at bank and in hand	**2,369,250**	1,724,838
Cash held by investment managers	**7,222**	56,809
Total cash and cash equivalents	**2,376,472**	1,781,647

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 figures given 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

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

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates. As set out in these accounting policies under “going concern”, the trustees have concluded that it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

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; and
- determining the size of the sisters’ retirement fund, in order to provide for the continuing care of the members.

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 of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 December 2026, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets.

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, bank interest, 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 being transferred to the charity.

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

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

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

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

All other income is recognised to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be measured reliably. It is measured at fair value and accounted for on an accruals basis.

Expenditure recognition

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

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

- Expenditure on raising funds comprises investment management fees.
- 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 and 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 in support and governance is attributable directly to the charitable activity of supporting members of the Congregation and enabling their ministry and hence there has been no apportionment between headings.

Any support and/or governance costs in relation to the provision of donations and grants is considered to be negligible.

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 purchased prior to 1998 are included in the accounts at a valuation determined by the trustees as at 1997 or 1998 valuations with professional assistance, based on replacement cost for existing use. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to these properties is now deemed their cost. Land and buildings purchased on or after 1 January 1999 are shown on the balance sheet at 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 over a five year period, based on the estimated useful life of the asset, on a straight line basis.

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

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.

Programme related investments
Programme related investments comprise land and buildings owned by the charity but used by another organisation for purposes consistent with the charity's objectives. The assets are stated at deemed cost. The original cost of the land and buildings classified as programme related investment is not known. Before the reclassification as a programme related investment, the book value of the freehold land and building was based on a valuation made in 2019. Any gains (or losses) arising from disposal or any losses arising from impairment are credited (or charged) to the statement of financial activities.

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

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

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

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 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 investment fund represents the net book value of the charity's programme related investments. The existence of the fund highlights the fact that the value representing the property cannot be realised in the short to medium term.

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

Pension contributions
Contributions in respect to the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. 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.

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.

Leased assets
Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the term of the lease.

1 Donations and legacies

	2025 £	2024 £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	**404,767**	417,366
General donations	**5,655**	8,908
Legacies	—	38,331
	410,422	464,605

2 Investment income

	2025 £	2024 £
Income from listed investments		
. UK fixed interest	**147,266**	149,258
. UK equities	**19,833**	32,626
. UK unitised funds	**625,575**	572,593
. Overseas fixed interest	**25,517**	23,521
. Overseas equities	**72,556**	61,771
. UK alternatives and other	—	5,183
	890,747	844,952
Rental income	**11,000**	11,959
Interest receivable		
. Cash instruments (including cash at bank and short term deposits)	**40,200**	26,177
Total	**941,947**	883,088

3 Charitable grants and donations

The charity makes grants and donations, principally in support of the overseas work of Congregation of Servants of Mary (London) and other causes which further the Christian faith and alleviate poverty.

	2025 £	2024 £
Donations in support of the missionary work and ministry of Congregation of Servants of Mary:		
. Generalate of the Congregation	**57,529**	57,948
Donations paid to Institutions:		
. Ukraine Relief	—	5,000
. Myanmar	**5,000**	—
. Donations of less than £1,000	**2,643**	120
Donations paid to individuals	**11,859**	9,368
	77,031	72,436

4 Support of members of the Congregation and their ministry

	2025 £	2024 £
Staff costs (note 7)	**18,277**	197,489
Care home fees	**455,375**	425,627
Premises	**204,259**	249,884
Sisters' living and personal expenses	**180,159**	202,825
Education, training, spiritual renewal and holidays	**34,301**	30,169
Governance costs (note 5)	**47,327**	58,489
Other support costs	**13,115**	5,983
	952,813	1,170,466

Other support costs include legal and professional fees of £1,176 (2024 - £19,669).

5 Governance costs

	2025 £	2024 £
Professional fees	**47,327**	58,489

6 Net income before gains on investments

This is stated after charging:

	2025 £	2024 £
Staff costs (note 7)	**18,277**	197,489
Auditor's remuneration (including VAT)		
. Statutory audit services		
.. Current year	**31,320**	30,420
. Other services		
.. Current year	**8,640**	8,400
.. Prior year	**6,191**	—
Depreciation	**3,137**	28,184

7 Staff costs and remuneration, key management personnel and Trustees' remuneration and expenses

	2025 £	2024 £
Staff costs during the year were as follows:		
Wages and salaries	**17,011**	71,876
Social security costs	**1,078**	5,484
Pension costs	**188**	1,085
Redundancies	**—**	92,125
Agency staff	**—**	26,920
	18,277	197,489

Staff costs per function were as follows:	**2025** £	2024 £
Direct support of members of the Congregation and their ministry	**13,230**	194,217
Administration	**5,047**	3,272
	18,277	197,489

The average number of employees during the year, analysed by function, was:

	2025	2024
Direct support of members of the Congregation and their ministry	**1.00**	3.92
Administration	**1.00**	1.00

No employees earned £60,000 per annum or more (including taxable benefits but excluding employer's pension contributions) during the year (2024 - none).

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 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 a trustee (2024 - none).

8 Transactions with trustees and related parties

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 £65,524 (2024 - £65,501).

There were no other related party transactions in the year requiring disclosure (2024 - none).

9 Taxation

Congregation of Servants of Mary (London) is a registered charity and, therefore, is not liable to income tax or corporation tax on income on gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

10 Tangible fixed assets

	Land and buildings				
	Specialised £	Non-specialised £	Furniture and equipment £	Motor vehicles £	**Total £**
Cost or valuation					
At 1 January 2025	1,025,000	1,940,358	98,398	67,246	**3,131,002**
Additions	—	—	2,868	—	**2,868**
Disposals	(1,025,000)	—	(40,928)	(18,926)	**(1,084,854)**
At 31 December 2025	—	1,940,358	60,338	48,320	**2,049,016**
At cost	—	1,309,358	60,338	48,320	**1,418,016**
Deemed cost – 1997 and 1998 valuations	—	631,000	—	—	**631,000**
	—	1,940,358	60,338	48,320	**2,049,016**
Depreciation and impairment					
At 1 January 2025	513,416	18,923	77,214	67,246	**676,799**
Charge for the year	—	—	3,137	—	**3,137**
On disposals	(513,416)	—	(30,442)	(18,926)	**(562,784)**
At 31 December 2025	—	18,923	49,909	48,320	**117,152**
Net book values					
At 31 December 2025	—	1,921,435	10,429	—	**1,931,864**
At 31 December 2024	511,584	1,921,435	21,184	—	2,454,203

As permitted under FRS 102, the charity has opted to adopt a policy of not revaluing its tangible fixed assets. The book value of the land and buildings owned at 31 December 1998 is based on trustees' valuations made, with professional assistance, in 1997 and 1998 on the basis of replacement value for existing use. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to these properties is now deemed to be cost. Additions subsequent to 31 December 1998 are stated at cost. Other tangible fixed assets are stated at cost.

It is likely that there are material differences between the open market values of the charity's land and buildings and their book values. 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.

Included as part of non-specialised land and buildings are six long leasehold properties with a total cost of £740,502. All other land and buildings are freehold.

11 Investments

	2025 £
Listed investments	
Fair (market) value at 1 January 2025	**29,302,348**
Additions at cost	**6,111,181**
Disposals at opening book value (proceeds: £6,086,450; gains: £114,786)	**(5,971,664)**
Net unrealised gains	**2,226,090**
Fair (market) value at 31 December 2025	**31,667,955**
Cash held by investment managers	**7,222**
	31,675,177
Cost of investments at 31 December 2025	**27,090,354**

	2024 £
Listed investments	
Fair (market) value at 1 January 2024	*27,526,764*
Additions at cost	*5,356,535*
Disposals at opening book value (proceeds: £5,395,440; gains: £171,283)	*(5,224,157)*
Net unrealised gains	*1,643,206*
Fair (market) value at 31 December 2024	*29,302,348*
Cash held by investment managers	*56,809*
	29,359,157
Cost of investments at 31 December 2024	*26,660,854*

Listed investments held at 31 December 2025 comprised the following:

	2025 £	2024 £
UK fixed interest	**4,263,103**	3,986,141
UK equities	**1,179,180**	1,141,283
UK unit trusts and common investment funds	**19,511,713**	18,112,428
Overseas fixed interest	**440,818**	440,813
Overseas equities	**5,177,863**	4,643,147
UK alternatives	**1,021,037**	978,536
UK cash instruments	**74,241**	—
	31,667,955	29,302,348

At 31 December 2025, the following individual holdings were deemed material:

	2025		2024	
Holding	**Market value of holding £**	**Percentage of total portfolio %**	Market value of holding £	Percentage of total portfolio %
BlackRock Catholic Charities Growth and Income Fund	**19,232,711**	**60.73**	17,776,484	60.67
HSBC Global Investment Funds – Global Government Bonds	**1,787,948**	**5.65**	2,270,870	7.75

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

12 Programme related investments

The charity leases one of its properties, known as 'Bethany', on favourable terms to Our Lady and All Saints Catholic Multi Academy Trust, an organisation with educational charitable objectives consistent with the Servite Sisters. The property which was previously shown as an investment property was reclassified as a programme related investment in 2021.

	2025 £	2024 £
At 1 January and 31 December 2025	**150,000**	150,000

13 Debtors

	2025 £	2024 £
Interest and investment income receivable	**9,230**	10,332
Prepayments and accrued income	**23,659**	17,320
	32,889	27,652

14 Creditors: amounts falling due within one year

	2025 £	2024 £
Other creditors	**57**	—
Accruals	**55,567**	52,601
	55,624	52,601

15 Tangible fixed assets fund

	2025 £	2024 £
At 1 January 2025	**2,454,203**	2,482,387
Net movement in year	**(522,339)**	(28,184)
At 31 December 2025	**1,931,864**	2,454,203

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.

16 Programme related investment fund

	2025 £	2024 £
At 1 January 2025	**150,000**	150,000
Net movement in year	—	—
At 31 December 2025	**150,000**	150,000

The programme related investment fund represents the net book value of the charity's programme related investments. The existence of the fund highlights the fact that the value representing the property leased out on favourable terms to Our Lady and All Saints Catholic multi academy trust, an organisation that will use the property for purposes consistent with the charity's charitable objectives.

17 Designated funds

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds by the trustees for specific purposes:

	At 1 January 2025 £	**New designations £**	**Utilised/ released £**	**At 31 December 2025 £**
Sisters' retirement fund	**13,200,000**	**—**	**—**	**13,200,000**
Property fund	**7,000,000**	**—**	**—**	**7,000,000**
Administrative fund	**1,000,000**	**—**	**—**	**1,000,000**
Total designated funds	**21,200,000**	**—**	**—**	**21,200,000**

	At 1 January 2024 £	*New designations £*	*Utilised/ released £*	*At 31 December 2024 £*
Sisters' retirement fund	*13,200,000*	*—*	*—*	*13,200,000*
Property fund	*7,000,000*	*92,334*	*(92,334)*	*7,000,000*
Administrative fund	*1,000,000*	*—*	*—*	*1,000,000*
Total designated funds	*21,200,000*	*92,334*	*(92,334)*	*21,200,000*

Sisters' retirement fund

The sisters' retirement fund comprises monies set aside to provide for the care and support of members of the Congregation as they grow older. The fund will be utilised over the expected lives of the sisters.

Property fund

The property fund comprises monies to be applied towards the maintenance and updating of the charity's properties over the next five years and for the purchase of new properties as members' needs change with age. Work has commenced on the properties in 2026.

Administrative fund

The administrative fund comprises monies to be applied towards the administrative and other costs associated with the running of the charity as the age profile of the sisters increases and the use of lay personnel increases.

18 Analysis of net assets between funds

	Tangible fixed assets fund £	Programme related investment fund £	Designated funds £	General funds £	Total 2025 £
Fund balances at 31 December 2025 are represented by:					
Tangible fixed assets	**1,931,864**	—	—	—	**1,931,864**
Programme related investments	—	**150,000**	—	—	**150,000**
Investments	—	—	**21,200,000**	**10,475,177**	**31,675,177**
Net current assets	—	—	—	**3,346,515**	**3,346,515**
Total net assets	**1,931,864**	**150,000**	**21,200,000**	**13,821,692**	**37,103,556**

	Tangible fixed assets fund £	*Programme related investment fund £*	*Designated funds £*	*General funds £*	*Total 2024 £*
Fund balances at 31 December 2024 are represented by:					
Tangible fixed assets	*2,454,203*	—	—	—	*2,454,203*
Programme related investments	—	*150,000*	—	—	*150,000*
Investments	—	—	*21,200,000*	*8,159,158*	*29,359,158*
Net current assets	—	—	—	*1,699,888*	*1,699,888*
Total net assets	*2,454,203*	*150,000*	*21,200,000*	*9,859,046*	*33,663,249*

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

	2025 £	2024 £
Unrealised gains included above on listed investments:	**4,577,601**	2,557,265
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2025	**2,557,265**	1,193,250
Investments		
. In respect to disposals in the year	**(205,754)**	(279,191)
. Net gains on revaluation	**2,226,090**	1,643,206
Total unrealised gains at 31 December 2025	**4,577,601**	2,557,265

19 Ultimate control

The charity, which is constituted as a trust, was controlled throughout the period by the Congregational Prioress and Council by virtue of the fact that the Congregational Prioress delegates full legal responsibilities to a suitably experienced U.K. Sister to act as Chair of Trustees. The Chair of Trustees together with the other U.K. Trustees plan for the succession and they appoint the new Trustees. The Congregational Council does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the English Council are vested in the trustees of the charity, who undertake all transactions entered into in the course of the Council's charitable activities.

20 Post balance sheet events

In April 2026 the trustees purchased a leasehold property in Bognor Regis at a cost of £90,000.