FRANCISCAN SISTERS OF THE HEART OF JESUS

Charity Number: 254849

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2025

FRANCISCAN SISTERS OF THE HEART OF JESUS

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 DECEMBER 2025

STATUS

The Franciscan Sisters of the Heart of Jesus is a charity established and governed by a declaration of trust dated 22 April 1960, as amended by a Charity Commission Scheme dated 22 June 1970 and by a Trust Deed dated 8 March 2004. It is registered with the Charity Commission under the reference number 254849.

TRUSTEES	Consiglia Borg Sylvia Borg Michela Calleja
PRINCIPAL ADDRESS	9-11 St George's Drive London SW1V 4DJ

PROFESSIONAL ADVISERS

Bankers	HSBC plc 196 Oxford Street London W1D 1NT
Solicitors	Stone King 13 Queen Square Bath BA1 2HJ
Independent Examiner	Olayinka Tomori ACA DChA Longmeade Consult Ltd The Old Rectory Springhead Road Northfleet Kent DA11 8HN

FRANCISCAN SISTERS OF THE HEART OF JESUS

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

INTRODUCTION

The trustees present their report together with the accounts for the year ended 31 December 2025.

The financial statements have been prepared in accordance with the Charities Act 2011 and 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) (Second Edition effective 1 January 2019) and comply with the charity's trust deed.

OBJECTIVES

The objects of the charity are *such charitable purposes as shall advance the religious and other charitable work of the Society as the Trustees with the approval of the Superior shall from time to time think fit.* The principal purpose of the Charity is therefore the advancement of religion and other charitable work in England and Wales. The work is performed under the direction of the Superior with the support of the Trustees and other members of the Community on a daily basis.

In order to do this effectively, the Community of sisters themselves has to be supported, and this includes the upkeep and maintenance of the Charity's building.

ORGANISATION

The Franciscan Sisters of the Heart of Jesus is a registered charity established by Deed of Trust. The objects of the Trust are the advancement of religion, especially that of the Roman Catholic faith, and other charitable work, by the support of a community of sisters. The Community's activities are characterised by their work with the sick. The main source of income is from running a nine-bedded facility providing accommodation and care for people coming to London from Malta for hospital treatment, and for their relatives.

The Charity carries out religious and other charitable work in the UK as part of a Province of the worldwide Congregation of the Franciscan Sisters of the Heart of Jesus. The local Bursar administers the Charity's funds under the direction of the Superior. In accordance with the Congregation's own Rules and Conditions, the Bursar each year submits to the Provincial Superior and her Council a formal account of her administration of those funds.

The Provincial Council meets regularly to advise the Provincial Superior on matters concerning the Province. Formal decisions affecting its charitable activities are taken at regular meetings of the Trustees, one of whom serves on the Council. The Provincial Superior is in turn answerable, as are the Trustees, to the Mother General of the Congregation in Rome under the Congregation's Rules and Constitutions. She submits annual reports to Mother General and her Council.

The Superior of the Charity is the Mother General. The Mother General is appointed for a period of six years and could be re-elected for one more period (i.e. 12 years in all). The Trustees are appointed by the Superior with the intention that the solemnly professed sisters fully participate in all decision making.

Other than the above, there are no related parties or connected charities associated with the Charity.

PUBLIC BENEFIT

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

REVIEW OF THE YEAR

The activities of the charity have remained unchanged over many years. It continued with its work of providing accommodation and care for people coming to London from Malta for hospital treatment, and for their relatives. The charity also supported other charitable activities which advance the Roman Catholic religion. The Trustees provide for the needs of the members of the Province and strive to ensure the continuance of their work with people coming to London for hospital treatment and their families, alongside their other pastoral and religious work.

There are no changes in the objectives or policies of the Community.

REVIEW OF THE YEAR (continued)

To maintain prudence with the charity's finances, the trustees made no grants in support of the overseas work of the Congregation (2024: £Nil). These monies when granted, are used to finance:

- The work of the Mother House of the Congregation and the Provincial House in Malta (Franciscan Bethany) in support of:
    - an increasing number of dependent, elderly sisters (totalling nearly ninety individuals) who have worked for the Congregation for many years but who, because of their vow of poverty, have no income or wealth of their own.
    - Charitable works amongst the poor and needy in Malta.
- The work of the Province in Malta in providing financial support to our missions.

Making financial contributions for these causes will be reviewed annually, with due consideration being given to the financial position of the charity.

During 2025, the charity donated £22,000 to the Provincial House in Malta.

FINANCIAL REVIEW

Income is generated primarily from providing accommodation for infirmed people who have come to London from Malta for treatment. Income for the year was £243,982 (2024: £302,153) of which £237,113 (2024: £248,764) was obtained from fees for accommodation.

Expenditure on ongoing charitable activity rose from £252,334 in 2024 to £273,707 in the year under review. The rise was generally driven by inflationary pressures across board. In 2024, unfortunately, there was a further outflow of £152,500 due to a fraudulent online scam on the charity's bank account in April 2024 (see Note 9 in the accounts for further details).

The net result for the year was net expenditure of £29,725 (2024: £102,681 net expenditure).

The impact of the activities in the year was that the Charity had total net assets amounting to £683,174 (2024: £712,899) which included tangible fixed assets needed for its ongoing work with a net book value of £374,731 (2024: £392,878).

Reserves Policy

As of 31 December 2025, the free assets/reserves (that is excluding the value of tangible fixed assets) of the charity stood at £308,443 (2024: £320,021); represented by the charity's net current assets. The trustees estimate that approximately £270,000, or about one year's average regular expenditure plus a consideration for maintenance of the premises, is needed to provide for the day-to-day running of the charity and for contingencies.

The residual amount is intended to provide for the long-term maintenance of sisters, but this is grossly inadequate to meet those needs. The commitment to provide for the care of members in sickness and old age has profound implications for the finances of the Charity. Members of the Province have all taken a vow of poverty which means that all rights to assets and income have been given up, generally in favour of the Province. In most cases members have devoted the whole of their working lives to the Province and the Province has an obligation to provide for their upkeep and nursing care if required. It is intended, if necessary and feasible, to build up additional Reserves as circumstances permit. Ultimately, provision for the wellbeing of the sisters, is tied up in the assets of the charity.

Investment Powers and Policy

By virtue of the Trustee Act 2000, the Trustees have wider investment management powers to enable a broad-based portfolio to be efficiently administered in the interests of the Charity. Should the possibility arise in future, the Trustees will be able to adopt an investment policy which is ethically sound and appropriate to the Charity's needs, particularly with a view to securing capital growth to meet rising income needs. Currently, the trustees feel the free assets of the charity are insufficient to permit wider investment other than bank and cash deposits.

FUTURE DEVELOPMENTS

The Trustees do not expect any changes in the activities of the charity, so it is expected to continue with the provision of accommodation and ensure the wellbeing of its members. However, as the number of sisters able to support the work of the charity continues to fall with age, Trustees recognise that future activities of the charity will need to be reviewed in due course, in the light of this eventuality.

The trustees will continue to monitor the charity's finances closely and will endeavour to safeguard the long-term security of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Objects

The objects of the charity are to advance the religious and other charitable work of the Missionary Sisters as the Trustees, with the approval of the Superior, shall from time to time think fit and for such other lawful charitable purposes connected with the advancement of the Roman Catholic religion as the Trustees shall determine.

Trustees and Governance

All trustees are members of the Congregation. The power of appointment and removal of trustees rests with the Superior General for the time being. The trustees meet as frequently as is required for the purposes of the charity's activities and will meet at least twice per year. As members of the Congregation all trustees are well-versed in its charism, or ethos, and the objectives and activities of the charity.

When necessary, the trustees seek advice and support from the charity's professional advisers and attend courses, conferences and training days as required in order to keep up-to-date with legal, regulatory and other such matters.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Charities Act 2011 requires the trustees to prepare for each financial year financial statements which give a true and fair view of the charity's financial activities during the year and of its financial position at the year end. In preparing the financial statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charity Commission guidelines for the preparation of accounts using the Receipts and Payments basis
- make judgements and estimates that are reasonable and prudent; and
- adopt the going concern basis unless it is inappropriate to presume that the Charity will continue on that basis.

The trustees are responsible for ensuring proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Trust Deed and the disclosure regulations. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

Signed on behalf of the Trustees on 16th October 2026.

Sr Sylvia Borg
Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF

FRANCISCAN SISTERS OF THE HEART OF JESUS

I report to the charity trustees on my examination of the accounts of the Franciscan Sisters of the Heart of Jesus for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

Olayinka Tomori ACA DChA

16th October 2026

Longmeade Consult Ltd
The Old Rectory
Springhead Road,
Northfleet
Kent, DA11 8HN

FRANCISCAN SISTERS OF THE HEART OF JESUS

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 Total Funds (unrestricted) £	2024 Total Funds (unrestricted) £
Income and Endowments from:			
Donations and legacies	2	-	44,500
Charitable activities – fees receivable		237,113	248,764
Investments		6,869	8,889
Total Income		243,982	302,153
EXPENDITURE on:			
Charitable activity	3	273,707	252,334
Other expenditure	9	-	152,500
Total expenditure		273,707	404,834
Net movement of funds		**(29,725)**	**(102,681)**
Reconciliation of funds:			
Total funds brought forward		712,899	815,580
Total funds carried forward		**683,174**	**712,899**

The accompanying notes form part of these financial statements.

There are no other gains or losses other than those disclosed in the statement above.

The accompanying notes form part of these financial statements.

FRANCISCAN SISTERS OF THE HEART OF JESUS

BALANCE SHEET

AS AT 31 DECEMBER 2025

	Notes	2025		2024	
		£	£	£	£
FIXED ASSETS					
Tangible Fixed Assets	6		374,731		392,878
CURRENT ASSETS					
Debtors	7	39,380		14,306	
Cash at bank and in hand		283,117		321,968	
		322,497		336,274	
CURRENT LIABILITIES					
CREDITORS:					
Amounts due within one year	8	(14,054)		(16,253)	
NET CURRENT ASSETS			308,443		320,021
NET ASSETS			**683,174**		**712,899**
REPRESENTED BY:					
Funds					
- Unrestricted General Funds			683,174		712,899
			683,174		**712,899**

Approved by the Trustees on 16th October 2026 and signed on their behalf by:

Sr Sylvia Borg
Trustee

The accompanying notes form part of these financial statements.

1. ACCOUNTING POLICIES

a) Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019), Charities SORP FRS 102 and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees to make significant judgements and estimates, and to exercise judgment in applying the Charity's accounting policies. The items in the accounts where these judgments and estimates have been made include:

- estimating the economic useful life of tangible fixed assets.

Assessment of going concern

The trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The financial statements have therefore been prepared on a going concern basis.

b) Income

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income, there is probability of receipt, and the amount can be quantified with reasonable accuracy.

Donations and legacies are recognised only when received or when the charity becomes legally entitled to them.

Income received in advance is deferred until the criteria for income recognition are met.

c) Expenditure

Charitable expenditure consists of all expenditure relating to the objects of the Charity. All costs are directly attributable to the activities under which they have been analysed.

Governance costs which form part of support costs, include expenditure on the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

d) Tangible Fixed Assets

Fixed asset additions below £1,500 are not categorised as capital but are included in payments in the year under an appropriate heading. Fixed Assets are shown in the Statement of Assets and Liabilities at cost (or an estimate thereof where purchased before the Charities Act accounting regulations came into force in 1995) less accumulated depreciation. Subsequent additions to fixed assets are shown at cost. All tangible fixed assets are used in direct furtherance of the Charity's objectives.

Tangible assets are depreciated over their estimated useful lives, at the following rates: -

Freehold buildings	2% straight line
Building Improvements and equipment	15% - 25% straight line
Motor vehicles	25% straight line

No depreciation is provided on land.

e) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

f) Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Deposits for more than three months and up to one year are disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

g) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

h) 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.

i) Pension scheme

The charity operates a defined Contribution Pension Scheme for its employees. The pension costs charged in the financial statements represent the contribution payable by the charity during the year.

j) Statement of cash flows

The charity is exempt from the requirement to produce a Statement of Cash Flows as it qualifies as a small charity under the requirements of the Charities SORP.

2. DONATIONS AND LEGACIES

	2025 £	2024 £
Donation from Malta Province	-	40,211
Other donations	-	4,289
	-	44,500

3. EXPENDITURE

	2025 £	2024 £
Charitable Activity - Support of Sisters and their ministries:		
Council tax & rent	1,944	2,136
Food	27,171	27,676
Laundry	7,486	7,709
Light, heat and Water	34,574	33,338
TV	1,033	46
Insurance	9,488	8,626
Postage and stationery	493	1,019
Medicine and healthcare	1,757	1,351
Motor and travel expenses	1,912	3,206
Telephone & Internet	14,006	12,060
Clothes and footwear	1,437	1,306
Spiritual welfare and Chapel	5,768	2,976
Repairs, renewals and maintenance	26,640	27,916
Staff costs/Domestic Assistance (see Note 5)	91,385	92,787
Depreciation	18,147	19,579
Legal and professional fees	710	2,289
Bank Charges	262	383
Alms and donations	24,096	1,738
Other	998	2,138
Governance costs (see Note 4)	4,400	4,055
	273,707	252,334

Alms and donations include a donation of £22,000 (2024: £1,500) to the Congregation's Generalate in Malta.

4. GOVERNANCE COSTS

	2025 £	2024 £
Fees paid to Independent Examiner:		
Independent examination	1,500	1,500
Accountancy	300	300
Other (including VAT retrurns)	2,600	2,255
	4,400	4,055

5. STAFF COSTS

	2025 £	2024 £
Wages and salaries	87,978	88,399
Social security costs	1,559	2,478
Pension costs	1,848	1,910
	91,385	92,787

The average number of employees in the year was 4 (2024: 4), all of whom carry out catering and domestic duties.

The Trustees comprise the senior management oof the charity and they receive no remuneration.

6. TANGIBLE FIXED ASSETS

	Freehold land & buildings	Building improvements & equipment	Motor Vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 January 2025	600,000	352,801	20,995	973,796
Additions	-	-	-	-
	-	352,801	20,995	973,796
Depreciation				
At 1 January 2025	223,200	336,723	20,995	580,918
Charge for year	9,600	8,547	-	18,147
At 31 December 2025	232,800	345,270	20,995	599,065
Net book value				
At 31 December 2025	367,200	7,531	-	374,731
At 31 December 2024	376,800	16,078	-	392,878

7. DEBTORS

	2025	2024
	£	£
Other debtors	36,296	11,333
Prepayments	3,084	2,973
	39,380	14,306

8. CREDITORS: Amounts falling due within one year

	2025	2024
	£	£
VAT payable	7,332	9,364
Other taxes and Social Security	3,062	3,756
Other creditors	-	373
Accrued expenses	3,660	2,760
	14,054	16,253

9. OTHER EXPENDITURE

In the prior year (April 2024), the charity fell victim to an online fraudulent scam where the charity lost £152,500. Relevant reports were lodged with the Police, National Crime Agency (NCA) and the Charity Commission. It is unlikely that any of the money lost to this fraudulent act will be recovered.