

**Daughters of Mary and  
Joseph Congregation Fund  
CIO**

**Annual Report and Accounts**

31 December 2021

Charity Registration Number  
1163470

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## Reference and administrative details of the charity, its trustees and advisers

<b>Trustees</b>	Sister Helen Lane (Chair) Mr Ronald Huggett Mr Phillip Jukes Sister Annette Lawrence Sister Marie Claire Nakayiza Sister Arlette Ngenzebuhoro (resigned 20 March 2021) Sister Paula Spark
<b>Superior General</b>	Sister Helen Lane
<b>General Bursar</b>	Sister Annette Lawrence
<b>Administrative address</b>	The Regional House Daughters of Mary and Joseph Layhams Road West Wickham BR4 9QJ
<b>Telephone</b>	07790 382386
<b>Website</b>	<a href="http://www.daughtersofmaryandjoseph.org">www.daughtersofmaryandjoseph.org</a>
<b>Facebook</b>	Daughters of Mary and Joseph
<b>Charity registration number</b>	1163470
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Principal bankers</b>	The Royal Bank of Scotland plc PO Box 412 62/63 Threadneedle Street London EC2R 8LA
<b>Solicitors</b>	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR

## Reference and administrative details of the charity, its trustees and advisers

### Investment managers

BNP Paribas Fortis  
Montagne du Parc  
Warandeborg 3  
B-1000 Brussels  
Belgium

CCLA  
Senator House  
85 Queen Victoria Street  
London  
EC4V 4ET

Epworth Investment Management Limited  
9 Bonhill Street  
London  
EC2A 4PE

The trustees present their annual report together with the accounts of the Daughters of Mary and Joseph Congregation Fund CIO (the charity) for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out on pages 32 to 35 of the attached accounts and comply with the charity's constitution, 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 and mission**

The Daughters of Mary and Joseph ("the Congregation") ("DMJ") is a Roman Catholic Religious Congregation founded in Aalst, Belgium in 1817 by Canon Constant William van Crombrughe. There are currently 168 sisters organised in five Regions (Africa, Belgium, California, England and Ireland). The Congregational Leadership Team (CLT) is the Central Government of the Congregation elected by the sisters. While originally founded for the education of the poor and of middle-class girls, the Congregation has adapted over time and now expresses the Charism of being "instruments of mercy" in many and diverse ministries.

The Daughters of Mary and Joseph Congregation Fund CIO administers the international common fund of the Congregation as well as funds held and raised specifically for the support of the sisters and their ministries in Africa. It is a Charitable Incorporated Organisation (CIO), registered with the Charity Commission with Charity Registration Number 1163470 and governed by its constitution dated 8 September 2015.

### **Charitable objects**

The object of the charity, as set out in its constitution, is the advancement of the Roman Catholic religion through the religious and other charitable work of the Congregation as the trustees with the approval of the Superior General shall from time to time think fit.

The principal aims and activities of the charity cover the following:

- ◆ the support of the CLT in the leadership of the Congregation;
- ◆ the support of the international Congregation through international meetings and activities;
- ◆ the support of the sisters in Africa and their ministries; and
- ◆ the support, through grants, of the formation, projects and retirement needs of the Regions where they are not able to be funded by the Regions themselves.

When setting the aims of the charity, the trustees have complied with their duty under section 17 of the Charities Act 2011 to have regard to the Charity Commission's guidance on public benefit. The trustees believe they have demonstrated in detail throughout this report the ways in which the charity has been faithful to this guidance.

## Activities and achievements

### *CLT visits and ministry*

The Congregational Leadership Team (CLT) would normally visit the various regions but, due to the continuing pandemic, travel has been limited. The three team members live in Ireland, England and Belgium and are very much part of the lives of these Regions but visits to the Africa and California Regions have not been able to take place yet. The CLT has always met regularly online but video calls have now become more regular and been the main channel for team discernment and decision making. Support has also been given to the Leadership Teams in the different regions by the same means.

The CLT finally managed to meet in person in Ireland from 15 to 30 November 2021.

### *Structural changes*

The General Chapter of 2019 recognised the need for structural change in the governance of the Congregation. In a response to this, the Irish Region asked that a CLT member be appointed as a link to support and work with the Leadership Team there. Sister Marie Claire was appointed to assist that team and travelled to Ireland for the inauguration of the new team on 2 February 2020. She has since worked with the Irish team who have met mainly online due to Covid-19 restrictions, even within the country. Those sisters who were able, finally gathered together on 11 November 2021 for the first time in 19 months. Sister Helen and Sister Marie Claire were able to take part in the meeting and to celebrate the Jubilees of some of the sisters, including Sister Marie Claire's Silver Jubilee (25 years).



Also following on from the 2019 Chapter, the English Region requested that a CLT member be appointed Regional Superior. In response to this Sister Paula was appointed as Regional Superior, a role that she carries out along with her membership of CLT. She has carried out this dual role since January 2020.

### Activities and achievements (continued)

#### ***Delegation of Final Vows***

In ordinary circumstances, if the Congregational Leader cannot be present, she delegates a CLT member to represent her at a ceremony of Final Vows. However, given the limitations on travel, sisters from the Leadership Team for Africa were delegated to assume this role. The final profession of our first Ghanaian sister took place on 28 June 2021. The Archbishop of Cape Coast officiated at the Eucharist and Sister Gladys received the vows. The final profession ceremony of two sisters took place in Burundi on 29 August 2021 and Sister Grace, Regional Superior for Africa received the vows.



Sister Theresa, Sister Gladys, and Sister Olivia in Ghana



Sister Goreth and Sister Faustine in Burundi

#### ***International meetings***

Meetings of the Extended General Council (EGC) and the General Finance Commission (GFC) were scheduled to take place in Ballyvaloo, Ireland in May 2021. Covid-19 restrictions made this impossible, so it was rearranged to take place online. Due to different time zones, meetings were limited to 3-3.5 hours a day on video calls and this called for some to work from 7am and others to still be online at 9pm.

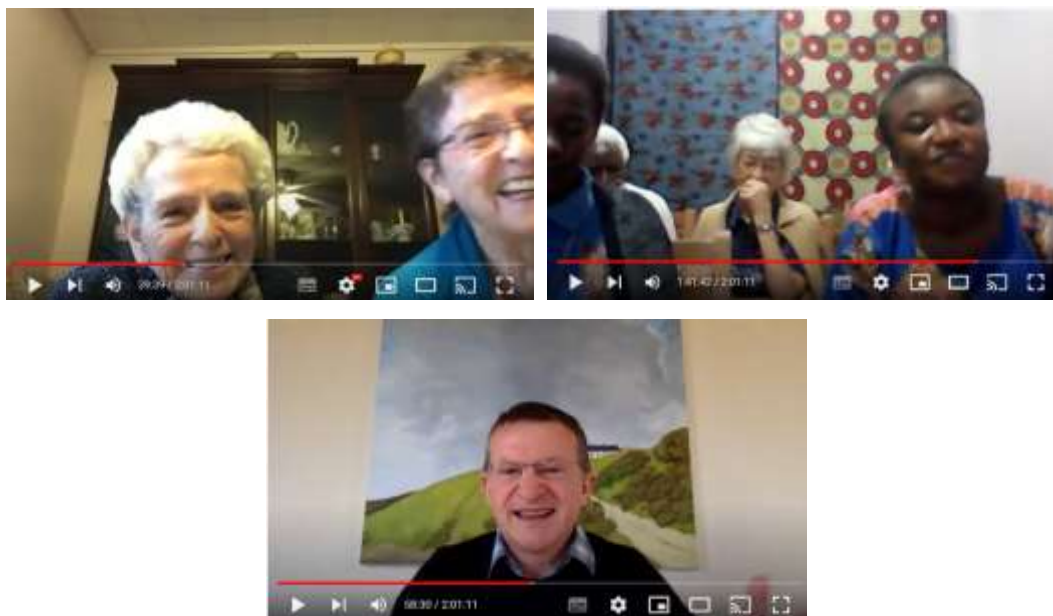
First, the Finance Advisory Team met with the CLT to review the report to be given to the Leadership Team and Bursars and to discuss some recommendations mainly about the ways in which we invest our funds. This was followed by the GFC, the Bursars from each region with the CLT and General Treasurer. This was the first such meeting for several of the Bursars as they have recently taken on the role. It was a good opportunity for learning how the different parts of the Congregation work and sharing the experience and knowledge that all have in different areas. The Bursars have since formed a WhatsApp group and meet occasionally online to support each other.

The GFC then met with the EGC for a day to hear the Congregation finance and resources reports and discuss together the recommendations carried forward from the Finance Advisory Team. These were later approved by the EGC, including a recommendation to divest from fossil fuels and invest where possible, in ethical, income generating unit funds.

### Activities and achievements (continued)

#### *International meetings (continued)*

What followed then was a totally new experience. Over 100 DMJ met online over two days for input from Father Michael Conway, professor of faith and culture in Maynooth University. This was followed by sharing in international groups on what he presented. It was a historic experience for us to have sisters in far-flung places on the globe coming together for on-line input and discussion groups.



The EGC, the leadership and decision-making body, then met to hear the reports from each region, sharing the realities of the DMJ experience and ministry in the various parts of the world. It was a fruitful meeting moving the Congregation forward and deepening the understanding of the lives and ministries of the sisters. Planning for the future as some regions diminish and others grow was also an important element.

#### **Website**

The website team have continued to work together to update and refresh the website ([www.daughtersofmaryandjoseph.org](http://www.daughtersofmaryandjoseph.org)). This year, there has been a page for the year of St Joseph, updated home pages, more news from the Regions and more memories from sisters, associates, and friends. A page was opened on Synodality to ensure that we are all conversant with the synodal process taking place in the Church. A new Facebook page has also been set up.

#### **Life and ministry in Africa**

Much of the funding held by the CIO is used to support the life and ministry of the sisters in Africa. This includes providing for the living costs of the sisters where they are doing voluntary work or earn only small salaries. It also means preparing sisters for future ministry through formation and education. There are currently 70 sisters spread between Burundi, Cameroon, Uganda, Ghana, and Kenya.



## **Activities and achievements** (continued)

### ***Uganda***

Many of the sisters work in **Uganda** where they are involved in education and healthcare.

One sister teaches tailoring in a vocational college in Mbarara. Another sister works in St Helen's school for girls and children with visual impairments.

On 19 March 2020, the government of Uganda closed down all of the schools, the institutions of learning, all the places of worship, markets, hotels, bars, and various businesses due to the Covid-19 pandemic. Only essential services were allowed to operate; health services, security etc. Sister Annonciata at Rushoroza Health Centre, Kabale, and Sister Rosemary at Divine Mercy Hospital, Mbarara, continued their ministries.

### ***Bisheshe Farm***

The DMJ farm in Bisheshe continued as usual since the lockdown did not affect the agriculture sector. Sister Alice, having studied agriculture and worked for a year in Israel, has introduced new techniques and ideas including greenhouse farming which does not need to have a big fertile piece of land and allows production throughout the year regardless of harsh weather conditions and seasons.

The sisters also run literacy and skills training courses. These have been for local women in the past but have extended to men and youth who have dropped out of school. A CAFOD grant has been given to help with this skills training.

### ***St Francis Family Helper Project***

One sister is the director of the **St Francis Family Helper Project** (<http://www.stfrancisuganda.org> registered charity 10781) in Mbarara. Another is involved in the counselling courses. The Daughters of Mary and Joseph are now taking a more active role in this project, founded by a former DMJ, Mary Moran. The services provided include counselling training, a tailoring school, child sponsorship and mindfulness courses for teachers. A significant focus of this project is to sensitize and educate teachers and parents in the area of child protection. Corporal punishment is still a common practice in Uganda and programmes have been put in place to address this and raise awareness. Some courses take place in situ and others form part of an out-reach programme. Non-violent communication is a key value that is being fostered. There is also a project to address the issue of domestic violence.

The biggest challenge experienced by the St Francis Project during the pandemic has been for the child sponsorship department where some of the donors were badly affected financially by Covid-19 and so unable to continue their support.

**Maryhill High School** ([www.maryhillug.net](http://www.maryhillug.net)) has long been associated with the DMJ. Several sisters are past pupils and/or teachers. The current Congregational Leader was once headmistress there. Funds are raised in England to sponsor children from poor backgrounds in what is a highly ranked school. The current Headmistress, a school counsellor, a senior teacher, and a newly qualified teacher are DMJ. Sister Catherine joined the staff having completed her degree during lockdown.

### **Activities and achievements** (continued)

#### ***Maryhill High School*** (continued)

They have followed the directives of the Ministry of Education and Sports to open Schools for examination classes.

Many preparations had to be made to open the school including providing hand-washing facilities, hand sanitisers for the staff, and Covid-19 messages to create awareness on how to remain safe from infection. There was also daily disinfection of classrooms. Dormitory allocation was rearranged, and signs placed in the Dining Room and Chapel - reminders to the students to maintain social distancing.



Maryhill School

Classes were also split to cater for the smaller numbers. Staff were trained and masks or face shields worn by both staff and students. A procedure for reporting a suspected Covid-19 patient was drawn up by the Health Department of the School. Both staff and students were taken through it before it was displayed. This has helped to avoid stigmatising anyone who has a cough or cold.

There have been periods of opening for some classes and then further lockdowns through 2021. On 10 January 2022, schools finally opened fully.

#### ***Coloma Primary School***

**Coloma School** in Nyakisharara, near Mbarara is a primary boarding school built and run by the DMJ. Being a private school, it does not receive any support from government and so all staff salaries have to come from the fees paid by the parents. Also, there are no unemployment benefits for those out of work in Uganda. At the beginning of lockdown, the sisters paid salaries to staff as usual given that the teachers and non-teaching staff remained on site waiting for reopening. As time went on with no sign of the school reopening, salaries were reduced to half of the regular amount and staff were sent home except for those essential workers who remained to maintain the place. Finally, as the months went on all salaries had to be stopped because of lack of income. Gifts from donors have allowed for the equivalent of €12 per month to be paid to staff since July 2020. Little though it seems, it is greatly appreciated and a lifeline in this crisis.

### Activities and achievements (continued)

#### ***Coloma Primary School (continued)***

On 20 March 2020, the government ordered all schools to close. The school year in Uganda begins second week of February each year so the children had only studied for six weeks in their various classes at the point of closure. No child returned to school until November 2020 when the top class returned and studied till March 2021 when they sat their final exam. They did very well with even the least academic students achieving good results.



Successful P7 Pupils with Sister Justine

The next three classes returned in April 2021 and studied until 4 June 2021 when again a further total lockdown was imposed. Despite all other areas of life opening up, schools remained closed until January 2022.

Financially, the situation for families is very bad. Many people were made redundant and there is no such thing as redundancy pay or welfare payment in the country, or proper medical insurances or any meaningful insurance so people can be left in very difficult situations.

The school has faced problems with food – several times food was bought or harvested when it seemed schools might reopen. When they did not it then had to be sold at low rates as there was a glut in the market from schools in the same position.

Many generous donors continued to send sponsorship money and allowed it to be used for whatever seemed most urgent according to the needs at the time. There has also been support through the CIO for the continuing building programme. A further section of the dormitory has been completed. Another staff house is underway as well as further toilet facilities for staff and the few boys who attend as day pupils.

### Activities and achievements (continued)

#### ***Burundi***

In Burundi, one sister works in a state psychiatric hospital and a couple are involved in Congregation ministry including the formation of six young women wishing to become sisters.

Most of the sisters are involved in the **Ecole Maternelle Colette de Brandt**, a nursery school which opened in Ngozi in September 2018. A team of DMJ are working here to provide a good educational foundation for the young pupils. Here teaching has been allowed to continue throughout the pandemic.

Eighty-three new children, divided into two classes, started the first-year in September 2020. In second grade, eight new children joining has increased the number of pupils to eighty. Twelve new children joined third grade, bringing to seventy-eight the number in the two classes. So, at the beginning of the year, there was a total of 241 children.

Sister Arlette shares an account of some of the children with special needs:

"In the school, we have four three-year-old children who have language development issues. However, there is no specialised school for these children in Ngozi, and they are too young to be boarders with the Brothers of Mercy in Gitega. Their parents prefer to entrust them to us, rather than leave them at home in the hands of a nanny without education. Despite the difficulty this presents for teachers, it is our charism to welcome them. Little Praise (called "Louange" in French), a child living with a mild form of Down's syndrome, is not able to go upstairs, where the second-year classrooms are located. We had to change her class and put her downstairs. Nothing else to do! She leaves the class at any time she wants! So she comes to the office, a place she regularly visits. Being unable to pronounce consonants, nothing she says is understood, but her expressions and hand gestures are worth watching. She is so sweet!

Leaving the office briefly one day and knowing from experience that she had to be wary of the comings and goings of Praise, but since a teacher was nearby, Agnès had not bothered to lock the door. On her return, she found Praise sitting in her place, her glasses on her nose, carefully putting her "signature" on an official letter left on the desk. Fortunately, her initials were very light, since she never leans on her biro!"

The Year Three pupils "graduated" from Nursery in September 2021.

## Activities and achievements (continued)

### *Burundi (continued)*



Construction has begun on a new classroom block which will house the primary school which has been funded largely by grants from the Congregation Fund and other DMJ Regions. This is not yet complete, so the first pupils are being accommodated in a neighbouring house which is owned by the sisters and usually rented out.

### **Ghana**

In **Ghana** there has been only one DMJ community for many years. This is in Ahotokurom, Cape Coast where the sisters have ministered for several decades. Here the sisters work in various capacities at the **Padre Pio Rehabilitation Centre (PPRC)** which helps Leprosy sufferers, their families, and children with disabilities. ([www.padrepio-rehab.com](http://www.padrepio-rehab.com)). The fundraising group in England, **Friends of Ahotokurom** ([www.ahoto.org](http://www.ahoto.org)) continues to raise funds for this work although great efforts are being made for the project to become more self-sufficient. The hostel that was supported by the Congregation Fund is now occupied and providing some income to the Centre; the solar energy installed in 2019 and added to in 2020 has reduced electricity bills to practically zero. The farm is also helping to produce food for the community and for sale. A borehole is now being worked on to provide water for irrigation and drinking.

During 2020 the Special Unit (for children with disabilities) had to be closed due to Covid-19, and families were supported as much as possible in their homes. In 2021 it reopened, and they were even able to have a nativity play!

Several volunteers went to help in September through the Friends of Ahoto and did great work with some of the young adults with disabilities who are now too old for St Elizabeth's.



## Activities and achievements (continued)

### *Ghana (continued)*



Some of the class at their craftwork.

They worked with them to find ways they might have work and begin to support themselves. One, Mohammed, now has a full-time job as a painter. Volunteers and clients formed a football team and played a local village team. They won!

St Clare's home for the elderly, those with disabilities, and leprosy sufferers has been shielded throughout and the PPRC team have also worked with the local hospital on increasing awareness on Covid-19 prevention.

One of the ways in which the PPRC works with clients is by setting up livelihood projects to help individuals become independent. The centre is also closing its childcare unit and moving to supporting families in their own homes instead. The quads and the twins who have lived in Ahoto most of their lives are now old enough to leave and a grant has been given by the CIO to provide housing for them in their home villages. (See below – grants)

### Activities and achievements (continued)

#### ***Meme, North Cameroon***

In September 2017 three sisters were able to return to take up the mission again in **North Cameroon**. This followed an absence of over two years when Boko Haram incursions called for temporary withdrawal on safety grounds. There have been a few changes of personnel, but the work continues. The sisters work in the parish and run a course for young women during the post-harvest season when they are relieved of farm work at home. In 2021 there were 48 young women on the course which aims to help them develop literacy skills, crafts and general life skills with a focus on income generation and independence. These courses can introduce an element of choice for the young women and help keep them out of early marriages.



Sister Patricie with some of the 2021 graduates receiving their certificates



Sister Belise teaching catechism

In 2021, Sister Patricie was in charge of the girls in formation, the group of women who are engaged in the parish, the couples, and the HIV positive people. Sister Philomena is in charge of liturgy, Cop Monde, JEC movement, liturgical dancers and she is doing her training in teaching in a nearby primary school. Sister Belise is in charge of the youth, the choir, the divine mercy group, liturgical dancers, teaching catechism in the primary school nearby and vocation promotion.

### Activities and achievements (continued)

#### ***Nairobi Kenya***

**Kenya** is the home of the DMJ international novitiate. Here the young sisters receive their basic formation and make their first vows.



In 2021, there were no novices there for the first half of the year as they were on apostolic placement, but the postulants attended an inter-congregational course. In September, three postulants were received as novices. Also, Sister Keren made her first vows. Due to the pandemic her parents were not able to attend so one of the Ghanaian DMJ and a Ghanaian brother living in Kenya represented them.

#### ***Grants***

There were 3 grants given by the CIO in 2021:

##### *Kenya Wall*



The Grant was of £38,000 from the Africa restricted fund for formation to rebuild the perimeter wall of the novitiate in Kenya. Accounts and a report were received, and progress followed through the photos sent at different stages.



**Activities and achievements** (continued)**Grants (continued)**

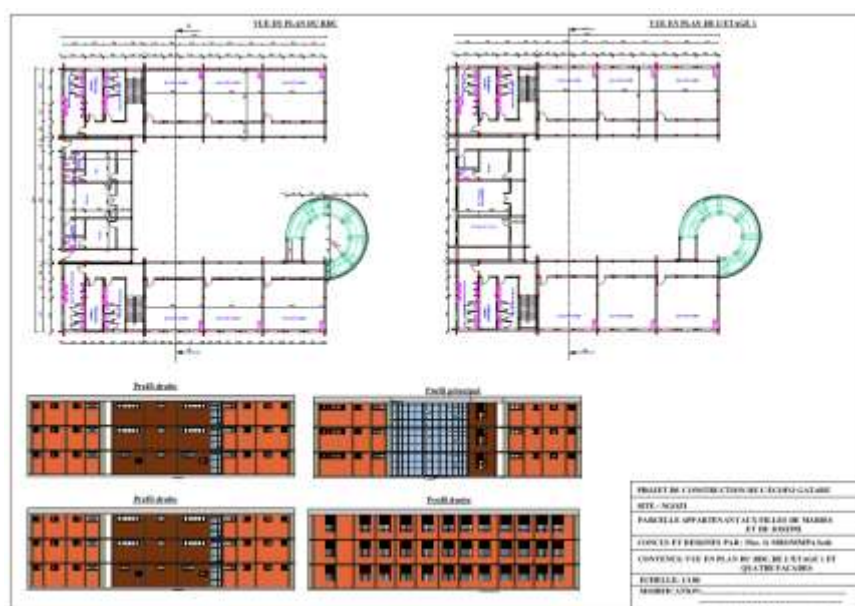
## Kenya Wall (continued)

Permission was sought and given to extend the work to cutting trees, building a generator house and installation of a new electrical pole (KES 140,000.00). This was given and the work is now complete.

*Ngozi Primary School*

Following on the success of Ecole Maternelle Colette de Brandt, in Ngozi, Burundi, a request was received for further funds to build a Primary School, so that the children could continue their education with the same standards and ethos. Work on the building had already begun with funds remaining after the building of the kindergarten and after due diligence, €100,000 grant was agreed. The Belgium Region of the DMJ also gave €100,000 via this CIO. The first €100,000 tranche was sent in July 2021 and following the receipt of a report and accounts, the second was sent in October 2021. Sister Marie Claire (Trustee) also visited this project when on home leave.

### The Plans:



**Activities and achievements** (continued)

**Grants** (continued)

*Ngozi Primary School* (continued)

Before the first tranche:



At the end of October:



January 2022:



## Activities and achievements (continued)

### Grants (continued)

#### *Ghana Livelihood Project*

The final grant given in 2021 was to aid six young adults towards independent living – one set of quads and one set of twins. The quads have lived in the childcare facility at Padre Pio Rehabilitation Centre since their birth as the family were unable to care for them and the twins since they were orphaned at the age of twelve. The quads are now fifteen and can be supported by their family with help from PPRC and the twins are eighteen and able to move back to their home village. The grant was to provide housing for them. £19,000 was sent for the quads house which is well underway.



The grant has been agreed in principle for the twins' house, but a little further information has been requested and payment is pending. In the meantime, the two young men have left Ahoto, and temporary accommodation has been arranged.



Michael and Miguel saying goodbye to the sisters and staff at PPRC

### **Grant making policy**

The trustees apply the funds of the charity at their discretion and in accordance with the charitable purposes and objectives of the charity. The amount of work or number of projects that can be supported by the trustees is necessarily limited to the amount of funds that are available for distribution each year.

The trustees have determined that the current priorities for funding are:

- ◆ The advancement of the Catholic faith and the support of the ministries of the Daughters of Mary and Joseph across the world; and
- ◆ Formation, capacity building and support of initiatives which will lead to self-reliance in the Africa Region.

The priorities for support will be reviewed by the trustees annually and may be changed depending upon circumstances and the perceived effectiveness of the application of funds. Any change to these priorities must still fulfil the charitable purpose and objectives of the charity.

In awarding grants, the trustees apply the following principles:

- ◆ The trustees will consider any requests or known situations that are eligible for consideration:
  - from any Region of the DMJ; and
  - from any individual DMJ or DMJ Project approved by their local Region leader.
- ◆ The trustees carry out sufficient due diligence to ensure that the request or situation meets both the charitable purposes, and the priorities for support set out in this policy.

### **Covid-19**

Due to the pandemic the operations of the charity have had to be adapted and some remain on hold. The CLT has been unable to travel and so visitations and face to face meetings moved online including the annual trustees' meeting usually held in England. The International Finance and Leadership Meetings were also held online in May 2021 which limited the time available due to widely different time zones. The sisters throughout the Congregation support each other in prayer and through electronic communication.

The effect on Ministries is explained above but there is also a financial impact as the cost of living has risen in most places.

The charity's income has not been too badly affected in 2021 as investments have recovered fairly well but there will still be volatility in the markets during 2022. The relatively small amount from fundraising and donations has not been greatly affected as donors have been very generous. The Friends of Ahotokurom have some fundraising events and support from parish collections which did not take place in 2021 due to social distancing and restrictions. There has, therefore, been some decrease in their income. Hopefully events will be able to take place in 2022.

### **Covid-19 (continued)**

In terms of expenditure; grants, donations and support of missionary work and ministry have continued and will continue through the next year. £150,000 was withdrawn from the investments in December 2021 and put aside to provide for foreseen needs of the next year for Africa. This should eliminate the need to withdraw funds from investments during volatile times. The trustees will continue to keep both income and expenditure under review.

Whilst there will undoubtedly be challenges ahead, the trustees do not expect material concerns to arise over the charity's financial position.

### **Future plans**

In the future, the charity aims to achieve its objects by providing funds to support the Congregation's projects in Africa; assisting with the funding of the sisters' living and personal expenses, formation, and ministry in Africa; and providing finance for Congregational meetings, Chapters, and other expenses at a Congregational level.

The Vision Statement of the General Chapter of 2019 said:

"Believing that this is a special moment in the life of our Congregation, we affirm that now is the favourable time to let go of all that is no longer life-giving, scanning the horizon to let come what God is making new among us.

We hear afresh the call to be a deeply contemplative presence at the heart of today's world. Whatever our milieu, our passionate commitment to our charism impels us to be merciful and compassionate, expressing this in authentic signs and gestures."

Our Strategic Plan is based on the 5 pillars:

- ◆ Provision of Care and Quality of Life;
- ◆ DMJ Mission and Ministry;
- ◆ Formation;
- ◆ Legacy; and
- ◆ Creative response to our current reality.

This strategic plan along with the Chapter vision and mandate, will be a guide for the coming years until the next Chapter in 2024.

### **Fundraising policy**

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The charity 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 the year, the charity received no complaints about its fundraising activities.

## Financial review

### *Results for the period*

A summary of the period's results can be found on page 29 of the accounts.

Total income for the year amounted to £479,951 (2020 – £256,851). Included within this total are donations totalling £284,264 (2020 – £131,030) and investment income totalling £160,614 (2020 – £124,561).

Expenditure in the year totalled £676,527 (2020 – £243,699). Expenditure includes investment management fees of £10,211 (2020 – £18,801), costs in respect to the support of the Congregational Leadership Team and international meetings/administration of £30,110 (2020 – £20,320) and charitable grants, donations and support of missionary work and ministry of £636,206 (2020 – £204,578). Details of charitable grants, donations and support of missionary work and ministry are included in note 5 to the accounts.

Net expenditure for the year before investment gains and foreign exchange gains, therefore, was £196,576 (2020 – net income before investment gains and foreign exchange gains was £13,152). Investment gains amounted to £920,263 (2020 – investment gains amounted to £137,066) and net foreign exchange losses on investments amounted to £118,148 (2020 – net foreign exchange gains on investments of £121,957). Hence, there was a net increase in funds for the year of £605,539 (2020 – net increase in funds of £272,175).

### *Investment policy*

The charity had three investment managers during the year and investments were held in Belgium (in Euros) and in England (in Sterling). During the year to 31 December 2021, the investments held in Belgium and managed by BNP Paribas Fortis were liquidated.

The investment managers work within specific guidelines that are set out and regularly reviewed by the trustees. The investment objectives are to maximise total return through a diversified portfolio and within levels of risk acceptable to the trustees whilst providing a regular level of income advised by the trustees from time to time. The investment managers provide regular reports to the General Treasurer at least bi-annually. These reports confirm also that the ethical requirements stipulated by the trustees have been complied with.

The ethical policy may be summarised as a requirement that funds shall only be invested in companies whose products, services and corporate practices are considered to promote the sanctity and dignity of human life and are not contrary to the Church's teaching.

The performance of the portfolio reflected the condition of the markets generally throughout the period. The net investment gains for the year to 31 December 2021 totalled £920,263 (2020 – net investments gains amounted to £137,066) and there were net foreign exchange losses in respect to the investments of £118,148 (2020 – net foreign exchange gains on investments of £121,957) reflecting the strength of the Euro against Sterling. The trustees remain satisfied that the portfolio is being managed appropriately relative to the investment objectives and they will continue to monitor movements within the portfolio, to ensure their overall policy is being achieved.

## **Financial review** (continued)

### ***Reserves policy***

The trustees are content for the charity to hold several years of anticipated unrestricted fund expenditure as free reserves. The trustees consider this level of free reserves to be acceptable given the charity's responsibilities, where in the event of an urgent need in any region, immediate financial assistance may need to be provided. The trustees will review this policy as time passes as and when the level and pattern of expenditure alters.

### ***Financial position***

The balance sheet shows total funds of £7,182,548 at 31 December 2021 (2020 – £6,577,009). Amounts totalling £6,858,820 (2020 – £6,273,404) are restricted for the purposes explained in note 13 to the accounts.

Funds which are available to support any of the work of the charity in the future (i.e. free reserves) are those shown on the balance sheet as unrestricted funds. These amounted to £323,728 (2020 – £303,605) at 31 December 2021 and represent more than two year's expenditure on unrestricted funds. This level of reserves is deemed appropriate, and the trustees are content that the charity is a going concern.

## **Governance, structure and management**

### ***Governing document***

Daughters of Mary and Joseph Congregation Fund CIO is an incorporated charitable organisation governed by a constitution dated 8 September 2015. It is a registered charity, Charity Registration Number: 1163470.

### ***Member of the CIO***

The Superior General is automatically, by virtue of holding that office, ex officio the sole member of the CIO.

### ***Trustees***

The charity has six trustees – the Superior General, the General Bursar, two Congregational Councillors and two lay trustees.

The Superior General and Congregational Councillors shall automatically, ex officio, be trustees for as long as they hold their respective offices. The Superior General may appoint additional trustees by a written resolution with such trustees being appointed for such period of office as the Superior General shall determine. The Provincial Superior of the Africa Region may nominate to the Superior General either one individual to be appointed as a trustee or one of the existing trustees to represent the interests of the Africa Region.

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



## **Governance, structure, and management** (continued)

### ***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 period 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 period. In preparing the accounts 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 which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's constitution. 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. As a result of the international scope of their work, they meet formally as often as necessary to review developments with regard to the charity or its activities and make any important decisions. The trustees use electronic means to be informed and kept up to date with developments within the Congregation and the charity. When necessary, the trustees seek advice and support from the charity's professional advisers including investment managers, solicitors and accountants. The day-to-day management of the charity's activities, and the implementation of policies, is delegated to the appropriate members of the Congregation.



## **Governance, structure and management (continued)**

### ***Key management***

The trustees consider that they alone comprise the key management of the charity in charge of directing and controlling, running, and operating the charity on a day-to-day basis. They receive no remuneration or reimbursement of expenses in connection with their duties as trustees.

### ***Risk management***

The trustees believe the significant risks facing the charity to be:

- ◆ From time to time, the charity donates significant sums overseas in support of the wider Congregation and other organisations. The vast majority of the donations sent overseas are to fund projects administered directly by members of the Congregation. The trustees always ensure that they are fully briefed about and are familiar with the work of a potential recipient of funds and that they carry out appropriate due diligence before deciding to transfer monies, that proof of receipt is obtained and, wherever possible, a full written report on the use of the funds is received.
- ◆ The charity's principal asset comprises listed investments, the value of which is dependent on movements in the 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 with the investment managers and the managers' performance and that of the portfolios are monitored. The trustees aim to assess the investment strategy regularly to ensure it remains appropriate to the charity's needs – both now and in the future.
- ◆ Governance risk – there is a risk that the trustees, being part of the Congregational Leadership team, may have limited knowledge of English charity law and regulations. This is mitigated by the appointment of two experienced lay trustees and the use of advisors. The trustees also attend training online or in person where possible.

The trustees undertook a formal review of risks in June 2021 and updated the risk register accordingly. This continues to be reviewed annually.

Signed on behalf of the trustees:

H Lane

Trustee

Approved by the trustees on: 31 May 2022

**Independent auditor's report to the trustees of Daughters of Mary and Joseph Congregation Fund CIO**

**Opinion**

We have audited the accounts of Daughters of Mary and Joseph Congregation Fund CIO (the 'charity') for the year ended 31 December 2021, 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 2021 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

We have nothing to report in this regard.

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

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

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

### **Responsibilities of trustees**

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

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

**Auditor's responsibilities for the audit of the accounts**

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

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 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 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 those charged with governance 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.

**Auditor's responsibilities for the audit of the accounts** (continued)

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

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

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

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

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

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

We did not identify any irregularities, including fraud.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

22 June 2022

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

## Statement of financial activities Year to 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Unrestricted funds £	Restricted funds £	Total funds 2020 £
<b>Income from:</b>							
Donations and legacies	1	11,883	272,381	284,264	12,310	118,720	131,030
Investments and interest receivable	2	66,589	94,025	160,614	62,246	62,315	124,561
Other sources							
. Miscellaneous income		—	—	—	—	1,260	1,260
. Foreign exchange gains		35,073	—	35,073	—	—	—
<b>Total income</b>		<b>113,545</b>	<b>366,406</b>	<b>479,951</b>	<b>74,556</b>	<b>182,295</b>	<b>256,851</b>
<b>Expenditure on:</b>							
Raising funds							
. Investment management fees	3	1,575	8,636	10,211	2,806	15,995	18,801
Charitable activities							
. Support of the Congregational Leadership Team and international meetings/administration	4	30,110	—	30,110	20,320	—	20,320
. Grants, donations and support of missionary work and ministry	5	106,376	529,830	636,206	4,475	200,103	204,578
<b>Total expenditure</b>		<b>138,061</b>	<b>538,466</b>	<b>676,527</b>	<b>27,601</b>	<b>216,098</b>	<b>243,699</b>
<b>Net (expenditure) income for the year</b>	7	<b>(24,516)</b>	<b>(172,060)</b>	<b>(196,576)</b>	<b>46,955</b>	<b>(33,803)</b>	<b>13,152</b>
<b>Other recognised gains (losses)</b>							
Net gains (losses) on investments		17,098	903,165	920,263	(19,651)	156,717	137,066
Foreign exchange (losses) gains on investments		24,541	(142,689)	(118,148)	(23,472)	145,429	121,957
		41,639	760,476	802,115	(43,123)	302,146	259,023
<b>Net income</b>		<b>17,123</b>	<b>588,416</b>	<b>605,539</b>	<b>3,832</b>	<b>268,343</b>	<b>272,175</b>
Transfers between funds	13	3,000	(3,000)	—	3,000	(3,000)	—
<b>Net movement in funds</b>		<b>20,123</b>	<b>585,416</b>	<b>605,539</b>	<b>6,832</b>	<b>265,343</b>	<b>272,175</b>
Balances brought forward at 1 January 2021		303,605	6,273,404	6,577,009	296,773	6,008,061	6,304,834
<b>Balances carried forward at 31 December 2021</b>		<b>323,728</b>	<b>6,858,820</b>	<b>7,182,548</b>	<b>303,605</b>	<b>6,273,404</b>	<b>6,577,009</b>

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

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

**Balance sheet** 31 December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Investments	10		6,960,212		6,453,984
<b>Current assets</b>					
Debtors	11	27,547		20,459	
Cash at bank and in hand		218,713		118,631	
		<u>246,260</u>		<u>139,090</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	12	(23,924)		(16,065)	
<b>Net current assets</b>			222,336		123,025
<b>Total net assets</b>			<u>7,182,548</u>		<u>6,577,009</u>
<b>Represented by:</b>					
<b>The funds of the charity</b>					
Unrestricted funds			323,728		303,605
Restricted funds	13		6,858,820		6,273,404
			<u>7,182,548</u>		<u>6,577,009</u>

Approved by the trustees and signed on their behalf by:

A Lawrence

Trustee

Approved by the trustees on: 31 May 2022



## Statement of cash flows Year to 31 December 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	A	<b>(384,404)</b>	(108,759)
<b>Cash flows from investing activities</b>			
Investment income and interest received		<b>153,526</b>	124,255
Payments to acquire investments		<b>(4,716,915)</b>	(681,247)
Receipts from disposals of investments		<b>4,864,349</b>	845,326
<b>Net cash provided by investing activities</b>		<b>300,960</b>	288,334
<b>Change in cash and cash equivalents in the period</b>		<b>(83,444)</b>	179,575
Cash and cash equivalents at 31 December 2021	B	<b>267,084</b>	88,871
<b>Change in cash and cash equivalents due to exchange rate movements</b>		<b>35,073</b>	(1,362)
<b>Cash and cash equivalents at 31 December 2021</b>	B	<b>218,713</b>	267,084

### Notes to the statement of cash flows for the year to 31 December 2021

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

	2021 £	2020 £
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>605,539</b>	272,175
<b>Adjustments:</b>		
Gains on investments	<b>(920,263)</b>	(137,066)
Exchange rate movements		
. On investments	<b>118,148</b>	(121,957)
. On cash	<b>(35,073)</b>	1,362
Investment income and interest receivable	<b>(160,614)</b>	(124,561)
Increase in creditors	<b>7,859</b>	1,288
<b>Net cash used in operating activities</b>	<b>(384,404)</b>	(108,759)

#### B Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<b>218,713</b>	118,631
Cash held by investment managers	<b>—</b>	148,453
<b>Total cash and cash equivalents</b>	<b>218,713</b>	267,084

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

## **Principal accounting policies** Year to 31 December 2021

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 2021 with comparative information provided in respect to the year to 31 December 2020.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

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

### **Critical accounting estimates and areas of judgement**

Preparation of the accounts requires the trustees to make significant judgements and estimates.

The key judgement required in preparing these accounts has been the estimation of the income and expenditure flows of the charity and on its short to medium term financial stability in assessing going concern.

There are no other items in the accounts where key judgements and estimates have been made.

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

With regard to the next accounting period, the year ending 31 December 2022, 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 market.

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.

### **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.

The principal sources of income are donations, grants, legacies, investment income from listed investments and interest receivable.

Donations and grants, including contributions receivable from the Regions and pensions received from individual members of the Congregation, receivable in cash or investments, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations and/or grants pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation or grant 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.

Donations received in the form of investments are recognised at their market value on the date of the transfer.

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.

Income from listed investments is recognised once the dividend has been declared and notification has been received of 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.

Other income includes exchange gains on currency conversion. The accounting policy for foreign currencies is set out below.

### **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. 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. Such costs include grants made in accordance with the charity's objects and costs incurred in support of the Congregational Leadership Team and international meetings/administration.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received 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 period are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued but are disclosed as financial commitments in the notes to the accounts.

All expenditure is stated inclusive of irrecoverable VAT.

### **Allocation of 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 including in the form of financial procedures.

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.

Support and governance costs are allocated to the support of the Congregational Leadership Team and international meetings/administration.

### **Fixed asset investments**

Listed investments are a form of basic financial instrument and are initially recognised as 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.

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.

**Fixed asset investments** (continued)

Realised gains (or losses) in investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial period. Unrealised gains and losses are calculated as the difference between the fair value at the period 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 period in which they arise.

**Debtors**

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

**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.

**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**

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

Unrestricted funds comprise those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into Sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the net movement in funds.

**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 Daughters of Mary and Joseph i.e. the Congregation.

**1 Income from: Donations and legacies**

	Unrestricted funds	Restricted funds	Total funds 2021	Unrestricted funds	Restricted funds	Total funds 2020
	£	£	£	£	£	£
Congregational contributions for Congregation Leadership Team and international meetings/administration	11,883	—	11,883	12,310	—	12,310
Other gifts and donations	—	105,282	105,282	—	101,302	101,302
Legacies	—	20,000	20,000	—	—	—
Grants	—	130,742	130,742	—	—	—
Sisters' pensions donated to the charity	—	16,357	16,357	—	17,418	17,418
<b>Total funds</b>	<b>11,883</b>	<b>272,381</b>	<b>284,264</b>	<b>12,310</b>	<b>118,720</b>	<b>131,030</b>

**2 Income from: Investments and interest receivable**

	Unrestricted funds	Restricted funds	Total funds 2021	Unrestricted funds	Restricted funds	Total funds 2020
	£	£	£	£	£	£
Income from listed investments	66,585	94,020	160,605	62,152	62,217	124,369
Interest receivable	4	5	9	94	98	192
<b>Total funds</b>	<b>66,589</b>	<b>94,025</b>	<b>160,614</b>	<b>62,246</b>	<b>62,315</b>	<b>124,561</b>

**3 Expenditure on: Investment management fees**

	Unrestricted funds	Restricted funds	Total funds 2021	Unrestricted funds	Restricted funds	Total funds 2020
	£	£	£	£	£	£
<b>Total funds: Investment management fees</b>	<b>1,575</b>	<b>8,636</b>	<b>10,211</b>	<b>2,806</b>	<b>15,995</b>	<b>18,801</b>

**4 Expenditure on: Support of the Congregational Leadership Team and international meetings/administration**

	Unrestricted funds	
	Total funds 2021	Total funds 2020
	£	£
Congregational Leadership Team expenditure	4,453	3,327
Meetings (including facilitation)	5,584	—
Office and administrative costs	—	(56)
Website	438	401
Formation	—	895
Support of a sister	2,942	3,132
Subscriptions and fees	2,042	197
Travel and visitation	2,073	—
Foreign exchange losses	—	1,362
Support and governance costs (note 6)	12,578	11,062
<b>Total funds</b>	<b>30,110</b>	<b>20,320</b>

## 5 Expenditure on: Grants, donations and support of missionary work and ministry

	Unrestricted funds	Restricted funds	Total funds 2021	Unrestricted funds	Restricted funds	Total funds 2020
	£	£	£	£	£	£
Support of missionary work and ministry of the Congregation in:						
. Uganda	—	160,441	160,441	—	66,811	66,811
. Burundi	85,595	130,273	215,868	—	14,767	14,767
. Belgium	—	—	—	—	895	895
. Kenya	—	80,024	80,024	—	44,749	44,749
. Ghana	19,100	104,400	123,500	—	34,000	34,000
. Cameroon	—	8,731	8,731	4,475	8,950	13,425
. Ireland (for Africa)	—	7,564	7,564	—	4,922	4,922
. Regions (including sisters' subsistence)	1,681	38,397	40,078	—	25,009	25,009
<b>Total funds</b>	<b>106,376</b>	<b>529,830</b>	<b>636,206</b>	<b>4,475</b>	<b>200,103</b>	<b>204,578</b>

No grants or donations were made to individuals during either period.

## 6 Support and governance costs

	Unrestricted funds	
	2021	2020
	£	£
Governance costs – Auditor's remuneration	10,880	10,200
Bank charges	1,698	862
	<b>12,578</b>	<b>11,062</b>

## 7 Net (expenditure) income for the year.

This is stated after charging:

	Total funds 2021	Total funds 2020
	£	£
Auditor's remuneration (including VAT)		
. Statutory audit fees	10,880	10,200
(Gains) losses on currency conversion	(35,073)	1,362

## 8 Staff costs and remuneration of key management personnel

The charity did not employ any staff during the year (2020 – none).

The trustees consider that they alone comprise the key management of the charity in charge of directing and controlling, running, and operating the charity on a day-to-day basis. They received no remuneration or reimbursement of expenses in connection with their duties as trustees (2020 – none).

Four trustees of the charity (2020 – five) are also members of the Congregation and as such have taken vows of poverty under which they have renounced all personal rights to income and capital. The charity may provide for the living and personal needs of such members of the Congregation.

## 9 Taxation

Daughters of Mary and Joseph Congregation Fund CIO is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

## 10 Investments

	Total funds 2021 £	Total funds 2020 £
<b>Listed investments</b>		
Market value at 1 January 2021	6,305,531	6,210,587
Additions at cost	4,716,915	681,247
Disposals at book value (see below)	(4,781,023)	(800,978)
Unrealised gains on revaluation	836,937	92,718
Exchange (losses) gains	(118,148)	121,957
Market value at 31 December 2021	6,960,212	6,305,531
<b>Cash held by investment managers for reinvestment</b>	—	148,453
	6,960,212	6,453,984
<b>Cost of listed investments at 31 December 2021</b>	6,104,426	5,497,620

Disposals at book value included above are made up of the following:

	2021 £	2020 £
Proceeds	4,864,349	845,326
Realised gains	(83,326)	(44,348)
Disposals at book value (see above)	4,781,023	800,978

At 31 December 2021, the charity's investment portfolio included the following holdings which represented a material proportion of the total value of the fixed asset investment portfolio at that date:

Investment	Percentage of portfolio %	Market value £
Epworth Affirmative Fund	38.60	2,686,850
Catholic Investment Fund Founder Class Income Units	61.40	4,273,362

Listed investments held at 31 December 2021 comprised the following:

	2021 £	2020 £
UK unitised funds	6,960,212	4,365,434
Overseas equities	—	1,053,020
Overseas fixed interest	—	566,250
Overseas unit trusts	—	155,854
Alternative investments	—	164,973
	6,960,212	6,305,531



# 11 Debtors

	2021 £	2020 £
Accrued investment income	27,547	20,459

# 12 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals	12,524	16,065
Grant payable	11,400	—
	23,924	16,065

# 13 Restricted funds

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

	At 1 January 2021 £	Income £	Expenditure £	Investment and foreign exchange losses £	Transfers £	At 31 December 2021 £
Africa Fund	3,874,963	366,406	(538,466)	447,419	(3,000)	4,147,322
Congregation Fund	2,398,441	—	—	313,057	—	2,711,498
	6,273,404	366,406	(538,466)	760,476	(3,000)	6,858,820

	At 1 January 2020 £	Income £	Expenditure £	Investment and foreign exchange losses £	Transfers £	At 31 December 2020 £
Africa Fund	3,698,939	182,295	(216,098)	212,827	(3,000)	3,874,963
Congregation Fund	2,309,122	—	—	89,319	—	2,398,441
	6,008,061	182,295	(216,098)	302,146	(3,000)	6,273,404

The restricted funds held by the charity comprise:

## ♦ Africa Fund

The funds held for Africa are restricted for the use of the Africa Region. Within this fund there are certain amounts restricted to particular purposes by the wishes of the donors. The purposes include formation/education, Burundi Orphans, Coloma sponsorship, Coloma projects, Friends of Ahotokum projects and support of sisters' families. The £3,000 transfer from the restricted fund to unrestricted funds represents a contribution towards the expenses of the Congregational Leadership Team (2020 – £3,000).

## ♦ Congregation Fund

The funds within the Congregation Fund comprise the capital given historically by the different areas of the Congregation and held in Europe. This capital is restricted in the original constitution of the Congregation Fund and is to be used in accordance with the decision of a General Chapter of the Congregation. At a General Finance Meeting and Extended General Council Meeting in 2016 it was agreed that the restrictions on the income from these funds should be released and the income should be used for the general purposes of the charity.

#### 14 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
<b>Fund balances at 31 December 2020 are represented by:</b>						
Investments	286,467	6,673,745	6,960,212	259,215	6,194,769	6,453,984
Current assets	59,368	186,892	246,260	53,702	85,388	139,090
Current liabilities	(22,107)	(1,817)	(23,924)	(9,312)	(6,753)	(16,065)
Total net assets	323,728	6,858,820	7,182,548	303,605	6,273,404	6,577,009

#### 15 Reconciliation of movement in unrealised gains

	2021 £	2020 £
<b>Unrealised gains included above</b>		
On investment assets	855,786	807,911
<b>Reconciliation of movement in unrealised gains on investment assets</b>		
Unrealised gains (losses) at 1 January 2021	807,911	794,450
In respect to disposals in the year	(778,251)	(85,913)
Net gains on revaluations	836,937	92,718
Exchange (losses) gains in respect to disposals in the year	107,337	(115,302)
Unrealised exchange gains (losses)	(118,148)	121,958
Unrealised gains at 31 December 2021	855,786	807,911

#### 16 Ultimate control

The charity, which is constituted as a Charitable Incorporated Organisation (CIO), was controlled throughout the period by the Daughters of Mary and Joseph due to the Superior General, by virtue of her office, being ex-officio the sole member of the CIO. If the CIO is wound up, the member of the CIO has no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

#### 17 Related party transactions

During the year to 31 December 2021, the charity received a contribution of £3,000 (2020 – £3,000) towards the CLT and a contribution of £5,000 (2020 – £5,000) towards the DMJ in Africa from The English Region of the Daughters of Mary and Joseph CIO (Charity Registration Number 1171001). Two of the trustees of The English Region of the Daughters of Mary and Joseph CIO are also trustees of the Daughters of Mary and Joseph Congregation Fund CIO.

During the year to 31 December 2021, the charity received €103,500 (£86,989) (2020 – €3,550 (£3,177)) from the ASBL Insitut des Dames de Marie. One of the trustees of the Daughters of Mary and Joseph Congregation Fund CIO is also a trustee of the ASBL Insitut des Dames de Marie.

There were no other related party transactions requiring disclosure during the year to 31 December 2021 (2020 – none).