

INFANT JESUS SISTERS (NICOLAS BARRÉ) GENERALATE CIO

(Registered Charity Number: 1164298)

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2022**

Haysmacintyre LLP
Chartered Accountants
Registered Auditors
London

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INFANT JESUS SISTERS (NICOLAS BARRÉ) GENERALATE CIO

REPORT OF THE TRUSTEES

LEGAL AND ADMINISTRATIVE DETAILS

TRUSTEES

Sister Brigitte Flourez
Sister Alice KilBride
Sister Marina Motta
Sister Marie Pitcher
Sister Jane Sinprayoon
Sister Margaret Walsh

FINANCIAL ADMINISTRATOR

George Fitzsimons FCA

REGISTERED OFFICE

16 East Acton Lane
London
W3 7EG

CHARITY REGISTRATION NUMBER

1164298

AUDITOR

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

SOLICITORS

Stone King LLP
Boundary House
91 Charterhouse Street
London
EC1M 6HR

PRINCIPAL BANKERS

HSBC UK Bank PLC
1 Centenary Square
Birmingham
B1 1HQ

INVESTMENT BANKERS

Investec Wealth & Investment Limited
2 Gresham Street,
London
EC2V 7QP

INFANT JESUS SISTERS (NICOLAS BARRÉ) GENERALATE CIO

REPORT OF THE TRUSTEES (continued)

The Trustees of The Infant Jesus Sisters (Nicolas Barré) Generalate CIO (“the Charity”) present their report and the audited financial statements for the year ended 31 December 2022. These have been prepared under the provisions of the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) and comply with all statutory requirements and the Charity's governing document.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

The Infant Jesus Sisters (Nicolas Barré) Generalate CIO is a Charitable Incorporated Organisation (CIO) and a registered charity (Registration Number 1164298). The Charity was incorporated on 9 November 2015.

TRUSTEES

The Trustees who served in the year were as follows:

Sister Brigitte Flourez
Sister Alice KilBride
Sister Marina Motta
Sister Marie Pitcher
Sister Jane Sinprayoon
Sister Margaret Walsh

RECRUITMENT, TRAINING AND INDUCTION OF TRUSTEES

Trustees are appointed based on the Charity's requirements for knowledge, experience and skills and the suitability of candidates for the role. There is currently a preference for members of the Institute, although lay people may also be appointed as Trustees. Trustees are provided with formal and informal training based on identified training needs. New Trustees are provided with induction training which focusses on the requirements of charity law, guidance from the Charity Commission and the Charity's own policies, procedures and circumstances.

OBJECTS AND ACTIVITIES

The Charity's object is the advancement of the Roman Catholic religion through the religious and other charitable work of the religious institute known as the Infant Jesus Sisters (including work with people of other faiths). The Charity facilitates the leadership of the worldwide Institute, including international meetings involving its Provincial leadership teams, and funds charitable work performed by sisters of the Institute in various countries as the need arises. The desire of our Institute is to make Jesus Christ known and loved through a variety of ministries which continue to evolve according to the needs in each country. Our particular focus is to reach out to those who are most in need.

The work currently undertaken typically involves education and other ministries to young people, health care and pastoral or parish ministries, usually in developing countries (principally, but not exclusively, in Africa). This includes various forms of support for people who are disadvantaged and in need.

The Charity's strategy is to provide financial support (through grants) for Institute projects and to sisters who are members of the Institute (normally to the Institute's administrative units – we do not make personal grants to individual sisters except for religious formation expenses), as well as providing leadership to the Institute worldwide. The Charity organises meetings between various national and international groups of sisters in leadership positions to coordinate the planning and implementation of the Institute's strategy. To a lesser extent in financial terms, the Charity also makes donations to other charitable causes, including emergency relief in connection with natural disasters, war zones and refugees (among other things).

We invite grant applications from the Institute's administrative units using a standard application process which requires them to set out their financial needs, what local needs they are seeking to meet, expected outcomes and how the activities will be managed, as well as a range of other information. These applications are considered and, if they meet the Charity's Grant-making Policy, approved by Trustees.

REPORT OF THE TRUSTEES (continued)

The current priorities for grant funding stipulated in the Grant-making Policy are:

- The advancement of the Roman Catholic religion through the religious and other charitable work of the Institute (including work with people of other religious faiths) within local communities and across the world, but particularly in those countries where the Infant Jesus Sisters are based;
- Education and human formation, particularly in those countries where the Infant Jesus Sisters are based;
- The relief of poverty within local communities and among the world's deprived and needy peoples, with particular focus on those countries where the Infant Jesus Sisters are based or as determined by the trustees from time to time and in accordance with this policy;
- The relief of other hardships, such as (not exhaustively) those of old age, disability, illness or oppression;
- Addressing charitable needs which the trustees may identify from time to time, for instance needs arising from wars or natural disasters.

Due diligence is performed on grant applications to verify the identity, bona fides and other background information relating to applicants and to ensure that the application meets both the Charity's charitable purposes and the priorities for support set out in the Grant-making Policy.

We obtain reports from grant recipients periodically which require them to explain how the grants have been spent (providing relevant evidence) as well as giving qualitative and quantitative assessments of their impact and effectiveness. The performance measures employed are typically focused on the delivery of support to individuals in need and humanitarian issues, since the Charity believes that its objects are best fulfilled by the pursuit of Catholic Social Teaching ("CST"). CST covers all spheres of life - the economic, political, personal and spiritual - with human dignity at its centre. Trustees also visit the projects and Institute units who have received grants periodically to see for themselves how grants have been deployed.

The Charity makes grants on the basis of need and demand, so does not prioritise any particular areas of charitable activity. Its strategy is based on responding to the sisters and administrative units within the Institute as they identify specific needs and bring them to its attention.

The Charity has no employees. Much of its work is undertaken by the Trustees, supported by a small number of external advisors and personnel for financial management and accounting, general and grant administration and other organisational tasks.

There is an Investment Sub-committee, consisting of three Trustees, which acts with delegated authority on behalf of the Trustees in specific matters related to the Charity's investments and cash

ACHIEVEMENTS AND PERFORMANCE

Total funds reduced to €36.8m at 31 December 2022 (2021 - €42.4m), with net income of €0.8m before investment losses and unrealised investment losses of €6.3m.

The global investment environment was very unfavourable in 2022, with increasing interest rates and inflation, combined with other factors such as post-Covid supply chain problems and the Russia/ Ukraine war.

Total investment return was negative in the year: -14.8% on the main, long-term portfolio (year-end valuation €31.2m) and -6.1% on the lower-risk portfolio (year-end valuation €4.1m).

Grants of €777,149 (2021 - €1,326,975) were made during the year to units within the Institute - €370,841 to the Vice-Province of Cameroon (2021 - €987,225), €371,186 to the Vice-Province of Nigeria (2021 - €285,109) and €35,122 to the Vice-Province of Peru (2020 - nil). No grants were made to Barré Sans Frontières or Bolivia in 2022 (2021 - €54,641).

The effects of COVID-19 have now largely abated and members of the General Council were once again able to travel internationally and international meetings could be held once more. The use of electronic video-conferencing, which became prevalent during Covid lockdowns, has persisted and has saved a considerable amount of travel, with attendant benefits to the environment, as well as facilitating better communications. As an example, an Asian virtual forum was held in November 2022, involving 90 participants. A physical meeting for sisters with 15 to 25 years of profession was held in Paris in July 2022.

REPORT OF THE TRUSTEES (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

The Charity's Investment Sub-committee met several times during the year to monitor the investment portfolio and assess investment risks, liaising closely with investment managers. There was more detailed consideration of the ESG (Environmental, Social and Governance) aspects of the Charity's investments and work began on a review of its investment policy.

During the year Trustees and advisers regularly monitored the Charity's financial situation, which continues to be sound, and discussed relevant matters frequently in between formal meetings. Trustees also carefully considered the CIO's context in relation to the financial position of the Institute as a whole. Trustees further considered the Charity Commission's guidance on safeguarding during the year and adopted a new safeguarding policy. The Charity itself has no direct contact with children or vulnerable adults, but the work of the organisations it supports with grants is generally with such groups. Trustees spent more time during the year considering the safeguarding policies and arrangements of the Charity's grant recipients. Financial policies and procedures were reviewed, as a matter of routine, as was the risk management policy and risk register.

As well as making the major grants, the Charity gave smaller donations to charitable projects and emergency response operations in Moldova, Myanmar, Pakistan and Nigeria.

Trustees received training on the latest developments in charity law and governance and safeguarding.

With the CIO's house in Crawley having been sold in 2021, in October 2022 the Institute purchased a house in Rome to serve as the new Institute headquarters (to be known as the 'Procura'), using non-CIO funds for the purchase. The CIO lent approximately €259,000 to the Procura to pay the professional fees associated with the purchase and will in future be paying for the furnishing and equipment of the house and its ongoing running costs.

Cameroon

The grant of €370,841 made to Cameroon in the year was for the charitable activities of the Institute's sisters in Cameroon as well as for the development of a play area for the existing primary and nursery schools and a new school bus. Within the total figure, the play area grant was €76,225 and the bus grant was €63,876.

The mission work in Cameroon (supported by grant funding of €230,740) continues to focus on health care and the education of young boys and girls, of deaf and dumb children and of young people through Catholic Action movements and catechesis.

Nigeria

The Charity's grant of €371,186 made in the year supported a range of charitable activities, as well as certain capital projects. The Nigerian sisters manage several schools, work with displaced persons, provide vocational training for women and support people with HIV, among other activities.

As in the previous year, exchange rates were favourable to the Charity and so the grant paid in euro was less than the amount originally approved.

A grant of €201,568 was made for the various mission activities of the Nigerian sisters. Grants of €169,618 were made for a range of capital expenditure projects, including the completion of the new novitiate house in Jos, a chapel and a car for the postulancy in Jos, new buildings at the Nicolas Barré Academy in Kona and a borehole for the people of Dawaki.

Inflation in Nigeria increased to around 21% in 2022.

Peru

The Charity's grant of €35,122 was for a replacement perimeter fence at the shelter for vulnerable young women at Urubamba. The grant was not paid until 2023, with major political instability and civil unrest in the country during 2022.

REPORT OF THE TRUSTEES (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

Barré Sans Frontières

Although Trustees approved a grant to support and maintain the lay members and sisters who visit Myanmar on mission, no grant was actually required or paid, since activities continued to be curtailed by the civil war and funds were available from other sources. The Charity expects to resume making grants to Barré Sans Frontières in 2023.

In Myanmar, the Institute's members are involved in:

- The training and supervision of teachers deployed to teach children remote areas of Myanmar, with a priority for the vulnerable and those at risk.
- The training and supervision of pre-school teachers using the Montessori method and pedagogy. Most of the teachers trained are supporting the works of religious sisters of local congregations in Myanmar.
- A Montessori kindergarten in Thilawa, called Mathilde Montessori.

Local team members have been able to continue providing various kinds of spiritual and material support to a range of children and adults who face a variety of challenges (eg lack of numeracy and literacy, neglect, unemployment and addiction).

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees have considered the major risks and uncertainties to which the Charity is exposed and have implemented policies and controls in order to limit them. The main risks are explained below.

- Trustee body lacks relevant skills or commitment: trustees, including new appointments, have received induction training and ongoing support in relation to their responsibilities. They are fully engaged in all Charity decisions.
- Conflicts of interest: the CIO operates a policy for the disclosure and management of potential conflicts of interest.
- Grants made for inappropriate purposes: the grant application and monitoring process explained above are the main mechanisms for managing this risk, as well as visits to the activities funded.
- Loss of key staff: there are written contracts and agreed notice periods for the key outsourced personnel, as well as regular progress and planning meetings to share knowledge. The other professional advisers engaged (investment managers, investment advisers, accountants and lawyers) would also be able to fill short-term gaps arising if outsourced personnel gave notice.
- Reporting to Trustees: processes exist for reporting on grants, the Charity's financial performance and position and investments. There is also regular contact between Trustees and key staff and grant recipients.
- High staff turnover: to reduce the risk of high turnover, the Charity maintains its awareness of rates of pay, training, working conditions and job satisfaction for key outsourced personnel.
- Investment policies: there is an investment policy in place (see below), investment managers were selected following invitation to competitive tender, there is a policy of maintaining adequate reserves and there is regular performance reporting and monitoring.
- Fraud or error: the main safeguards are various financial control procedures, segregated duties, authorisation limits and relevant training.
- Counterparty risk: the Charity uses banks with strong credit ratings, has a formal investment management agreement and monitors and reviews its investments.

REPORT OF THE TRUSTEES (continued)

Public Benefit

The Trustees confirm that they have given due consideration to the Charity Commission's general guidance on public benefit. These requirements are addressed in this report.

FINANCIAL REVIEW

The statement of financial activities on page 10 shows total income for the period of €2.0m (2021 - €1.3m), expenditure of €1.3m (2021 - €1.8m), unrealised investment losses of €6.3m (2021 – gains of €6.0m) and a deficit of €5.6m (2021 – surplus of €5.5m). The Charity received donations of €1.2m from constituents of the Institute in 2022, with investment income of €0.8m. Grant expenditure was €0.8m and other expenditure (which relates to professional and governance fees incurred, Trustees' living and working expenses and central Institute projects) was €0.5m. Total funds (all of which are unrestricted) reduced to €36.8m (2021 - €42.4m). The Charity expects to be able to finance its typical future level of charitable activity from investment returns.

RESERVES POLICY

It is Charity's policy to seek to maintain a level of reserves which can generate sufficient investment returns to pay for the anticipated costs of overseas missions and projects (including a contingency for possible but unpredictable future expenses) on a sustainable basis. Reserves of €35.3m have been designated for investment purposes.

The Charity's free reserves (excluding designated reserves and fixed assets) were €1.5m at 31 December 2022.

INVESTMENT POWERS, POLICY AND PERFORMANCE

Trustees have recently reviewed the investment policy and made some changes to it, in particular to permit the use of total investment returns (not just investment income) for the Charity's purposes. The Charity's ethical requirements in respect of excluded sectors and due diligence on pooled funds have also been amplified.

Investments have been made using the main principles noted below:

Minimum income provision: The investment portfolio has been designed to produce sufficient income to ensure the maintenance and sustainability of the organisation (this includes grant expenditure as well as leadership, coordination and administrative costs). This combined income requirement is expected to be approximately €800,000 per annum on average, but may vary significantly from year to year.

Long-term security: The investments require long term financial security so that the charitable objects can be delivered indefinitely, with their value keeping pace with inflation.

Liquidity / flexibility: Investment assets should provide diversification, flexibility and liquidity to cater for changes in the Charity's situation and requirements. There is a separate lower-risk investment portfolio as an intermediate source of liquidity (ie a stage between cash and the long-term investment portfolio),

Ethical & social investment: The investment manager has been selected from the Principles for Responsible Investment (PRI) Initiative signatory list supported by the United Nations to ensure investments align with the Charity's ethical standards while seeking maximum return (within the stipulated risk parameters).

The Charity has an ethical investment policy.

Risk

The investments have been sub-divided into sub-portfolios to provide liquidity tiers with the following risk profiles:

- Cash: virtually no risk (€1.3m)
- Lower-risk portfolio: lower risk (€4.1m)
- Long-term portfolio: medium risk (the remainder of the portfolio)

The Charity's investment risk tolerance on its long-term portfolio is described as "Medium" with the aim to produce returns that are better than those from cash deposits with a high level of security of capital. The aim is to avoid the long-term investment portfolio losing more than 15% of value at any point annually.

INFANT JESUS SISTERS (NICOLAS BARRÉ) GENERALATE CIO

REPORT OF THE TRUSTEES (continued)

As explained in last year's report, the value of the lower-risk portfolio was increased (and the long-term portfolio reduced) in November 2021, thus providing the Charity with significant liquidity in addition to cash at bank.

FUTURE PLANS

The Charity intends to continue to develop its existing activities and to adapt its strategy and operations to changing circumstances, including the trend of fewer vocations in Europe and Asia, and to the needs of the poor and disadvantaged people in the societies where the Institute's sisters work internationally.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements 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 of the Charity to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that this basis applies.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and reports) Regulations 2008 and with the articles of association dated 9 November 2015. 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.

Approved by the Trustees on 20 September 2023 and signed as authorised on their behalf by:

.....
Sister Marie Pitcher

Trustee

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

INFANT JESUS SISTERS (NICOLAS BARRÉ) GENERALATE CIO

Opinion

We have audited the financial statements of Infant Jesus Sisters (Nicolas Barré) Generalate CIO for the year ended 31 December 2022 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. 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 financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2022 and of the net movement in funds 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 have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements 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 financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors 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 Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 financial statements 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 (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Charity; or
- the Charity's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees are responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF INFANT JESUS SISTERS (NICOLAS BARRÉ) GENERALATE CIO

In preparing the financial statements, 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 financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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:

Based on our understanding of the Charity and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We evaluated management's opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in certain accounting estimates and judgements such as the income recognition policy applied to donation and legacies income. Audit procedures performed by the engagement team included:

- Inspecting correspondence with appropriate regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Review of minutes of meetings to identify instances of fraud
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates, including review of how donation or legacies income has been recognised at the year end.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haymacintyre LLP
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 20 September 2023

INFANT JESUS SISTERS (NICOLAS BARRÉ) GENERALATE CIO

STATEMENT OF FINANCIAL ACTIVITIES (incorporating the income and expenditure statement)

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Total unrestricted funds 2022 €	Total unrestricted funds 2021 €
INCOME FROM:			
Donations and legacies	2	1,188,232	104,869
Investment income	3	828,985	741,821
Other income	4	-	487,579
Total Income		<u>2,017,217</u>	<u>1,334,269</u>
EXPENDITURE ON:			
<i>Charitable Activities:</i>			
Support of members and their ministry		478,845	480,421
Grant expenditure		<u>777,149</u>	<u>1,326,975</u>
Total Expenditure	5	<u>1,255,994</u>	<u>1,807,396</u>
NET INCOME/(EXPENDITURE) BEFORE NET (LOSSES)/GAINS ON INVESTMENTS		761,223	(473,127)
Net (losses)/gains on investments	7	<u>(6,329,681)</u>	<u>5,983,380</u>
NET (EXPENDITURE)/INCOME FOR THE YEAR		<u>(5,568,458)</u>	<u>5,510,253</u>
NET MOVEMENT IN FUNDS		(5,568,458)	5,510,253
Fund balances at 1 January 2022		<u>42,367,675</u>	<u>36,857,422</u>
FUND BALANCES AT 31 DECEMBER 2022		<u><u>€36,799,217</u></u>	<u><u>€42,367,675</u></u>

There were no recognised gains and losses other than those included in the Statement of Financial Activities.

The accompanying notes form part of these financial statements.

INFANT JESUS SISTERS (NICOLAS BARRÉ) GENERALATE CIO

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022	2021
		€	€
FIXED ASSETS			
Fixed assets	6	510	713
Investments	7	35,328,090	41,393,862
		<u>35,328,600</u>	<u>41,394,575</u>
CURRENT ASSETS			
Debtors	8	276,821	2,455
Cash at bank and in hand		1,336,542	1,030,915
		<u>1,613,363</u>	<u>1,033,370</u>
CREDITORS: Amounts falling due within one year	9	<u>(142,746)</u>	<u>(60,270)</u>
NET CURRENT ASSETS		<u>1,470,617</u>	<u>973,100</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>€36,799,217</u>	<u>€42,367,675</u>
FUNDS			
Unrestricted funds			
. Designated	10	35,328,090	41,393,862
. General	11	1,471,127	973,813
		<u>€36,799,217</u>	<u>€42,367,675</u>

Approved and authorised for issue by the Trustees on 20 September 2023 and signed on their behalf by:

.....
 Sister Marie Pitcher
 Trustee

The accompanying notes form part of these financial statements.

INFANT JESUS SISTERS (NICOLAS BARRÉ) GENERALATE CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	€	€
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	(258,854)	(1,728,334)
Cash flows from investing activities:		
Dividends, interest and rents from investments	828,986	741,821
Tangible fixed asset additions	595	-
Purchase of investments net of fees and cash movements	(4,864,302)	(3,892,842)
Proceeds from sale of investments	4,599,202	3,336,111
Proceeds from sale of property	-	723,562
Net cash provided by (used) in investing activities	564,481	908,652
Change in cash and cash equivalents in the reporting period	305,627	(819,682)
Cash and cash equivalents at the beginning of the reporting period	1,030,915	1,850,597
Cash and cash equivalents at the end of the reporting period	€1,336,542	€1,030,915
Reconciliation of net income to net cash flows from operating activities	2022	2021
	€	€
Net (expenditure)/income for the reporting period	(5,568,457)	5,510,253
Losses/(gains) on investments	6,329,681	(5,983,380)
Gain on sales of property	-	(487,579)
Depreciation	798	1,347
Dividends, interest and rents from investments	(828,986)	(741,821)
Decrease/(increase) in debtors	(274,366)	368
Increase/(decrease) in creditors	82,476	(27,522)
Net cash provided by/(used) in operating activities	€(258,854)	€(1,728,334)
Analysis of cash and cash equivalents	2022	2021
	€	€
Cash in hand	1,336,542	1,030,915
Total cash and cash equivalents	€1,336,542	€1,030,915

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). There are no areas of critical judgment or estimation used in the preparation of the financial statements.

b) Functional Currency

The functional current of the Charity is the Euro (€).

c) Preparation of accounts on a going concern basis

The trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The review of our financial position, reserves levels and future plans gives trustees confidence the Charity remains a going concern for the foreseeable future. Financial projections have been subjected to stress tests based on extreme reductions in both investment valuation and investment income, and it is considered that the Charity would remain a going concern even in that event.

d) Income

All income is included in the statement of financial activities when the Charity is entitled to the income, it is probable that income will be received, and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations and legacies

Donations and legacies are recognised when receivable or when the Charity becomes legally entitled to them. Receipts of property, investments or other gifts in kind are included at market value.

e) 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 include expenditure on the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements. Irrecoverable VAT is included with the category of expense to which it relates.

Grants payable

Grants are included in the period of account when they are approved at a meeting of the Trustees.

f) Buildings and Furniture, fittings and equipment

Buildings are reported in the balance sheet at original cost. Depreciation is charged over the estimated useful life of the assets using the straight-line method on a monthly basis. Buildings are depreciated over 50 years.

Furniture, fittings and equipment are reported in the balance sheet at original cost. Depreciation is charged over the estimated useful life of the assets using the straight-line method on a monthly basis. A rate of depreciation of 20% is used.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES (CONTINUED)

g) **Investments**

Quoted investments are valued at their closing middle market price on the balance sheet date and the gain or loss taken to the Statement of Financial Activities. All movements in value are shown in the Statement of Financial Activities.

h) **Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

i) **Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments.

j) **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.

k) **Estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the trustees' best knowledge of the amount, events or actions, actual results ultimately differ from these estimates. The Trustees do not consider there to be any estimates and judgements.

l) **Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value. The portfolio of investments held by the Charity is included at fair value.

2. **DONATIONS AND LEGACIES**

	2022	2021
	€	€
Congregation:		
Thailand	41,086	80,361
Peru	-	9,276
Spain	1,000,000	-
Japan	140,496	-
Czech Republic	6,532	15,000
Other donations	118	232
	<u>€1,188,232</u>	<u>€104,869</u>

INFANT JESUS SISTERS (NICOLAS BARRÉ) GENERALATE CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

3.	INVESTMENT INCOME	2022	2021
		€	€
	Dividend income	812,381	702,389
	Bank interest	107	773
	Tax refunds on dividend income	16,497	38,659
		<u>€828,985</u>	<u>€741,821</u>
4.	OTHER INCOME	2022	2021
		€	€
	Surplus on disposal of tangible fixed assets	-	487,579
		<u>€-</u>	<u>€487,579</u>
5.	EXPENDITURE	Total	Total
		2022	2021
		€	€
	<i>Charitable Activities:</i>		
	Support of members and their ministry:		
	Sisters' living and ministry expenses	192,840	199,823
	Travel and international meetings	107,922	42,548
	Professional fees	24,081	66,242
	Governance costs	16,011	10,242
	Depreciation	798	1,344
	Grants awarded:		
	. Cameroon	370,841	987,225
	. Barré Sans Frontières Singapore	-	42,342
	. Nigeria	371,186	285,109
	. Bolivia	-	12,299
	. Peru	35,122	-
	Gain/(Loss) on foreign exchange	(5,775)	6,919
	Investment management fees	142,968	153,300
		<u>€1,255,994</u>	<u>€1,807,396</u>
	The Charity did not have any employees in the current or preceding period.		
	Governance costs include:	2022	2021
		€	€
	Auditors' remuneration		
	- Audit services	€16,011	€10,242

TRANSACTIONS WITH TRUSTEES

Certain Trustee expenses were borne by the Charity, but the Trustees received no remuneration or other benefits in connection with their duties as Trustees during the current or preceding year.

INFANT JESUS SISTERS (NICOLAS BARRÉ) GENERALATE CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 FIXED ASSETS

	Fixtures and fittings €	Total €
<i>Cost</i>		
At 1 January 2022	3,594	3,594
Additions	595	595
At 31 December 2022	4,189	4,189
<i>Depreciation</i>		
At 1 January 2022	2,881	2,881
Charge for the year	798	798
At 31 December 2022	3,679	3,679
<i>Net book value</i>		
At 31 December 2022	510	510
At 31 December 2021	€713	€713

7. FIXED ASSET INVESTMENTS

	2022 €	2021 €
As at 1 January 2022	40,831,558	34,408,279
Additions less fees	4,680,808	3,776,010
Disposals	(4,599,202)	(3,336,111)
Net investment gains/(losses)	(6,329,681)	5,983,380
Sub total	34,583,483	40,831,558
Cash held in portfolio	744,607	562,304
Market value at 31 December 2022	€35,328,090	€41,393,862
Historical cost at 31 December 2022	€31,469,952	€30,926,014

8. DEBTORS

	2022 €	2021 €
Prepayments and accrued income	€276,821	€2,455

INFANT JESUS SISTERS (NICOLAS BARRÉ) GENERALATE CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

9. CREDITORS: Amounts falling due within one year	2022 €	2021 €
Accruals	€142,746	€60,270

10. DESIGNATED FUNDS

	1 January 2022 €	Designated in the year €	31 December 2022 €
Investment portfolio	€41,393,862	(€6,065,772)	€35,328,090
	1 January 2021 €	Designated in the year €	31 December 2021 €
Investment portfolio	€34,852,754	€6,541,108	€41,393,862

The Trustees of the Charity have designated €35,328,090 (2021: €41,393,862) the majority of its funds, to be invested in assets which generate income to pay for its charitable activities.

11. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

2022	Fixed assets & investments €	Net current assets €	Total €
Unrestricted funds:			
General	510	1,470,617	1,471,127
Designated	35,328,090	-	35,328,090
	€35,328,600	€1,470,617	€36,799,217
2021	Fixed assets & investments €	Net current assets €	Total €
Unrestricted funds:			
General	713	973,100	973,813
Designated	41,393,862	-	41,393,862
	€41,394,575	€973,100	€42,367,675

11. RELATED PARTY TRANSACTIONS

There were no related party transactions in the current or preceding year.