

Charity registration number  
1174679

**Sisters of Christ UK Development Fund Charity CIO**

**Report and Accounts**

**31 December 2020**

Borucki & Co  
Chartered Accountants  
42 Radnor Road  
HA1 1RZ

**Sisters of Christ UK Development Fund Charity CIO**  
**Report and accounts**  
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**Sisters of Christ UK Development Fund Charity CIO**  
**Legal and administrative information**

<b>Trustees</b>	Sister Mary Elizabeth Magenis Sister Rose-Marie Perrussel Sister Emerentienne Ramoravelo Sister Joyce Ann Bone Sister Catherine Morton
<b>Superior General</b>	Sister Emerentienne Ramoravelo
<b>Bursar</b>	Sister Joyce Ann Bone
<b>Principal office</b>	Norlands Mayfield Road London SW19 3NF
<b>Charity number</b>	1174679
<b>Auditors</b>	Borucki & CO 42 Radnor Road Harrow HA1 1RZ
<b>Investment managers</b>	Investec Wealth and Investment Limited 2 Gresham Street London EC2V 7PG  Brewin Dolphin 12 Smithfield Street London EC1A 9LA
<b>Bankers</b>	Royal Bank of Scotland plc 49 Bishopsgate London EC2N 3AS
<b>Solicitors</b>	Pothecary Witham Weld 84 Eccleston Square London SW1 1PX

## **Sisters of Christ UK Development Fund Charity CIO**

### **Trustees report**

The Trustees present their report and accounts for the year ended 31 December 2019.

### **INTRODUCTION**

The Congregation of the Sisters of Christ is an international Religious Congregation. Founded in 1976 from the union of seven existing congregations, it has a history dating back to 1625. The Sisters of Christ are governed by their own Constitutions and the communities are divided into a number of Delegations and a Province. The Generalate is in France.

### **PRINCIPAL AIMS AND OBJECTIVES**

The accounts accompanying this report are the accounts of the charitable trust with assets for assisting the mission of the sisters. Its focus is on development in its various forms.

The ministries of the sisters of the congregation benefit numerous members of the general public, throughout the world. The sisters try to be alongside others and work with them “in all that promotes the true meaning of life and the value of the human person, in particular in the fields of education, pastoral ministry, health care and social works.”(Constitutions No 11) The Development Fund was created to assist them in these endeavours.

### **GOVERNANCE, STRUCTURE AND MANAGEMENT**

In terms of Canon Law, the congregation is governed at an international level by a Superior General and General Council in Paris. They are elected every six years at a General Chapter (meeting of delegates of all the delegations and province of the Congregation). During 2018 the congregation was restructured and Europe became a Delegation. Decisions are reached at the appropriate level of administration, in accordance with the Constitutions of the congregation. This change in structure is experimental and will be reviewed at the General Chapter of the Congregation in 2022. These changes in structure have no impact on the organisation and work of the Charitable Incorporated Organisation.

In terms of Civil Law the charity is governed by a constitution accepted by the Charity Commission when it received its registration on 18th September 2017 - Charitable Incorporated Organisation No 1174679. The Trustees of the charity are named by the Superior General. After their appointment, the role and responsibilities of a trustee are discussed and explained in detail. The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts. Brief biographical details on each of the trustees are given below.

#### **Sister Emerentienne Ramoravelo - Superior General**

Sister Emerentienne Ramoravelo was elected at the General Chapter of the Congregation in July 2015. Sister Emerentienne was previously on the General Council, has been the Provincial Superior in Madagascar and has worked in the formation of young sisters. Her wide experience also includes teaching in schools and lecturing Philosophy in a seminary.

#### **Sister Rose Marie Perrussel**

Sister Rose Marie was General Bursar of the Congregation for twenty years when she had overall responsibility for the finances of the congregation. She was a member of the General Council 1991-2003. Prior to her appointment to the General Council, she worked as a teacher of Mathematics in one of the congregation's secondary schools in France. Her wide experience of the Congregation and its mission is an asset to the trustees.

#### **Sister Joyce Bone**

Sister Joyce is General Bursar of the Congregation and is also responsible for the finances in England. She has been a member of the General Council(2009-2015) and of the European Provincial Council(2003-2009). In England she has worked as a teacher in a middle and secondary school, served as a school governor and has varied pastoral experience. She was Provincial Superior of England (1996-2003).

#### **Sister Catherine Morton**

Sister Catherine was headteacher of a Comprehensive School before being Provincial Superior and later Bursar. She was then sent to Cameroon where she worked in the formation of young sisters and was Regional for three years. Sister Catherine returned to England in 2011 where she is now responsible for the elderly and sick sisters. She brings a rich and varied experience to the work of the Trustees.

#### **Sister May Magenis**

Sister May had the overall responsibility for the finances of the sisters in England for many years. As well as administrative experience, Sister May has had varied pastoral involvement, served the congregation as provincial superior and as a member of the provincial council, and has experience in caring for the elderly.

## **TRUSTEES' RESPONSIBILITIES WITH REGARD TO THE ACCOUNTS**

Under charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements for each financial year which show a true and fair view of the state of affairs of the charity.

In preparing these financial statements, generally accepted accounting practice entails the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- prepare financial statements on the going concern basis unless it is inappropriate to presume the charity will continue its activities.

The trustees are required to act in accordance with the Constitution of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

## **STRUCTURE AND MANAGEMENT REPORTING**

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet at least once a year to review developments with regard to the charity or its activities and make any important decisions. Communication between trustees continues during the year and, in more 'normal' times, other meetings are arranged when needed.

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

## **RISK ASSESSMENT**

The major risks for our charity are fraud and risk with our investments. Risk cannot be avoided in investing money and the trustees are conscious of this fact. They wish to keep this risk to a minimum. The three-monthly reports are an invaluable means of managing this financial risk. The UK Development Fund has two portfolios with different Investment Managers and diversification within the portfolios is also essential. The Charity has no staff or buildings and so, therefore, it is simple to manage. Two trustees need to sign all cheques.

## **TRUSTEES' INVESTMENT AND OTHER POWERS**

According to the Constitution the Trustees have the power to invest any money forming part of the Trust Fund and to apply income and capital for the charitable purposes of the Trust. They may purchase property, sell land and property, pay for the up-keep of land and property held on Trust. They may also borrow money for any of the foregoing purposes and accept donations.

## **PUBLIC BENEFIT**

The Trustees have consulted the guidance made available by the Charity Commission for England and Wales on the Public Benefit requirement of the Charities Act 2011.

The Trustees are confident that they have complied with their duty under section 4 of the Charities Act 2011 in that they have had due regard to public benefit guidance published by the Commission in 2014. In furtherance of the charitable purposes for the public benefit the trustees give details of their activities in the following paragraphs.

## **REVIEW OF 2020**

This year was marked by uncertainty and humanity's battle against the virulent COVID pandemic. While maintaining the value of the portfolios, our investment managers worked to keep an income flowing with a diversity of types of investment. Nevertheless, investment income was £30,000 less than in 2019. During the year, normal meetings with our investment managers were not possible. Contact continued by email and through opportunities of some online webinars.

As in other years, £20,000 was sent to Madagascar to help with formation and everyday expenses. The sisters of the province of Madagascar appreciate this regular sum which they can rely on. In a year of disruption and additional problems caused by the Covid pandemic, an extra £10,000 was sent to aid certain communities which were in difficulty. This money was used to buy rice, to replace basic equipment (such as fridges) and generally to allow the sisters to carry on their mission in very difficult circumstances. As no project for 2020 had been agreed at last year's meeting, this further contribution was agreed by distance contact between trustees. At the annual meeting, the trustees had agreed to fund the study of English of two Malagasy sisters in London. Their return to Madagascar was not possible as planned so they continued their studies for several extra months. This was funded by the CIO. They returned to Madagascar just before Christmas on a 'repatriation' flight that left from Paris. One of these sisters is now following a course to become an interpreter and the other has started her nursing training.

The trustees also helped to fund a project in Cameroon to aid the development of women. Our sisters work in the Centre Maria Gorretti in Yaoundé, which helps young women develop life skills. £200 was sent to help renew equipment.

## **RESERVES POLICY AND FINANCIAL POSITION**

The Trustees have the power to create reserves to provide income to fulfil the objects of the trust. The surplus for the year will provide additional amounts to be invested to provide future income

## **INVESTMENT POLICY**

The Investment Portfolios are managed by Investec Wealth and Brewin Dolphin who consult the Bursar on a regular basis and report to the Trustees every three months. The funds are managed in accordance with written guidelines setting out the religious and ethical principles of the Congregation. The target set for the fund managers is to deliver an agreed return of both income and capital growth with no more than a moderate level of risk.

## **FUTURE PLANS**

### **Plans for 2021**

The trustees decided to continue sending £20 000 a year to Madagascar for formation and the everyday needs of the sisters. This contribution is especially important this year as many of the communities have diminished resources locally due to the Covid pandemic.

The sisters in Madagascar have a project to add a 'lycée' to their school in Andonaka, a region that is poor - materially, spiritually and intellectually. They asked for funding of NGOs in Europe in 2019 without result. The trustees considered the information provided for the addition of two classrooms to the school. Taking into account the increased cost of building materials in Madagascar because of the pandemic, the trustees agreed to send £65,000 to construct the extra classrooms.

## **MEMBERS OF THE CONGREGATION**

The Trustees wish to record their thanks and recognition of the professionalism and commitment of all the sisters who work daily with and for others. It has been a difficult and challenging year

Signed on behalf of the Trustees:

J A Bone

Trustee

Date 31st August 2021

## **Sisters of Christ UK Development Fund Charity CIO**

### **Independent Examiner's Report to the Trustees of the Sisters of Christ Development Fund Charity CIO**

I report on the accounts of the Sisters of Christ Development Fund Charity for the period ended 31 December 2020 which comprise the Statement of Financial Activities and the related notes.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My examination has been undertaken so that I might state to the charity's trustees those matters we are required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my examination, for this report, or for the opinions I have formed.

#### **Respective responsibilities of trustees and auditors**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed

It is my responsibility to:

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

#### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with section 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

J I Borucki FCA  
Borucki & Co  
Chartered Accountants  
42 Radnor Road  
HA1 1RZ

Signed on 2 September 2021

**Sisters of Christ UK Development Fund Charity CIO**  
**Statement of financial activities (incorporating an income and expenditure account)**  
**for the year ended 31 December 2020**

	Notes	2020 £	2019 £
<b>Income</b>			
<b>Voluntary income</b>			
Legacies		-	150,000
<b>Investment income</b>	2	78,012	108,807
<b>Total income</b>		<u>78,012</u>	<u>258,807</u>
<b>Cost of generating funds</b>			
Investment managers fees		25,659	24,656
<b>Expenditure on charitable activities</b>			
Donations to Madagascar		40,372	71,993
Administration and support	3	3,961	4,761
<b>Total expenditure</b>		<u>69,992</u>	<u>101,410</u>
<b>Net income (expenditure)</b>		8,020	157,397
<b>Net movement on investments</b>		231,702	528,799
<b>Net movement in funds</b>		<u>239,722</u>	<u>686,196</u>
<b>Reconciliation of funds</b>			
<b>Balance brought forward 1 January</b>		<u>4,454,601</u>	<u>3,768,405</u>
<b>Balances carried forward 31 December</b>		<u><u>4,694,323</u></u>	<u><u>4,454,601</u></u>

**Statement of total recognised gains and losses**

The charity has no recognised gains or losses other than those shown above and therefore no separate statement of total gains and losses has been prepared.



**Sisters of Christ UK Development Fund Charity CIO**  
**Balance Sheet**  
**as at 31 December 2020**

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Investments at market value	6	4,558,924	4,350,584
<b>Current assets</b>			
Debtors	7	5,335	7,730
Cash at bank and in hand		136,022	100,797
		<u>141,357</u>	<u>108,527</u>
<b>Creditors: amounts falling due within one year</b>	8	(5,958)	(4,510)
<b>Net current assets</b>		<u>135,399</u>	<u>104,017</u>
		<u>4,694,323</u>	<u>4,454,601</u>
<b>Capital and reserves</b>			
General fund		<u>4,694,323</u>	<u>4,454,601</u>
		<u>4,694,323</u>	<u>4,454,601</u>

Approved by the Trustees  
and signed on their behalf

J A Bone

Trustee  
Approved by the Trustees on 27th July 2021

**Sisters of Christ UK Development Fund Charity CIO**  
**Statement of cash flows**  
**for the year ended 31 December 2020**

	<b>Note</b>	<b>2020</b> <b>£</b>	<b>2019</b> <b>£</b>
Cash used in operating activities	A	<u>(66,149)</u>	<u>48,404</u>
Cash flows from investing activities			
Investment income		78,012	108,807
Proceeds of investment sales		975,746	849,612
Purchases of investments		<u>(1,035,406)</u>	<u>(1,001,404)</u>
Cash provided (used) in investing activities		<u>18,352</u>	<u>(42,985)</u>
Decrease in cash and cash equivalents in year		<u>(47,797)</u>	<u>5,419</u>
Increase(Decrease) in cash at bank and in hand		35,225	(61,152)
Increase(Decrease) in cash held by investment managers		(83,022)	66,571
Cash transferred from trust		-	-
		<u>(47,797)</u>	<u>5,419</u>

**A. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2020</b> <b>£</b>	<b>2019</b> <b>£</b>
Net movement in funds	239,722	686,196
Deduct investment income	(78,012)	(108,807)
Add/(deduct) net movement on investments.	(231,702)	(528,799)
Net non cash current assets transferred from trust	-	-
(Increase) Decrease in debtors	2,395	(886)
Increase (Decrease) in creditors	1,448	700
	<u>(66,149)</u>	<u>48,404</u>

**Sisters of Christ UK Development Fund Charity CIO**  
**Notes to the Accounts**  
**for the year ended 31 December 2020**

**1 Accounting policies**

**Basis of preparation and assessment of going concern**

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

**Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Donations, are recognised when the Trust has been notified in writing of both the amount and settlement date.

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.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield in the investment portfolio.

**Expenditure**

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

The cost of generating funds includes the fees paid to investment managers in respect of the management of the charity's investment portfolios.

Expenditure on charitable activities comprises direct expenses incurred on the defined charitable purposes of the charity and includes staff costs attributable to the activity.

Governance costs comprise of expenditure on compliance with and advice on constitutional and statutory matters.

As all expenditure can be attributed to specific categories no apportionment between heading has been necessary. Irrecoverable VAT is included in the items of expenditure to which it relates.

**Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust 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.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**Sisters of Christ UK Development Fund Charity CIO**  
**Notes to the Accounts**  
**for the year ended 31 December 2020**

**Fund accounting**

The general fund comprises those monies, which may be used towards meeting the charitable objectives of the charity at the discretion of the Trustees.

**2 Investment income**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Dividends and interest from investments	77,913	108,505
Bank and other interest	99	302
	<u>78,012</u>	<u>108,807</u>

**3 Administration and support**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank charges	203	201
Audit fee	-	3,360
Accountancy charges	3,758	1,200
Legal expenses	-	-
	<u>3,961</u>	<u>4,761</u>

**4 Trustees' remuneration**

No trustee received any remuneration or reimbursement of expenses in respect of services as a trustee during the year or in the previous year.

**5 Taxation**

The 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.

**6 Investments**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Listed Investments</b>		
Market value at 1 January 2019	4,109,860	3,429,269
Additions at cost	1,035,406	1,001,404
Proceeds from disposals/transfers	(975,746)	(849,612)
Net movement in year	<u>231,702</u>	<u>528,799</u>
Market value at 31 December 2020	4,401,222	4,109,860
Cash held by investment managers for re-investment	<u>157,702</u>	<u>240,724</u>
	<u>4,558,924</u>	<u>4,350,584</u>
 Cost of listed investments at 31 December 2020	 <u>3,759,044</u>	 <u>3,626,468</u>

**7 Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Other debtors	5,335	7,730
	<u>5,335</u>	<u>7,730</u>

**8 Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Charity of the Sisters of Christ	2,358	-
Accruals	<u>3,600</u>	<u>4,510</u>
	<u>5,958</u>	<u>4,510</u>