

Charity registration number
1174679

Sisters of Christ UK Development Fund Charity CIO

Report and Accounts

31 December 2021

Borucki & Co
Chartered Accountants
42 Radnor Road
HA1 1RZ

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

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

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 2021

Like 2020, 2021 was marked by continuing uncertainty and humanity's battle against the virulent COVID pandemic. Our investment managers worked to keep an income flowing with a diversity of types of investments and the search for alternatives. At the end of the year, the market value of our investments had increased and income rose to near 2019 level. Contact with investment managers continued online and the trustees were able to meet them in person before the presentation of the 2021 accounts.

As in other years, £20,000 was sent to Madagascar to help with formation and everyday expenses of the sisters who work with and for others in schools, hospitals, clinics and parishes. This regular sum, which can be relied on is very much appreciated. Everyday life continues to be difficult with poverty increasing as a consequence of the Covid pandemic and galloping inflation.

The sisters in Madagascar had 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 sent £65,000 to construct the extra classrooms. News has arrived that the building work is progressing and we look forward to the news they are ready for occupation.

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 2022

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 poor rice harvest and rising inflation.

In June 2022, our sisters in Cameroun are taking the responsibility of a diocesan hospital in the village of Ngovayang. This is a landlocked region where three tribes live, one of which is the pygmies of the forest. This pygmy population has been excluded from all forms of progress (roads, education, medical care evangelisation, development, etc.). More than half of the people in this area are poor and lack regular access to essential medicines. The sick do not come to the hospital because they cannot pay and, as a result, the hospital does not have enough money to function properly. The hospital buildings need refurbishment and equipment replacing. One of the requests received is to equip the hospital pharmacy with essential drugs. The estimate is 2 500 000CFA, about £3200. Another problem facing the hospital is the absence of a power grid. The hospital possesses a generator which is not adequate for the hospital to use incubators, certain equipment in the operating theatre, and the refrigerator to store vaccines. There is a proposition to install solar power panels which will strengthen the supply of electrical energy and reduce the operating cost of the generator. The estimate is 15 732 350 CFA, about £20 155. The community which will live alongside the hospital will need a car. The estimate is in the region of £30000 as the car needs to be robust enough for the conditions in the area. After discussion, the trustees decided to fund these projects.

Another request was received from Madagascar for help with the reconstruction of a primary school. The sisters have opened a community in Ampasimbe-Manantsatrana, situated on the coast of the Indian Ocean in the east of Madagascar. It is a remote and poor region, which has been affected by recent cyclones. The little wooden school has been destroyed. There is no estimate but, after discussion, the trustees decided to send £5,000 to help the rebuilding effort.

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

Date 20th May 2022

Trustee

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 2021 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 26th May 2022

Sisters of Christ UK Development Fund Charity CIO
Statement of financial activities (incorporating an income and expenditure account)
for the year ended 31 December 2021

	Notes	2021 £	2020 £
Income			
Voluntary income			
Legacies		-	-
Investment income	2	91,849	78,012
Total income		<u>91,849</u>	<u>78,012</u>
Cost of generating funds			
Investment managers fees		29,583	25,659
Expenditure on charitable activities			
Donations to Madagascar		85,000	40,372
Administration and support	3	4,625	3,961
Total expenditure		<u>119,208</u>	<u>69,992</u>
Net income (expenditure)		(27,359)	8,020
Net movement on investments		506,621	231,702
Net movement in funds		<u>479,262</u>	<u>239,722</u>
Reconciliation of funds			
Balance brought forward 1 January		4,694,322	4,454,601
Balances carried forward 31 December		<u>5,173,584</u>	<u>4,694,323</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 2021

	Notes	2021 £	2020 £
Fixed assets			
Investments at market value	6	5,048,808	4,558,924
Current assets			
Debtors	7	5,200	5,335
Cash at bank and in hand		125,534	136,022
		<u>130,734</u>	<u>141,357</u>
Creditors: amounts falling due within one year	8	(5,958)	(5,958)
Net current assets		<u>124,776</u>	<u>135,399</u>
		<u>5,173,584</u>	<u>4,694,323</u>
Capital and reserves			
General fund		<u>5,173,584</u>	<u>4,694,323</u>
		<u>5,173,584</u>	<u>4,694,323</u>

Approved by the Trustees
and signed on their behalf

J A Bone

Trustee
Approved by the Trustees on 20th May 2022

Sisters of Christ UK Development Fund Charity CIO
Statement of cash flows
for the year ended 31 December 2021

	Note	2021 £	2020 £
Cash used in operating activities	A	<u>(119,073)</u>	<u>(66,149)</u>
Cash flows from investing activities			
Investment income		91,849	78,012
Proceeds of investment sales		957,808	975,746
Purchases of investments		<u>(947,659)</u>	<u>(1,035,406)</u>
Cash provided (used) in investing activities		<u>101,998</u>	<u>18,352</u>
Decrease in cash and cash equivalents in year		<u>(17,075)</u>	<u>(47,797)</u>
Increase(Decrease) in cash at bank and in hand		(10,488)	35,225
Increase(Decrease) in cash held by investment managers		(6,588)	(83,022)
Cash transferred from trust		-	-
		<u>(17,076)</u>	<u>(47,797)</u>

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

	2021 £	2020 £
Net movement in funds	479,262	239,722
Deduct investment income	(91,849)	(78,012)
Add/(deduct) net movement on investments.	(506,621)	(231,702)
Net non cash current assets transferred from trust	-	-
(Increase) Decrease in debtors	135	2,395
Increase (Decrease) in creditors	-	1,448
	<u>(119,073)</u>	<u>(66,149)</u>

Sisters of Christ UK Development Fund Charity CIO

Notes to the Accounts

for the year ended 31 December 2021

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 2021

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

	2021	2020
	£	£
Dividends and interest from investments	91,835	77,913
Bank and other interest	14	99
	<u>91,849</u>	<u>78,012</u>

3 Administration and support

	2021	2020
	£	£
Bank charges	197	203
Accountancy charges	4,428	3,758
	<u>4,625</u>	<u>3,961</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

	2021	2020
	£	£
Listed Investments		
Market value at 1 January 2021	4,401,222	4,109,860
Additions at cost	947,659	1,035,406
Proceeds from disposals/transfers	(957,808)	(975,746)
Net movement in year	<u>506,621</u>	<u>231,702</u>
Market value at 31 December 2021	4,897,694	4,401,222
Cash held by investment managers for re-investment	<u>151,114</u>	<u>157,702</u>
	<u>5,048,808</u>	<u>4,558,924</u>
 Cost of listed investments at 31 December 2021	 <u>3,944,857</u>	 <u>3,759,044</u>

7 Debtors

	2021	2020
	£	£
Other debtors	5,200	5,335
	<u>5,200</u>	<u>5,335</u>

8 Creditors: amounts falling due within one year

	2021	2020
	£	£
Charity of the Sisters of Christ	2,358	2,358
Accruals	3,600	3,600
	<u>5,958</u>	<u>5,958</u>