

Faithful Companions of Jesus CIO

Trustees' report and accounts

31 December 2023

Charity Registration Number
1198483 (England and Wales)

Contents

Reports

Reference and administrative information	1
Trustees' report	3
Independent auditor's report	20

Accounts

Statement of financial activities	24
Balance sheet	26
Statement of cash flows	27
Principal accounting policies	29
Notes to the accounts	36

Reference and administrative information

Trustees	Sister Patricia Mary Binchy Sister Mary Ruth Casey Sister Mary Teresa Fitzpatrick Sister Bonita Marie Moser Sister Judith Ellen Routier
General Superior (Chair of Trustees)	Sister Bonita Marie Moser
General Bursar	Sister Mary Teresa Fitzpatrick
Principal office	FCJ Generalate, Gumley House Convent 251 Twickenham Road Isleworth Middlesex TW7 6DN
Charity registration number	1198483
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Advisor	David Clark FCA 1st Floor Church House 61 College Road Bromley BR1 3QG
Principal bankers	The Royal Bank of Scotland plc / NatWest First floor 440 Strand London WC2R 0QS
Solicitors	Stone King LLP Upper Borough Court Upper Borough Walls Bath BA1 1RG

Reference and administrative information

Investment Managers	UBS Wealth Management (UK) Limited 5 Broadgate London EC2M 2AN
	CCLA Investment Management Limited One Angel Lane London EC4R 3AB
	BNP Paribas Fortis Montagne du Parc 3 B-1000 Bruxelles

Trustees' report Year to 31 December 2023

The trustees present the report and accounts of the Faithful Companions of Jesus CIO (the "charity") for the year to 31 December 2023.

The accounts have been prepared in accordance with the accounting policies set out on pages 29 to 35 of the attached accounts and comply with the charity's Constitution, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Introduction

The Faithful Companions of Jesus CIO is a Charitable Incorporated Organisation (CIO), registered with the Charity Commission (Registration Number 1198483) and governed by a Constitution dated 31 March 2022.

The CIO was established to continue the work of the Faithful Companions of Jesus Charitable Trust, (the predecessor charity), an unincorporated charity (Charity Registration Number 239285). With effect from 1 January 2023, the assets, liabilities and activities of the unincorporated charity were transferred to the CIO. The unincorporated charity remains a separate entity which may be removed from the register in due course.

The Faithful Companions of Jesus (FCJ), an international Roman Catholic Apostolic Religious Congregation of women, is governed by its own Constitution and referred to in this document as "the Society". Having explored governance in the light of present realities, the Society is now present in fourteen countries across four Continents, the Society is governed by its General Superior and her Assistants who are elected at the General Chapter, convoked every 6 (six) years. They reside at the Generalate, Gumley House Convent, in Isleworth, West London. Four Province leaders govern the Provinces, with the delegated authority meeting annually with the General Superior and her team.

The Charity Commission's guidance on public benefit, the Constitutions of the Society and the General Chapter decrees form the blueprint which guides the General Superior in her leadership of the Society. Consequently, the General Chapter decrees remain relevant in generating the charity's response to the needs of humanity today. The most recent General Chapter was held in Calgary, Canada in 2019.

The Society's first foundation in England was at Somers Town, London in 1830, where the Society's mission continues today, uninterrupted since its beginnings. Today the Society is present in the northwest and in the south of England, where the active sisters live in small communities, while those who need extra support and care for their daily needs live together at Kersal Hill, Salford where they have round the clock support.

The assets of the Society in England and Wales support such charitable purposes as shall advance the religious and other charitable work of the members of the Society, whether their ministry is carried out in the United Kingdom or in one of the other thirteen countries where they labour, including Ireland, Romania, Italy, the Philippines, Canada, and Indonesia.

Mission and objectives of the charity

The charity is wholeheartedly dedicated to the mission of the Society and committed unreservedly to its charitable objectives which are twofold:

- ◆ To provide for the sisters, both active and retired, whether by supporting their daily needs, their ongoing formation, the care of the sick and elderly or by funding their apostolic ministry, be that in education, social or pastoral work; and
- ◆ To provide grants, donations and support to overseas missionary work and Provinces, including support of educational institutions and other organisations which assist the charity achieve its objectives.

The priorities set by the 2019 General Chapter decree, entitled, 'Widening the Circle of Love', are tangible and invite the sisters to engage with the CIO's charitable objectives in a concrete manner. The Chapter Decree called the sisters:

- ◆ to engage in compassionate action, especially those who experience exclusion, exploitation and injustice, in particular we offer our compassionate action to migrants, refugees and asylum seekers, trafficked persons, the economically vulnerable and vulnerable women and children.
- ◆ to care for our Common Home, in line with Laudato Si', which the capitulars judged to be a matter of deep justice.
- ◆ to explore governance in the light of their present reality.
- ◆ to deepen their collaboration with the Companions in Mission by supporting their growth and development; and
- ◆ to engage in vocation ministry because never has there been so great a need as there is today for spiritual guides who are gifted with a profound experience of faith and humanity.

"We will do this by . . . continuing to use our financial resources and influence to alleviate the plight of suffering people and to effect change." GC 2019 Call 2

Activities and performance

Notwithstanding volatility in markets, global unrest, the worsening effects of climate change and instability in energy supply and prices, the CIO has been able to fulfil its charitable objectives, resulting in a very positive year.

Support of members: their formation, their wellbeing, their ministry, and their apostolic, social, and pastoral work

The Society has invested in post-graduate education, including doctoral level, for the formation of sisters in different parts of the world. Topics include Theology, Theology and Ecology, Psychology, Finance, Laudato Si' and Organic farming in Java, Indonesia.

Activities and performance (continued)

Support of members: their formation, their wellbeing, their ministry, and their apostolic, social, and pastoral work (continued)

It is hoped that the sisters who have benefitted from these years of study will be educators wherever they are and share the fruits of their study in many ways.

Sabbatical time and funding were offered to sisters who had spent many years on mission overseas, often coping with very difficult conditions. Certain geopolitical circumstances, such as civil war, have prompted the General Superior to consider recalling sisters who are in danger. The Society provides insurance cover for sisters who presently live out of their home country. The cover includes provision for repatriation should it be warranted.

The charity supports two communities, Maryville, Limerick, Ireland and Kersal Hill, Salford, UK, where our sisters who need extra care for their daily living reside in beautiful surroundings. In these communities the sisters are encouraged to be as active as possible, to stay engaged with the world and its needs, and to consider their time of ageing as a new moment of missionary activity – a time of contemplative mission. In fact, there is a saying in our Society – ‘we are on mission until the day we die!’ Everything possible is done to provide stimulation, joy, and the celebration of life.

During the year, the charity has actively supported the apostolic work of the Society and of the sisters engaged in a variety of ways to serve the People of God. A great variety of religious formation programmes were hosted at FCJ House, Somers Town, north London, at St. Hugh's, Wavertree, Liverpool, such as retreats, book clubs, and spiritual accompaniment. The Synod of Bishops in Rome, October 2023, became a highlight of the year for many in the Roman Catholic Church. In different parts of England, sisters relied on charity funding to gather parish groups to reflect together and send the fruits of their reflection to the diocese. Taizé prayer meetings which brought together people from local Anglican and Catholic parishes created a rhythm of reflection and ecumenical experience during Lent 2023.

Gatherings to support and educate people to make the transition to a more sustainable way of living included showing Pope Francis' documentary, 'The Letter' to a parish community and sharing Laudato Si' webinars which call us to care for our Common Home in the most practical of ways. The Laudato Si' Action Platform presents seven goals. The 2023 goal, 'Response to the Cry of the Poor' was a call to promote eco-justice. Actions could include projects to promote solidarity. Sisters personally responded to the call and extra efforts were made to do without, in order to give more to people in need. Sisters in Liverpool and East London reached out and supported people who were unable to provide the basics of life as inflation continued to rise. The food project organised by sisters in Wavertree, Liverpool caters mainly for immigrant families, while 'Neighbours in Poplar' deliver hot meals twice a week for two hundred people. Both these projects depend on collaboration with wonderful teams of faithful volunteers.

Activities and performance (continued)

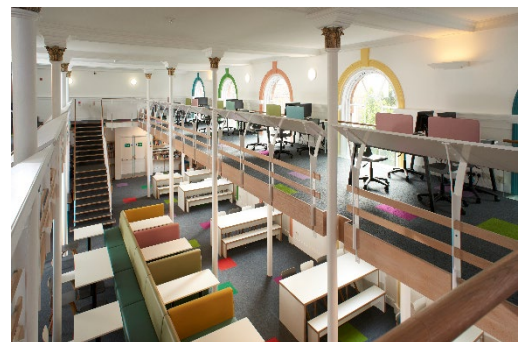
Support of members: their formation, their wellbeing, their ministry, and their apostolic, social, and pastoral work (continued)



The major refurbishment project at Katherine House, Salford would seem to be on track to be finished by spring 2024. This beautifully restored building is intended to be home for those who need a little extra support than what is normally available in a small, apostolic community. This view shows the Kersal Hill community building in the background. The plan for the landscaping, now being done, is to link the gardens of both houses to enable easy access and communication for the sisters.

Grants, donations and support to overseas missionary work and Provinces: support of educational institutions and other organisations which assist the charity achieve its objectives

To celebrate its foundation by Madame d'Houët in 1820, the Society decided to make grants to all its schools. These grants are known as the Bicentenary Grants. In previous years this report has included accounts on the spending of the grant money by different schools, the most common spend was to provide sports facilities or dining facilities. This year we received a wonderful account of the refurbishment of the Year 12 - Year 13 facility at Gumley House School FCJ.



The students were involved in the planning and design and are both extremely pleased and very proud of their new facilities.

Stage II of the Bicentenary Grants continued to focus on Education albeit with a slightly different emphasis. Educational programmes to further the development of individuals became the focus for these grants.

Activities and performance (continued)

Grants, donations and support to overseas missionary work and Provinces: support of educational institutions and other organisations which assist the charity achieve its objectives (continued)

The Society collaborated with the Centre for Catholic Studies (CCS) at the University of Durham, offering up to six scholarships for Doctoral and Masters' programmes. The CCS reported that there had been a significant increase in the number and quality of scholarship applications in 2023 which they considered was partly the result of the generous FCJ Bicentennial Scholarship Fund. Initially 4 scholarships were awarded, 1 PhD and 3 Masters. Two further scholarships were awarded when the Distant Learning project was launched in October. Sister Jo Grainger FCJ has met all the recipients. The focus of study for each person reflects the FCJ Chapter calls – "Widening the Circle of Love and Care for our Common Home". These include Ecumenism, Laudato Si, Ethics and Faith led Social Care, Catholicism in the Modern World and Environmental Theology.



When the Dominican sisters in Ireland, launched their ecological project "An Tairseach" in Wicklow in the 1990s FCJ interest was enkindled. In the Irish language the words 'An Tairseach' mean 'The Threshold.' With this name, the Dominican sisters founded

their seventy-acre organic farm, farm shop and ecology centre overlooking the Irish Sea. Since then, FCJ Sisters from different parts of the world have spent time there, following a variety of courses. They returned to their communities ready to share and implement some of the new ideas gained from the Dominican sisters and their team whose experience in biodiversity enhancement and conservation is first class. The Society's commitment to seeking solutions to our shared environmental problems took a further step when considering grant making for Stage II of the Bicentenary Grants—the Society decided to fund a scholarship for the sabbatical programme at An Tairseach for four years. This programme is now in its second year.

Conscious of the urgent need to live more sustainably, the trustees commissioned a green audit to be carried out on a grade II listed building in west London. Completed in November, its results arrived in January 2024, and they will be reflected in future plans at the end of the report.

A bicentenary grant was approved for the Philippines, when Sister Paola Terroni FCJ made it known that third-level scholarships funded by a third party would cease with the academic year 2023. Encouraged by the impressive achievements of Batch 2023, Paola requested the Society to pick up the funding of these scholarships. The Society agreed and made a once-off payment.



Activities and performance (continued)

Grants, donations and support to overseas missionary work and Provinces: support of educational institutions and other organisations which assist the charity achieve its objectives (continued)

For some time now scholarships have been offered for students whose families are linked with the FCJ Learning and Development Centre, located in Barangays Bagong Silangan and Payatas, Quezon City, Metro Manila. Sister Paola writes: *"Sixteen young people received a scholarship which enabled them to study at college level. Four of them graduated this year in Hotel Management, Business Administration and Electrical engineering (2 students). New scholars were accepted for the next academic year and there are currently fifteen scholars. The scholars meet with the FCJ sister in charge of the program and input is given on a variety of topics relevant to the students. Every weekend the scholars tutor young children in the FCJ convent and, also in another Province nearby. There are recollections for scholars in Advent, Lent and at the beginning of the school year"*.

The Bicentenary Grants stage II offered grants to develop chaplaincy programmes at FCJ Schools in England, Ireland, and the Channel Isles. Mr. Stephen Byrne, Head Teacher at Gumley House School FCJ shares his account of what the Chaplaincy grant has meant to staff and students at Gumley.

"Being without a Chaplain for over a year was both challenging and discerning for us as a school. While this absence encouraged others to 'step up', it brought with it the realisation of how an effective Chaplaincy is vital to our FCJ school. Our newly appointed Chaplain is now supported by the FCJ Chaplaincy Project which has enabled Gumley House School to consider Chaplaincy as a shared responsibility.

Four members of staff, including teachers and support staff, represent our academic and pastoral responsibilities. These staff have been selected as they naturally share a depth of spirituality with our students. There are no additional workload expectations on these staff members... except to support and enhance the work they currently do. The funding has permitted us to release their teaching load so that they may engage fully into the project.

During this academic year, the project has enabled the staff to attend a residential course with other like-minded contributors to reflect on their impact as facilitators and companions, their influence and the 'why' behind what they do. Our Chaplaincy is strengthened by their shared vision, and, as a result, we have seen student involvement in liturgical and spiritual activities grow slightly – but it's early days yet! Our school-wide chaplaincy has a presence and a confidence which is influencing other (and younger) teachers to be involved too. Prayer and reflective activities were held for all staff with a key focus on each of our FCJ values. The feedback shows a keen appreciation from staff and hope in how this influence can grow further".

The Society continues its apostolate of education by granting scholarships to students in Yogyakarta, Indonesia. The programme is organised by the FCJ sisters who hold regular meetings with the scholars, monitor their progress and send an annual report to the Generalate at Gumley House.

Activities and performance (continued)

Grants, donations and support to overseas missionary work and Provinces: support of educational institutions and other organisations which assist the charity achieve its objectives (continued)

Nikolaus Dwi Arum Surya, nicknamed Niko, is one of the students supported by a scholarship arranged by the FCJ Sisters in Yogyakarta, Indonesia. This 12th-grade student majors in Mechanical Engineering in Yogyakarta Industrial Vocational School and tries to help his parents by working in a garage after school.



Ignatius Briyan Putra Pratama, nicknamed Briyan, is an active and creative student. His father works as a builder, and his mother helps in an office. After school, Briyan takes care of his two younger siblings, while studying and practising the violin. Briyan channels his talents and energy by playing the violin in church. He also diligently practises volleyball and football. Bryan dreams of entering the Air Force Academy.

2023 brought exciting news for the National Association of Religious Orders in Education (ROE), when, following a three-year collaborative venture, the Gaudete Trust CIO was approved by the Charity Commission. The main purpose of ROE is to enrich Catholic education in England and Wales by supporting religious orders in their mission as trustees or founders of schools and colleges. The Gaudete Trust will enable the remarkable heritage of Religious Orders in education to enrich Catholic education as they continue to put their charisms at the service of the Church. In solidarity with the Religious Orders who form the Gaudete Trust, the Society made a substantial contribution to the Gaudete Trust investment fund in September.

“Widening the Circle of Love” GC2019, the charity forms collaborative relationships with organisations to help it achieve its charitable objectives by ‘offering compassionate action’. “Compassion is the language of God. . . .an act of justice”. (Pope Francis). The charity has reached out to those who ‘experience exclusion, exploitation and injustice’ by supporting CAFOD in different ways and particularly in response to its emergency appeal for Libya and Morocco; the UNICEF campaign for children in Gaza and the Salvation Army’s work in Ukraine; Médecins sans Frontières. Local and national charities in the UK are supported by members, especially community pantries, foodbanks, and the Big Issue.

Activities and performance (continued)

Grants, donations and support to overseas missionary work and Provinces: support of educational institutions and other organisations which assist the charity achieve its objectives (continued)

The charity, in collaboration with the Medaille Trust since 2014, offers victims of human trafficking to opportunity of being cared for in a safe house. The Trust, which runs several safe houses in the UK, collaborates with many partners, both national and international, to support the victims of human trafficking and open a future of hope for them. The charity maintains the property and visits twice or three times a year.

Future plans

The Faithful Companions of Jesus CIO, which has successfully completed its first year of activity, looks forward to 2024.

- ◆ To celebrate the refurbishment project at Katherine House with an open day in May 2024.
- ◆ To address the findings of the green audit paying particular attention to the following:
 - Inviting members to take personal responsibility for the recommendations which touch life-in-common.
 - Reviewing, with a view to action, the options given for a decarbonised heating solution. Some actions may require planning permission.
 - Switch to electricity suppliers which provide 100% renewable supplies.
 - Complete the installation of LED lighting.
- ◆ To conduct an international formation programme for members in Indonesia, Summer 2024.
- ◆ To take measures that will maintain the IT system at the highest level of security.
- ◆ To continue to be vigilant about safeguarding and have members follow the RLSS training sessions.
- ◆ To review the charity's policies and bring them in line with the latest Charity Commission requirements. Staff training will follow.
- ◆ To review and update the Society's Formula for Temporal Administration.

Financial review

Results for the year

The ownership of temporal goods and the administration of the use of them are only a means to the end which the Society seeks – 'the greater services and glory of God' and the 'greater universal good' of God's people.

A summary of the year's results can be found on page 24 of the attached accounts.

The charity was dormant during the period from incorporation on 31 March 2022 to 31 December 2022. With effect from midnight on 1 January 2023, the activities, transactions, assets and liabilities of the charity were transferred as a going concern from Faithful Companions of Jesus (the predecessor charity, Charity Registration No 239285 (see note 22), therefore there was no activity from the 31 March 2022 to 31 December 2022.

Income for the year to 31 December 2023 was £3,852,803 before the transfer from the Faithful Companions of Jesus of £101,587,760. £1,197,711 was received from donations and legacies, which included £1,185,929 received from members' salaries and pensions donations. Other charitable income, which represents services provided in FCJ's various communities, amounted to £39,714 and investment income amounted to £2,577,373. Income from other sources amounted to £38,005.

Expenditure totalled £4,910,777. The cost of raising funds, mainly comprising investment managers fees, totalled £440,382. Expenditure on support of members of their ministry and their apostolic, social, and pastoral work amounted to £2,250,729. Expenditure on grants, donations and support of overseas missionary work and provinces, including support of education institutions and other organisations amounted to £2,219,666.

Net expenditure (excluding the transfer from the Charitable Trust) before other gains, therefore, was £1,057,974. Net other gains amounted to £6,270,622 which included net gains on investments of £6,774,101 and net foreign exchange losses of £503,479. The net decrease in funds for the year before the transfer from the Charitable Trust was therefore £5,212,648.

Reserves policy and financial position

For the most part, the resources of the Society have been built up due to the fact that in the past the majority of sisters held teaching positions and earned good salaries, all of which were covenanted to the charity. When a salary or stipend was received, this was donated to the charity because all sisters have made a vow of poverty. The income contributed largely to the sisters being able to purchase property for their apostolic works.

Financial review (continued)

Reserves policy and financial position (continued)

The trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes, or otherwise committed. The trustees consider that, given the nature of the charity's work in the future, the level of free reserves should approximate to between 12- and 36-months' expenditure. The trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources due to timing differences in income flows, adequate working capital to cover core costs, and will allow the charity to cope and respond to unforeseen emergencies.

In addition, the charity's annual expenditure can vary significantly based on the quantum of donations and grants agreed by the trustees. Taking this into consideration the trustees consider the level of reserves to be an adequate but not excessive provision for the charity's needs on the basis that over the years reliance on its investment income has increased and therefore maintaining a large enough capital base, particularly in times of unstable markets, is more important than ever.

The commitment to provide for the old age and care of members of the Society has profound implications for the finances of the CIO. All members of the Society have taken vows of poverty which means that they have surrendered their rights to income and assets to the Society. The trustees estimate that the charity's on-going commitment to provide for the care of the Society's members requires a designated fund of at least £40,350,000. The trustees will continue to keep the position and the level of funding for this purpose under review.

Investment performance

The charity had three portfolios of listed investments, one with UBS Wealth Management (UK) Limited, one with BNP Paribas Fortis and the other with CCLA Investment Management Limited. These had a combined market value at 31 December 2023 of £96,319,370. In addition, cash held by investment managers amounted to £3,037,026.

During the year, the charity's income from listed investments was £2,464,877 and gains on disposal and revaluation of investments were £6,774,101. The resultant average income yield was 2.61% and the capital yield was 7.17%.

Relevant policies

Fundraising policy

During the period, the charity did not carry out any direct fundraising with the public. It did not use the services of any third party organisation to help in its fundraising activities and no complaints were received about its fundraising activities during the financial year. However, if a complaint was to be received, by the charity, it would be handled by a senior member of staff or trustee.

Relevant policies (continued)

Protection of children and vulnerable adults

Like all other organisations who serve the community, the trustees recognise the absolute necessity of ensuring the protection and safety of all those whom the charity serves. They fully support work being done to make the Church and Society a safe environment for all. They are accountable to the newly established Catholic Standards Safeguarding Agency (CSSA) and are fully committed to implementing its standards and procedures. The Society joined the Religious Life Safeguarding Service (RLSS) to which the trustees have pledged an annual contribution towards the common fund for three years. A safeguarding trustee has been appointed and she collaborates with the Society's safeguarding lead. Sisters engaged in any ministry in Great Britain and Jersey, C.I. have obtained clearance from the Disclosure and Barring Service (DBS) relevant for their ministry. As a further proof of their commitment, the trustees sent a member of the General Council to Rome where she participated in the Safeguarding training organised by the Union of International Superiors General (UISG) in November 2023.

Public benefit

In formulating the charity's aims and in planning the work of members of the Society, the trustees have had regard to the general guidance published by the Charity Commission on public benefit. The trustees are convinced that the social and pastoral work of the sisters has demonstrated that the contribution of the sisters in these areas has benefited the public. Furthermore, in areas of retreat work and spirituality, they believe that sisters have influenced morals and attitudes of people and enhanced the spiritual well-being of those with whom the sisters have worked. The trustees and members demonstrate public accountability by giving donations to organisations and local projects. Above all, as the sisters increase in age, the care of their own sisters will be of public benefit for many years to come. Many of the sisters dealing with the public are involved in the relief of poverty, the advancement of religion and the advancement of education. The trustees also acknowledge the 'unquantifiable' contribution in relation to 'public benefit' such as acts of kindness, hospitality and mutual support within and beyond the Society's statutes and charism. Community members contributed approximately 500 hours per month in rendering these services, the equivalent of £60,000.

Investment policy

The charity's investment policy is shaped by Gospel values and guided by the Society's goals set every six years at its General Chapter. Consequently, the trustees focus on green energy and renewables.

There are no restrictions on the charity's power to invest. The charity's investments were managed by professional investment managers during the year. The investment strategy is set by the trustees with advice from their investment managers. It considers the charity's income requirements for the year, the risk profile and the investment managers' view of the market prospects in the medium term.

Relevant policies (continued)

Investment policy (continued)

The policy is to maximise total return through a diversified portfolio whilst providing a level of income as advised by the trustees from time to time. The trustees also have an Ethical Policy which precludes investment in any company, which after reasonable enquiry, clearly generates significant profits from an activity which is contrary to the objectives of the Catholic Church.

The performance of the portfolio and the charity's investment strategy were reviewed by the trustees whose representatives met with the investment managers every six months.

Conscious of how the future of the planet can be jeopardised by investing in fossil fuels the trustees have continued to engage with their investment managers requesting a shift to invest in companies which facilitate the transition from fossil fuels to renewables and cleaner energy.

The investment managers have been given instructions to ensure that the funds of the charity are:

- ♦ protected from inflationary pressures.
- ♦ used in a manner consistent with its aims and objectives as a Society;
- ♦ available to meet future commitments; and
- ♦ earning a reasonable rate of return

Governance, structure and management

Governance

The Society is governed by the General Superior, her three General Council members, provincial superiors and local superiors. The General Superior and her Council are elected at the General Chapter, a meeting of the representatives of all the areas of the Society.

The General Superior, Assistants and the General Bursar are trustees of the charity. The Trust Deed provides that new trustees can be appointed by the General Superior.

Trustees

At present there are five trustees as follows:

The General Superior and her Council	4
The General Bursar	1

Governance, structure and management (continued)

Trustees (continued)

According to the Constitution, the minimum number of trustees is three. The names of the trustees who served during the year are set out on the attached schedule of administrative and reference details on page 1. Since joining the Society, each of the trustees has been formed spiritually and professionally in preparation for their apostolic ministry. The current trustees have served in the fields of education, theological and spiritual training, human development, and pastoral development programmes, to name but a few. Their formation and education together with their many years of experience of leadership enables each of them to be responsible trustees of the charity.

Brief details of each of the trustees in office on 31 December 2023 are as follows:

Sister Bonita Marie Moser was elected as General Superior at the General Chapter of 2019 and appointed trustee on 31 March 2022. As a General Assistant, in a previous administration, she served the Society for ten years as a trustee of the Faithful Companions of Jesus Charitable Trust from 1993 to 2003. Prior to her election as General Superior she was Provincial of the Americas.

Sister Patricia Mary Binchy, General Assistant, was re-elected at the General Chapter 2019. She has ministered in Europe, North and South America in education, pastoral work, and leadership. She was appointed trustee on 31 March 2022.

Sister Mary Teresa Fitzpatrick was re-appointed General Bursar for a third mandate on 1 January 2021 and was appointed trustee on 31 March 2022. She has ministered in both Asia and mainland and Eastern Europe and has experience in leadership and administration and qualifications in education. She is a trustee with the Medaille Trust and a member of the executive committee of the Association of Provincial Bursars (APB) since October 2018.

Sister Mary Ruth Casey, General Assistant, was elected at the 2019 General Chapter and appointed trustee on 31 March 2022. She has worked on mainland Europe for most of her life in leadership and education and she was working in Romania prior to her election at the General Chapter.

Sister Judith Ellen Routier, General Assistant, was elected at the 2019 General Chapter and appointed trustee on 31 March 2022. She has spent most of her life outside of the UK and brings to her present ministry a wealth of expertise gained from her experiences in Africa, Asia, and Australia. She has filled many leadership roles in the Society.

New trustees are appointed when and if it is necessary following the change of administration during General Chapter. General Chapters are held every six years. The next General Chapter will be held in 2025.

Governance, structure and management (continued)

Structure and management

Internationally the Society is constituted of four Provinces whose superiors are appointed by the General Superior and her Assistants. The four Provinces are Asia, Australia, the Americas, and Europe.

Frequent meetings of the trustees are held at the Generalate which is located at Gumley House Convent, Isleworth, Middlesex. They review policies, developments in the charity, its risks, its activities and make decisions, based on reflection and appropriate advice. The trustees are aware of the need to seek advice and support from their professional advisers, including financial advisers, property consultants, investment managers and solicitors, when taking important decisions which will impact on the work, good name, or future viability of the charity.

The General Superior and her Assistants as well as Provincials normally carry out a programme of visitation of the countries where the sisters live and work, so the trustees have a good working knowledge of all the Society's commitments and the situations in which the sisters minister in the different countries.

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these accounts, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Governance, structure and management (continued)

Trustees' responsibilities statement (continued)

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations and the provisions of the charity's Constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management

The trustees, aided by the General Bursar, the Provincials, the Head of Finance and Business Administration and middle management govern and manage the charity in a practical and proactive manner.

Key management personnel

The General Superior and her Assistants consider that the trustees and the Head of Finance and Business Administration comprise the key management personnel of the charity in charge of directing and controlling, running, and operating the charity on a day-to-day basis. Staff salaries will be reviewed annually and normally increased to reflect a cost-of-living adjustment. All trustees give of their time freely and no trustee received remuneration during the year.

Risk Management

The management of risk will be an on-going process and the trustees will undertake regular reviews of the principal risks and uncertainties that the charity faces. They will regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures should they be needed to minimise or manage any potential impact on the charity should those risks materialise. During the Consultative meeting in June 2023, the trustees received feedback from the Provincials concerning risk management in their areas of responsibility.

Reputational risks

Members of the Society and employees are made aware of how their actions and behaviour can impact the charity's reputation. Moreover, reputational risks can arise from situations beyond the control of the trustees. In today's climate of growing sensitivity, the risk of offending the other could arise simply from a person's lack of understanding of the purpose or values of religious life or of the Christian life, rather than from any actual offence. Managing such risks is fraught with difficulty and will require constant vigilance.

Financial risks

Aware that fraud and cyber-crime has escalated during the pandemic, the trustees review, and question policies and procedures used in the finance office. The General Bursar with the Head of Finance and Business Administration focus their attention on the Area finance offices.

Governance, structure and management (continued)

Risk Management (continued)

Financial risks (continued)

The charity's investments are managed by reputable professional investment managers who have discretionary power. The portfolio review, during regular meetings with the trustees, examines whether the investment policy is implemented properly and monitors its performance. Important topics discussed with the investment managers during the year centred on the meaning of an ethical fund and the divest/invest debate.

Operational risks

Operational risks are best managed by the following:

- ◆ Adequate HR support and staff management. The 2020 review of the staff handbook has ensured compliance.
- ◆ Proper financial controls and authorisation procedures reviewed regularly.
- ◆ Well trained line-managers.
- ◆ Professional project management of refurbishment projects.
- ◆ Professional safeguarding training.
- ◆ Up to date policies and procedures

Risk is always on the agenda at the annual meeting of the charity representatives with the insurance brokers.

The trustees concern for cyber security has been mentioned earlier in this report. The Provincials are more aware of the need to ensure that community and personal IT devices have adequate protection against cybercrime.

Members of the Society work with children and vulnerable adults and as a consequence the trustees recognise the absolute necessity of ensuring the protection and safety of all those served by the charity. All staff and volunteers who work in those areas are required to have clearance from the Disclosure and Barring Service (DBS).

Trustees' report Year to 31 December 2023

Employees and members of the Society

The trustees wish to record their recognition and appreciation of the professionalism and dedication of the staff and the individual members of the Society who work for the charity. Once again, the year 2023 has seen staff work with serenity and good common sense. Such qualities enable the charity to pursue their mission in the service of the public, whatever the circumstances. Their commitment is very much appreciated and celebrated at Christmas.

Approved by the trustees and signed on their behalf by:

Bonita M. Moser

Trustee

Approved on:

2 May 2024

Independent auditor's report to the trustees of Faithful Companions of Jesus CIO

Opinion

We have audited the accounts of Faithful Companions of Jesus CIO (the 'charity') for the year ended 31 December 2023, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies, and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, other than the accounts and our auditor's report thereon.

Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with the General Bursar and the Head of Finance and Business Administration and from our knowledge and experience of the charity sector;

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

How the audit was considered capable of detecting irregularities including fraud

- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of the General Bursar and the Head of Finance and Business Administration and review of minutes of trustees' meetings.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ Making enquiries of the General Bursar and the Head of Finance and Business Administration as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

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

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

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

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

How the audit was considered capable of detecting irregularities including fraud
(continued)

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

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

We did not identify any irregularities, including fraud.

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

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

30 May 2024

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

Statement of financial activities Year to 31 December 2023

		Unrestricted funds	
	Notes	Year to 31 December 2023 £	Period from 31 March 2022 to 31 December 2022 £
Income from:			
Donations and legacies			
. Members' salaries and pensions		1,185,929	—
. Legacies and other donations		11,782	—
Other charitable sources		39,714	—
Investment income and interest receivable	1	2,577,373	—
Miscellaneous sources		38,005	—
		3,852,803	—
Transfer from Faithful Companions of Jesus (Charity Registration Number 239285)	22	101,587,760	—
Total income		105,440,563	—
Expenditure on:			
Raising funds			
. Investment management costs		436,801	—
. Other		3,581	—
Charitable activities			
. Support of members and their ministry and their apostolic, social, and pastoral work		2,250,729	—
. Grants, donations and support of overseas missionary work and provinces, including support of educational institutions and other organisations	3	2,219,666	—
Total expenditure	2	4,910,777	—
Net income before other gains on investments and other losses	6	100,529,786	—
Net gains on investments (excluding those arising on foreign exchange)	9	6,774,101	—
Foreign exchange losses on investments	9	(465,538)	—
Foreign exchange losses on cash held by investment managers	9	(31,333)	—
Foreign exchange losses on cash at bank and in hand		(6,608)	—
		6,270,622	—
Net income and net movement in funds		106,800,408	—
Reconciliation of funds			
Total fund balances brought forward at 1 January 2023		—	—
Total fund balances carried forward at 31 December 2023		106,800,408	—

The charity was dormant during the period from incorporation on 31 March 2022 to 31 December 2022. With effect from 1 January 2023, the activities, transactions, assets and liabilities of the predecessor charity (Faithful Companions of Jesus (the predecessor charity, Charity Registration No 239285) were transferred as a going concern the CIO (see note 22).

The charity had no recognised gains and losses during the above financial period and therefore no separate statement of total recognised gains and losses has been presented.

Statement of financial activities Year to 31 December 2023

The table below shows the comparative results of the activities of Faithful Companions of Jesus (Charity Registration No 239285), being the predecessor charity to this CIO. The results exclude the transfer of assets and liabilities from the predecessor charity to this CIO.

	Year to 31 December 2022 £
Income	3,537,681
Expenditure	(4,781,467)
Net expenditure for the period before investment losses	(1,243,786)
Net investment losses	(9,980,307)
Foreign exchange gains	776
Net expenditure and net movement in funds	(11,223,317)

Balance sheet 31 December 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible fixed assets	7	8,139,452		—	
Programme related investments	8	1,887,035		—	
Other investments	9	99,985,101		—	
			110,011,588		—
Current assets					
Debtors	10	145,662		—	
Cash at bank and in hand		2,384,982		—	
		2,530,644		—	
Current liabilities					
Creditors: amounts falling due within one year	11	(2,047,365)		—	
Net current assets			483,279		—
Total assets less current liabilities			110,494,867		—
Creditors: amounts due after more than one year	12		(3,694,459)		—
Net assets			106,800,408		—
Net assets are represented by:					
Unrestricted funds					
General fund			39,321,326		—
Tangible fixed assets fund	13		8,139,452		—
Programme related investment fund	14		1,887,035		—
Designated funds					
. Retirement fund	15	44,700,000		—	
. Building projects fund	15	3,399,800		—	
. Development fund	15	9,352,795		—	
			57,452,595		—
Total funds			106,800,408		—

Approved by the trustees
and signed on their behalf by:

Bonita M. Moser

Trustee

Approved on: 2 May 2024

Statement of cash flows Year to 31 December 2023

	Note	Year to 31 December 2023 £	Period from 31 March 2023 to 31 December 2022 £
Cash flows from operating activities			
Net cash used in operating activities	A	(4,423,372)	—
Cash flows from investing activities			
Investment income and interest received		2,584,790	—
Purchase of tangible fixed assets		(2,342,537)	—
Enhancement expenditure on Programme Related Investments		(74,380)	—
Purchase of investments		(28,678,210)	—
Proceeds from the disposal of investments		31,317,516	—
Net cash provided by investing activities		2,807,179	—
Change in cash and cash equivalents in the year		(1,616,193)	—
Cash and cash equivalents transferred from Charitable Trust (see note 22)		7,219,847	—
Cash and cash equivalents at 1 January 2023	B	—	—
Change in cash and cash equivalents due to exchange rate movements		(37,941)	—
Cash and cash equivalents at 31 December 2023	B	5,565,713	—

Notes to the statement of cash flows for the year to 31 December 2023

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

	Year to 31 December 2023 £	Period from 31 March 2023 to 31 December 2022 £
Net income for the year (as per the statement of financial activities)	106,800,408	—
Adjustments for:		
Depreciation charge	203,647	—
Gains on listed investments	(6,774,101)	—
Exchange rate movement		
. On investments	465,538	—
. On cash held by investment managers	31,333	—
. On cash at bank and in hand	6,608	—
Transfer from Charitable Trust (see note 22)	(101,587,760)	—
Investment income and interest receivable	(2,577,373)	—
Decrease in debtors	—	—
Decrease in creditors	(991,672)	—
Net cash used in by operating activities	(4,423,372)	—

Statement of cash flows Year to 31 December 2023

B Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	2,384,982	—
Bank deposit accounts held within investments	143,705	—
Cash held by investment managers	3,037,026	—
Total cash and cash equivalents	5,565,713	—

C Analysis of changes in net cash funds

	At 1 January 2023 £	Cash flows £	Foreign exchange movements £	At 31 December 2023 £
Net cash funds	—	5,603,654	(37,941)	5,565,713

Principal accounting policies 31 December 2023

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 December 2023. Comparative information is provided in respect to the period from incorporation on 31 March 2022 to 31 December 2022. The charity was dormant during the period from 31 March 2022 to 31 December 2022.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

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

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

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

Critical accounting estimates and areas of judgement

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

The items in the accounts where these judgements and estimates have been made include:

- ◆ the useful economic lives attributed to tangible fixed assets used to determine the annual depreciation charge;
- ◆ the valuations attributed to investment properties;
- ◆ the assumptions adopted by the trustees in determining the value of any designations required from the charity's general unrestricted funds;
- ◆ the consideration of the timing of grant payments and subsequent analysis of grant creditor balances due within one year and in more than one year; and
- ◆ estimating the future income and expenditure flows and the charity's financial position in order to assess the use of the going concern assumption in preparing the accounts.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably, and it is probable that the income will be received.

Income comprises donations and legacies, other charitable activity income, investment income, interest receivable, income from programme related investments, income from investment properties, rent receivable and income from other sources including the surplus on disposal of tangible fixed assets.

Donations, including salaries and pensions of individual religious received under Gift Aid or deed of covenant, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity, and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash, or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the charity.

Income recognition (continued)

Investment income is recognised once the dividend or equivalent has been declared and notification has been received of the amount due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from programme related investments comprises rental income from the property used by another registered charity for purposes consistent with the objects of the charity and is recognised when due under the arrangement with the entity. Income from all investments is accounted for only when the receipt of such income is probable, and the amount can be measured reliably.

A surplus in the disposal of tangible fixed assets is defined as the difference between the sale proceeds and the net book value of the asset at the time of disposal and after deducting any costs associated with the disposal. In the case of disposing of a freehold property, the surplus is recognised at the time when legal completion of the sale takes place.

Expenditure recognition

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

All expenditure is accounted for on an accruals basis. All expenses are allocated or to the applicable expenditure headings. The majority of expenditure is directly attributable and any apportionment between headings is negligible. The classification between activities is as follows:

- ◆ Expenditure on raising funds comprises investment management fees and costs associated with the maintenance of the charity's investment properties.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include:
 - ◇ Expenditure on the support of members of the Society and their ministry enables the members to carry out the charitable work of the Society in the areas of the advancement of the Roman Catholic faith, the provision of care of the elderly, the provision of formation and training and the support of the schools and education. Expenditure on supporting the apostolic work of the members includes costs associated with FCJ House Spirituality Centre, North London, the outreach from St. Hugh's Centre, Wavertree, Liverpool, Neighbours in Poplar and support to other charitable organisations such as Medaille Trust and Solidarity with South Sudan.

Expenditure recognition (continued)

- ◇ Grants and donations payable which, in the main, relate to the support of the other parts of the worldwide Society's and its overseas missions. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

Support costs, including governance costs are costs which cannot be attributed to a particular activity. They are apportioned between charitable activities using an estimate of the proportion of time spent working directly on each activity. Within each charitable activity, the support costs are further split in proportion to the direct costs.

All expenditure is stated inclusive of irrecoverable VAT.

Tangible fixed assets

All assets costing more than £5,000 and which have an expected life exceeding one year are capitalised.

◆ ***Freehold land and buildings***

Freehold land and buildings, and major improvements to buildings, are included in the accounts at cost.

Non-specialised buildings i.e. those designed as, and used wholly or mainly for, private residential accommodation are not depreciated. Their value and condition are reviewed annually by the trustees, who are satisfied that their residual value is not materially less than their book value. Any depreciation thereon, therefore, would be immaterial.

Specialised buildings are defined as those comprising the charity's large residential convents. With the exception of buildings under construction, depreciation is provided at 2% per annum on a straight line basis in order to write the buildings off over their estimated useful economic life to the charity.

The trustees are the legal owners of land and buildings used exclusively by schools founded by the Society, but which is now under separate control. Such assets are regarded as having a nil value for the purposes of the accounts since they cannot be disposed of in the open market or put to alternative use while such occupation continues.

◆ ***Assets under construction***

Buildings under construction are not depreciated.

◆ ***Non-specialised leasehold buildings***

Leasehold buildings, and major improvements to buildings, are included in the accounts at cost and are not depreciated. Their value and condition are reviewed annually by the trustees, who are satisfied that their residual value is not materially less than their book value. Any depreciation thereon, therefore, would be immaterial.

Tangible fixed assets (continued)

♦ ***Fixtures, fittings, and equipment***

Expenditure on the purchase and replacement of fixtures and fittings is capitalised and depreciated over ten years on a straight-line basis, in order to write off the cost of each asset over its estimated useful life.

Expenditure on the purchase and replacement of computer equipment is capitalised and depreciated over three years on a straight-line basis, in order to write off the cost of each asset over its estimated useful life.

♦ ***Motor vehicles***

Motor vehicles are capitalised and depreciated over five years on a straight-line basis, in order to write off the cost of each vehicle over its estimated useful life.

Investments

Listed 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 charity does not acquire put options, derivatives, or other complex financial instruments.

As noted above 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.

Investment properties (i.e. those not occupied by the charity, and which are rented out on commercial terms) are included in the accounts at their open market value. These properties are not depreciated.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value, or their purchase value is 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 at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Programme related investments

Programme related investments include land and buildings owned by the charity but used by another organisation for purposes consistent with the charity's objectives. The assets are stated at deemed cost. Any loss arising from disposal or any loss arising from impairment is recognised as expenditure on charitable activities and is charged to the statement of financial activities. Any gain arising from disposal is credited to the statement of financial activities.

Debtors

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

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits i.e. current asset investments. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

The allocation between grants payable within one year and in more than one year is based on expected timings of payments which is based on discussions with grant recipients.

Fund structure

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions. The charity currently has no restricted funds.

Designated funds comprise monies set aside out of unrestricted funds for specific future purposes or projects.

The tangible fixed assets fund comprises the net book value of charity's tangible fixed assets, the existence of which is fundamental to the charity being able to perform its charitable work and thereby achieve its charitable objectives. The value represented by such assets should not be regarded, therefore, as realisable.

The programme related investment fund represents the combined value of land and buildings owned by the charity but used by another organisation for purposes consistent with the charity's objectives, together with the amount outstanding on loans granted to another organisation for purposes consistent with the charity's objectives.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Foreign currencies

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

Services provided by members of the Society

For the purpose of these accounts, no value has been placed on administrative and other services provided by the members of the Society.

Leased assets

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Pension costs

The charity offers its employees membership of a group personal pension plan operated by The Royal London Mutual Insurance Society. Contributions to the scheme are debited to the statement of financial activities in the year in which they are payable to the plan. The assets of the plan are held independently by the Royal London Mutual Insurance Society and do not form part of the charity's assets.

Notes to the accounts 31 December 2023

1 Investment income and interest receivable

	Unrestricted funds	
	Year to 31 December 2023 £	Period from 31 March 2022 to 31 December 2022 £
Listed investments		
. UK equities and utilised funds	1,637,736	—
. UK fixed interest	106,120	—
. Overseas equities	306,611	—
. Overseas fixed interest	257,564	—
. Alternative assets	156,846	—
	2,464,877	—
Bank interest	72,154	—
Investment property income	11,542	—
Income from programme related investments	28,800	—
	2,577,373	—

2 Expenditure

	Direct staff costs (note 4) £	Other direct costs £	Support costs £	Year to 31 December 2023 Total funds £	Period from 31 March 2022 to 31 December 2022 Total funds £
Raising funds					
. Investment manager costs	—	436,801	—	436,801	—
. Other	—	3,581	—	3,581	—
	—	440,382	—	440,382	—
Charitable activities					
. Support of the members and their ministry					
. Care of the elderly	514,726	309,996	8,224	832,946	—
. Formation and training programmes	—	39,348	16,447	55,795	—
. Sisters' living and personal expenses	44,453	784,902	172,697	1,002,052	—
. Apostolic work					
. Other apostolic work of members	—	329,178	24,671	353,849	—
. Support to other charitable organisations	—	6,087	—	6,087	—
	559,179	1,469,511	222,039	2,250,729	—
. Grants, donations, and support of overseas work and provinces (note 3)					
. Education grants	—	1,545,000	102,796	1,647,796	—
. Overseas missions	—	1,529	4,112	5,641	—
. Generalate support of Provinces	—	349,976	61,677	411,653	—
. Charitable donations to organisations	—	134,017	20,559	154,576	—
	—	2,030,522	189,144	2,219,666	—
	559,179	3,940,415	411,183	4,910,777	—

2 Expenditure (continued)

A further analysis of support costs is outlined below:

	Staff costs £	Other costs £	Year to 31 December 2023 Total £	Staff costs £	Other costs £	Period from 31 March 2022 to 31 December 2022 Total £
Management and administration staff (note 4)	212,649	—	212,649	—	—	—
Office costs	—	70,910	70,910	—	—	—
Professional and legal fees	—	35,554	35,554	—	—	—
Governance costs	—	26,600	26,600	—	—	—
Depreciation	—	53,592	53,592	—	—	—
Other costs	—	11,878	11,878	—	—	—
	212,649	198,534	411,183	—	—	—

The basis of apportionment of support costs is set out in the accounting policies.

3 Grants, donations, and support of overseas missionary work, including support of educational institutions and other organisations

	Unrestricted funds	
	Year to 31 December 2023 £	Period from 31 March 2022 to 31 December 2022 £
Support for education and schools		
Phase 1		
FCJ Education Trust	45,000	—
Other		
The Gaudete Trust	1,500,000	—
	1,545,000	—
Generalate support of Provinces		
Europe	262,671	—
Asia	65,831	—
Other	23,003	—
	351,505	—
Charitable donations to organisations of £1,000 and above		
CAFOD	37,000	—
The Destitution Project Bolton	5,000	—
MAG International Landmines	5,000	—
Medecins Sans Frontieres	20,000	—
Neighbours in Poplar	5,000	—
Salvation Army	10,000	—
UNICEF	15,000	—
Water Aid	5,000	—
	102,000	—
Charitable donations to organisations of less than £1,000	32,017	—
	2,030,522	—

4 Staff costs and remuneration of key management personnel

Staff costs during the year were:

	Year to 31 December 2023 £	Period from 31 March 2022 to 31 December 2022 £
Wages and salaries	672,799	—
Social security costs	55,042	—
Pension contributions	43,987	—
	771,828	—

The average numbers of persons (including key management personnel) employed by the charity during the year was as follows:

	Year to 31 December 2023 Number	Period from 31 March 2022 to 31 December 2022 Number
Domestic and ancillary staff	29	—
Administration and clerical staff	6	—
	35	—

Higher paid staff

The number of employees whose employee benefits (excluding employer pension and employer national insurance costs) fell within the following bands was:

	Year to 31 December 2023 Number	Period from 31 March 2022 to 31 December 2022 Number
£90,001 - £100,000	1	—

The employer's pension contributions in respect of this employee were £9,803 (period from 31 March 2022 to 31 December 2022 - £nil).

Key management personnel

The key management personnel of the charity who are in charge of directing and controlling, running, and operating the charity on a day-to-day basis comprise the trustees and the Head of Finance and Business Administration. The total amount of employee benefits (including taxable benefits and employer's pension contributions and national insurance contributions) received by key management personnel for their services to the charity was £120,100 (period from 31 March 2022 to 31 December 2022 - £nil).

5 Trustees' remuneration and expenses

The charity's trustees are all members of the Society and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Society, are borne by the charity. The trustees received no remuneration for their services during the year (period from 31 March 2022 to 31 December 2022 - none) and no reimbursement of expenses in connection with their duties as trustees (period from 31 March 2022 to 31 December 2022 - none).

As members of the Society, none of the trustees have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the trustees to the charity was £15,881 (period from 31 March 2022 to 31 December 2022 - £nil).

6 Net income before losses on investments and other gains

This is stated after charging:

	2023 £	2022 £
Depreciation of assets	203,647	—
Staff costs	771,828	—
Operating lease costs	31,100	—
Auditor's remuneration:		
. Statutory audit services		
.. Current year	24,500	—
.. Prior year	2,100	—
. Tax consultancy	1,110	—

7 Tangible fixed assets

	Freehold land and buildings		Non-specialised long leasehold buildings	Non-specialised short leasehold buildings	Assets under course of construction	Fixtures, fittings and equipment	Motor vehicles	Total funds
	Specialised £	Non-specialised £	£	£	£	£	£	£
Cost								
At 1 January 2023	—	—	—	—	—	—	—	—
Transfer from Charitable Trust (note 22)	6,681,902	658,873	485,000	75,015	550,411	1,132,998	150,952	9,735,151
Additions	—	—	—	—	2,205,940	—	14,868	2,220,808
Reclassification to investment properties (note 9)	—	—	(485,000)	—	—	—	—	(485,000)
At 31 December 2023	6,681,902	658,873	—	75,015	2,756,351	1,132,998	165,820	11,470,959
Depreciation								
At 1 January 2023	—	—	—	—	—	—	—	—
Transfer from Charitable Trust (note 22)	2,176,418	—	—	—	—	839,110	112,332	3,127,860
Charge for year	133,638	—	—	—	—	51,008	19,001	203,647
At 31 December 2023	2,310,056	—	—	—	—	890,118	131,333	3,331,507
Net book values								
At 31 December 2023	4,371,846	658,873	—	75,015	2,756,351	242,880	34,487	8,139,452
At 31 December 2022	—	—	—	—	—	—	—	—

7 Tangible fixed assets (continued)

During the year, the property at 11 Pulteney Close, Isleworth with a carrying value of £485,000 was reclassified to investment properties as its use changed such that it was rented out to a third party at market rate.

8 Programme related investments

At the year-end, two of the charity's properties were occupied by other organisations and used of purposes directly compatible with the charity's charitable objectives.

	2023 £	2022 £
At 1 January 2023	—	—
Transfer net assets from Charitable Trust (note 22)	1,812,655	—
Enhancement expenditure in year	74,380	—
At 31 December 2023	1,887,035	—

The land and buildings above comprise two properties owned by the charity but used by other charitable organisations for purposes consistent with the objects of the charity. The above properties are included on the balance sheet at the value at which they were transferred from the Faithful Companions of Jesus (Charity Registration No. 239285).

9 Investments

	2023 £	2022 £
Listed investments and cash held for re-investment (note a)	99,356,396	—
Bank deposit accounts	143,705	—
Investment properties (note b)	485,000	—
	99,985,101	—

The bank deposit accounts represent monies held by CCLA for the long term and considered part of the charity's fixed asset investments.

a. Listed investments and cash held for re-investment

	2023 £	2022 £
Listed investments		
Market value at 1 January 2023	—	—
Transfer net assets from Charitable Trust (note 22)	92,650,113	—
Additions at cost	28,678,210	—
Disposals at book value (see below)	(30,594,182)	—
Net unrealised gains	6,050,767	—
Exchange losses	(465,538)	—
Market value at 31 December 2023	96,319,370	—
Cash held by investment managers for re-investment	3,037,026	—
	99,356,396	—
Cost of listed investments at 31 December 2023	84,948,685	—

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

	2023 £	2022 £
Proceeds	31,317,516	—
Gains	(723,334)	—
Disposals at book value	30,594,182	—

Listed investments held at 31 December 2023 comprised the following:

	2023 £	2022 £
UK equities and unitised funds	46,663,276	—
UK fixed interest	8,383,794	—
Overseas listed investments	37,622,593	—
Alternative assets	3,649,707	—
	96,319,370	—

9 Investments (continued)

a. Listed investments and cash held for re-investment (continued)

At 31 December 2023, the charity held individual holdings greater than 5% of the total quoted investments as follows:

	£	%
COIF Charities Ethical Investment Fund Income Units	20,020,216	20.79
COIF Charities Ethical Investment Fund Accumulation Units	5,588,268	5.80

b. Investment properties

	Total 2023 £	Total 2022 £
At 1 January 2023	—	—
Reclassification from tangible fixed assets (note 7)	485,000	—
At 31 December 2023	485,000	—

Investment properties comprised land and buildings at 11 Pulteney Close, Isleworth. This property is included in the accounts at its market value at 31 December 2023 which is based on a February 2022 valuation determined by the trustees with professional assistance. The trustees do not believe there has been any material change in the value of the property since that date.

The historical cost of the investment property included above is £470,296 (2022 - £nil).

During the year, this property was reclassified from tangible fixed assets as its use changed such that it was rented out to a third party at market rate.

10 Debtors

	2023 £	2022 £
Investment income receivable	145,662	—
	145,662	—

11 Creditors: amounts falling due within one year

	2023 £	2022 £
Expense creditors	4,571	—
Other creditors	16,611	—
Monies administered by the charity on behalf of individual members of Faithful Companions of Jesus	482,576	—
Social security and other taxes payable	9,884	—
Accruals and other creditors	129,628	—
Payments due in respect to property construction work	106,068	—
Grants payable	1,298,027	—
	2,047,365	—

The above grants payable relate to Bicentenary grants. These grants were committed by the trustees of the predecessor charity during the year to 31 December 2019 as part of the celebrations of the bicentenary of the Society's foundation.

12 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Grants payable	3,694,459	—
	3,694,459	—

The above grants relate to amounts committed by the trustees by the trustees of the predecessor charity during the year to 31 December 2019 as part of the celebrations of the bicentenary of the Society's foundation. The payment of these grants has been delayed in part because of Covid-19 and both the direct and indirect impact of the pandemic on the projects to be financed. As a consequence, certain payments are now not expected to occur before the end of 2024.

Subsequent to the year end, trustees set aside £2,710,000 within designated funds to support a building project for their Convent in Paris in 2024-2025.

13 Tangible fixed assets fund

	2023 £	2022 £
At 1 January 2023	—	—
Transfer from Charitable Trust (see note 22)	6,607,291	—
Net movement in year	1,532,161	—
At 31 December 2023	8,139,452	—

The tangible fixed assets fund represents the net book value of the charity's freehold and other tangible fixed assets. A decision was made to separate this fund from the general funds of the charity in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

14 Programme related investment fund

	2023 £	2022 £
At 1 January 2023	—	—
Transfer from Charitable Trust (see note 22)	1,812,655	—
Improvements	74,380	—
At 31 December 2023	1,887,035	—

The programme related investment fund represented the value of the charity's programme related investments. These investments comprise land and buildings owned by the charity but used by another charitable organisation with objectives consistent with those of the charity. The value of these programme related investments should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

15 Designated funds

The income funds of the charity included the following designated funds which had been set aside out of unrestricted funds by the trustees for specific purposes:

Retirement fund

A fund has been designated to provide for the charity's commitment to care for the elderly sisters in their retirement. The trustees have estimated based on actuarial methods that a fund of £44,700,000 will be required to make provision for the ongoing needs of the members.

Development fund

The charity is committed to the development of the Society's educational and other mission work around the world in addition to supporting the charity's other projects. These works and projects include the Bicentenary grants referred to in the trustees' report, the growth and continued formation of the Society members and its work in Asia, developing world mission generally as well as specific ad hoc initiatives, including educational projects. In addition, the trustees will continue to invite and consider funding other strategic projects consistent with the charity's goals of sustainable living.

Building projects fund

The charity is committed to two building and refurbishment projects on its properties with a total estimated value of £690,487. The trustees have also set aside £2,710,000 to support a building project for their Convent in Paris in 2024-2025.

Analysis of movements

	At 1 January 2023 £	Transfer from Charitable Trust (note 22) £	Designated (released) £	At 31 December 2023 £
Retirement fund	—	40,350,000	4,350,000	44,700,000
Development fund	—	10,963,626	(1,610,831)	9,352,795
Building projects fund	—	5,680,120	(2,280,320)	3,399,800
	—	56,993,746	458,849	57,452,595

16 Analysis of net assets between funds

Fund balances at 31 December 2023 are represented by:

	General fund £	Fixed assets fund £	Programme related investment fund £	Designated funds £	Total 2023 £
Tangible fixed assets	—	8,139,452	—	—	8,139,452
Programme related investments	—	—	1,887,035	—	1,887,035
Investments	55,285,101	—	—	44,700,000	99,985,101
Net current (liabilities) assets	(12,269,316)	—	—	12,752,595	483,279
Creditors: falling due after more than one year	(3,694,459)	—	—	—	(3,694,459)
	39,321,326	8,139,452	1,887,035	57,452,595	106,800,408

16 Analysis of net assets between funds (continued)

The total unrealised gains as at 31 December 2023 are as follows:

	2023 £	2022 £
Unrealised gains included above		
On listed investments	11,370,685	—
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2023	—	—
Transfer from Charitable Trust (see note 22)	5,495,235	—
Less: in respect of disposals in the year	(180,968)	—
Net gains arising on revaluation in the year	6,050,767	—
Exchange gains in the year	5,651	—
Total unrealised gains at 31 December 2023	11,370,685	—

17 Taxation

The Faithful Companions of Jesus CIO is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

18 Ultimate control

The General Superior for the time being shall automatically, by virtue of holding that office, be ex-officio the sole member of the CIO for as long as she holds that office.

19 Related party transactions

One of the trustees of the charity is also a trustee of The Medaille Trust. The Medaille Trust occupies a property which is owned by the charity and was included in programme related investments in these accounts at a value of £926,937 at 31 December 2023 which represents cost less any impairment. No rental income is received from The Medaille Trust.

The trustees of the charity are also the trustees of Faithful Companions of Jesus from which its activities, assets and liabilities were transferred with effect from midnight on 1 January 2023 (note 22). There were no other transactions between the charity and the CIO.

With the exception of the transactions with trustees disclosed in note 5 to these accounts, there have been no other related party transactions requiring disclosure.

20 Capital commitments

	2023 £	2022 £
Authorised by the trustees and contracted for	540,487	—
Authorised by the trustees but not contracted for	150,000	—

21 Lease commitments

Operating leases

At 31 December 2023, the charity had total future commitments under non-cancellable operating leases for buildings as follows:

	2023 £	2022 £
Payable:		
Within one year	12,100	—
Between two and five years	—	—
	12,100	—

22 Transfer from Faithful Companions of Jesus

With effect from midnight 1 January 2023, the activities, assets and liabilities of the Faithful Companions of Jesus (Charity Registration No. 239285) were transferred to the Faithful Companions of Jesus CIO, Charity Registration No. 1198483 in accordance with a legal transfer of undertaking deed. The net assets at that date comprised:

	£
Tangible fixed assets (note 7)	
. Cost	9,735,151
. Depreciation	(3,127,860)
	6,607,291
Programme related investments (note 8)	1,812,655
Investments (including cash held within investments of £1,729,117) (note 9)	94,379,230
Debtors (note 10)	153,079
Cash at bank and in hand	5,490,730
Creditors: amounts falling due within one year (note 11)	(2,843,878)
Creditors: amounts falling due after more than one year (note 12)	(4,011,347)
	101,587,760

The funds of the charity which were transferred comprised the following:

	£
General fund	36,174,068
Tangible fixed assets fund (note 13)	6,607,291
Programme related investment fund (note 14)	1,812,655
Designated funds (note 15)	56,993,746
	101,587,760