

Charity registration number
England and Wales 220240
Scotland SC039530

Sons of the Sacred Heart of Jesus
(also known as The Verona Fathers/Comboni Missionaries)

Report and Accounts

31 December 2022

Borucki & Co
42 Radnor Road
Harrow
Middlesex HA1 1RZ

Sons of the Sacred Heart of Jesus
(also known as The Verona Fathers/Comboni Missionaries)
Legal and administrative information

Trustees	As directors of Verona Fathers Limited The Reverend Alberto Pelucchi mccj - Chairman The Reverend John Clark mccj The Reverend Martin Devenish mccj - Secretary The Reverend John Downey mccj Rev. Ruben Padilla Rocha mccj - (appointed December 29th 2022)
Provincial Superior	The Reverend Alberto Pelucchi mccj
Provincial Treasurer	The Reverend Martin Devenish mccj
Provincial Office	The Verona Fathers/Comboni Missionaries London Road Sunningdale Berkshire SL5 0JY Telephone 01344 621238
Charity number	
England and Wales	220240
Scotland	SC039530
Auditors	Borucki & Co 42 Radnor Road Harrow Middlesex HA1 1RZ
Bankers	Royal Bank of Scotland plc Drummond House 1 Redhaughs Avenue Edinburgh EH12 9JN
Investment Managers	Brewin Dolphin Ltd 12 Smithfield Street London EC1A 9BD
Solicitors	Pothecary Witham Weld 84 Eccleston Square London SW1V 1PX70
Chartered Surveyors	Gould Baxter Hamilton House Mabledon Place London WC1H 9BB

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The Trustees present their Report and Accounts for the year ended 31st December 2022

INTRODUCTION

The Sons of the Sacred Heart (The Verona Fathers/Comboni Missionaries) are an international Roman Catholic Religious and Missionary Order of ordained priests and lay brothers founded by Bishop Daniel Comboni in Verona (Italy) in 1867 specifically to serve the missionary endeavours of the Roman Catholic Church in the South of the world. Inspired by the Gospel, its Members live a common life together and practice life-long religious vows of poverty, chastity and obedience, all in furtherance of the Roman Catholic Religion. Everything is placed and held in common: Members do not own property of any kind or possess individual Accounts with banks or similar financial institutions. There are presently worldwide some one thousand five hundred (1,500) Verona Fathers/Comboni Missionaries of thirty-seven (37) different nationalities working in some forty-three (43) different countries throughout Europe, Africa, Asia and the Americas.

The aims of the Verona Fathers/Comboni Missionaries - in the United Kingdom and Overseas - may be summarised as follows:

- * To bear witness to the love of God for all, as experienced in Jesus Christ;
- * To proclaim the Gospel of Christ to those who have not heard it;
- * To foster - according to Gospel values - justice, peace and the integrity of creation worldwide;
- * To promote awareness of the missionary work of the Roman Catholic Church in the United Kingdom and in the rest of Europe;
- * To promote the missionary vocation;
- * To serve and support young Churches, particularly in Africa, as they grow and mature; and
- * To collect and distribute funds for the relief of famine and dire poverty.

GOVERNANCE

The Verona Fathers/Comboni Missionaries are governed at an international level by a Superior-General and four (4) General Councillors who reside at their General Headquarters in Rome. The Superior-General and his Councillors are elected for a six-year term of office (renewable upon re-election for one further term only) at a 'General Chapter' which is held every six (6) years and which is composed of 'Provincial Superiors' and elected 'Delegates' from each of the twenty-seven (27) semi-autonomous 'Provinces' or 'Circumscriptions' into which the Order is divided along geographical lines. All those who participate in the 'General Chapter' are perpetually professed Members of the Order who have freely chosen to dedicate their lives, their time, their energies and their talents to the Church's missionary endeavours.

One of these 'Provinces' or 'Circumscriptions' is the 'London Province' which consists of the Communities resident and working in the United Kingdom and Ireland. The 'Province' is governed by a 'Provincial Superior' and a four-Member 'Provincial Council' - all of whom are elected for a three-year term of office which is renewable upon re-election, generally for one further term only. The Provincial Superior and his Council meet regularly during the year to:

- * direct the activities of Members in the 'London Province';
- * assess and evaluate progress within the 'London Province' in the light of the decisions of the previous 'General Chapter';
- * review finances and legal developments;
- * mediate with the Superior-General and his Council;
- * co-ordinate and implement directives of the General Council; and
- * plan policies/guidelines for the 'London Province' for the foreseeable future.

In fulfilment of the objectives of the Trust, it is the policy of the Charity to undertake a range of charitable activities in the United Kingdom and to support Members of the Congregation living and working at home and overseas - in a special way those in Africa.

The Accounts accompanying this Report are the Accounts of the Charitable Trust upon which the assets of the 'London Province' are held - the Trust governed by a Trust Deed dated 6th April 1959, and later registered under the 'Charities Act 1960' with Charity Number 220240.

VERONA FATHERS LIMITED

In line with financial and legal developments in the United Kingdom, the 'Sons of the Sacred Heart' or 'Verona Fathers/Comboni Missionaries' were registered as 'Verona Fathers Limited' in England and Wales with Company Registration Number 594993 in 1959. Under the terms of the Trust Deed designating it thus, 'Verona Fathers Limited' acts as the Trustee for the 'Sons of the Sacred Heart of Jesus' or 'Verona Fathers/Comboni Missionaries'. The Provincial Superior, pro tempore, is the ex-ufficio Chairman of 'Verona Fathers Limited' and the other Directors of the Company are nominated by the Provincial Superior with the approval of his Council.

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CURRENT TRUSTEES:

The Directors who served in the year are the following Verona Fathers/Comboni Missionaries:

Rev. Alberto Pelucchi mccj - Provincial Superior and Chairman of the Trustees

Rev. Martin Devenish mccj - Provincial Treasurer and Secretary to the Trustees

Rev. John Clark mccj - Director/Trustee

Rev. John Downey mccj - Director/Trustee

Rev. Ruben Padilla Rocha mccj - Director/Trustee (appointed December 29th 2022)

TRUSTEES' RESPONSIBILITIES WITH REGARD TO THE ACCOUNTS

Under charity law, the Trustees are responsible for preparing the Trustees' Annual Report and the accounts for each financial year which show a true and fair view of the state of affairs of the charity and of the excess of income over expenditure for that period.

In preparing these financial accounts, generally accepted accounting practice entails that the Trustees:

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

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

MANAGEMENT

While the Trustees are ultimately responsible for the policies, activities and assets of the Charity, the day-to-day management of the Charity's activities and the implementation of its policies is the responsibility of the Provincial Superior and his Council. The Province's finances are administered and managed by the Provincial Treasurer who is accountable to the Provincial Superior, his Council, the other Members of the Province and Order, and the Charity Commission. Whenever the Trustees or management (Provincial Superior and Council, and/or the Provincial Treasurer) are in need of professional advice there are designated individuals/companies to whom they may turn (solicitors, lawyers, accountants, auditors, bankers and investment managers).

OTHER ORGANISATIONS

The Verona Fathers/Comboni Missionaries, individually and collectively in the five (5) Communities that make up the 'London Province', have a number of Organizations and bodies with whom they need to interact on a regular basis:

- a) **Ecclesiastical Bodies** e.g. the Roman Catholic Dioceses of Arundel and Brighton, Westminster, Southwark, Leeds and Glasgow where we are present; the Diocese(s) assigned for Mission Appeals in any given year; various Roman Catholic Religious Orders and Institutes; the Parishes and Deaneries within which our Communities are situated; neighbouring Parishes and Deaneries; Parish Organizations and Groups for the 'Third World', Justice and Peace immigrants, refugees and asylum-seekers;
- b) **Educational Establishments** e.g. Faith schools, third-level colleges and university Chaplaincies which are visited on a regular basis or by invitation,
- c) **Roman Catholic (and other) Charities/Associations** that fund development initiatives in deprived areas of the world e.g. CAFOD, SCIAF, Aid to the Church in Need, MIVA/SURVIVE, St. Francis Leprosy Guild, the Little Way Association,
- d) **Local Councils and other Organizations/Companies** e.g. Borough/County Councils, Utility Companies, the Post Office, printers and mailing houses,

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PUBLIC BENEFIT

The Trustees have consulted the guidance made available by the Charity Commission for England and Wales on the Public Benefit requirement of the Charities Act 2011. The Trustees are confident that they have complied with their duty under the Charities Act 2011 in that they have had due regard to public benefit guidance published by the Commission. In furtherance of the Trust's charitable purposes for the public benefit, the Trustees give details of their activities in the following paragraphs.

ACTIVITIES

During the year ended 31st December 2022, the Charity - consisting of five (5) Roman Catholic Religious Communities that are home to twenty-four (24) permanent Members and various visiting Members from abroad - continued to share in the Church's missionary endeavours through a life of prayer and the following traditional apostolic activities:

- a) **Sunningdale (Berkshire)** with four (4) Confrères - Provincial Administration (Provincial Superior, Provincial Treasurer and the Procure for the Missions); editorial Offices for our Quarterly Magazine, 'Comboni Mission'; Parish Ministry at the 'Sacred Heart Church'; hospitality to Members in transit to and from our Missions; and making 'Mission Appeals' in Roman Catholic Parishes throughout England and Wales.
- b) **Bayswater (West London)** with six (6) Confrères - Pastoral ministry, lecturing and offering conferences for fellow Roman Catholics; hospitality to Members studying the English Language, or who are following Courses in and around London, or who are just passing through the United Kingdom; editorial offices for our web-magazine www.SouthWorld.net and our newly-launched website www.combonimissionaries.co.uk; and making 'Mission Appeals' in Roman Catholic Parishes throughout England and Wales.
- c) **Roehampton (South-West London)** with three (3) Confrères - Parish Ministry at 'St. Joseph's Catholic Church'; the spiritual care of immigrants, refugees and asylum-seekers; and making 'Mission Appeals' in Roman Catholic Parishes throughout England and Wales.
- d) **Horsforth (Leeds)** with three (3) Confrères - Mission Office for distributing our quarterly magazine, 'Comboni Mission' and maintaining contact with our benefactors throughout England and Wales; pastoral ministry for fellow Roman Catholics; and making 'Mission Appeals' in Roman Catholic Parishes throughout England and Wales.
- e) **Carmyle (Glasgow)** with four (4) Confrères - Mission Office for distributing our quarterly magazine, 'Comboni Mission' and maintaining contact with our benefactors in Scotland; Youth/Vocation Ministry; 'Justice and Peace' Networking; care for elderly Members; pastoral ministry for fellow Roman Catholics in neighbouring Parishes and Deaneries; and making 'Mission Appeals' in Roman Catholic Parishes in Scotland.

Overseas - There are a further four (4) Members of the Province residing or working abroad: Ireland (3) and Italy (1).

REVIEW AND DEVELOPMENTS

Mission Appeals - During 2022 we were able to visit and appeal in one hundred and eighteen (118) Roman Catholic Parishes in the Archdiocese of Southwark in England and Wales, and a further twenty-seven (27) Parishes in the Diocese of Dunkeld and the Archdioceses of Glasgow and of St. Andrew's and Edinburgh in Scotland. Notwithstanding the difficulties caused by the aftermath of the COVID-19 Pandemic and the continuing unfavourable economic climate, the Priests in the Parishes we were able to visit continued to extend a warm welcome to Members, and the Faithful continued to respond with their customary generosity. We are pleased to report that all monies collected from our Mission Appeals were distributed to our Missions and Missionaries abroad.

Mission Offices - Over the year the Mission Offices in Horsforth (Leeds) and Carmyle (Glasgow) mailed out the four (4) quarterly issues of our Magazine, Comboni Mission, to our friends and supporters throughout the United Kingdom. The magazine has a circulation of approximately twenty thousand (20,000) and we distribute some forty thousand (40,000) copies of our Missionary Calendar. As is indicated in our Audited Accounts, the wonderful response from our readers was typical of their great thoughtfulness in our regard.

www.SouthWorld.net - Our non-profit monthly web-magazine 'SouthWorld' with news and current affairs emanating from Africa, Latin America and Asia is proving very successful and continues to attract interest from as far afield as Eastern Europe, North America and South-East Asia.

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During the course of the year ending 31st December 2022, the Trustees have continued to closely monitor two areas of increased expenditure. Premises' expenditure has continued to be a major expense as our properties grow older and renovations become necessary to facilitate the care of our elderly Confrères, as with other Community and personal care costs given the rising age profile of the Confrères of the Province which presently stands at sixty-five (65) years of age. As a result of the rising age profile of the Members, during 2019 the Trustee's commissioned a project to digitalize the Archives of the Order's activities in the United Kingdom for future reference, and this has continued during 2022. In the absence of sufficient funds from Mission Appeals to support our work abroad and in order to help finance the activities of the Generalate it was necessary to draw funds from the investment portfolios.

The Province is involved in applying the Acts of the last 'General Chapter' which was held in Rome from June 1st/30th 2022, necessitating Members of the Provincial Council to attend a series of Pan-European Meetings and thereafter relaying the policies and decisions of those Meetings to the Members in the Province. Over the coming years, and following the decisions of the last Chapter, changes are expected regarding the structures of the Institute and thus also of this Province, however we do not foresee significant changes regarding the type of activity that we undertake in these Isles.

TRUSTEES' INVESTMENT AND OTHER POWERS

According to the Trust Deed, the Trustees have the power to invest any money forming part of the Trust Fund and to apply income and capital for the charitable purposes of the Trust here in the United Kingdom and abroad. They are responsible for the upkeep of land and properties held on Trust and may purchase and sell such land and property as seems prudent and convenient. They may also borrow money for any of the foregoing purposes and accept donations.

INVESTMENT POLICY

The Trustees have an investment policy primarily aimed at enhancing the real value of monies invested through having a diversified portfolio of bonds and equities in addition to which income is generated to contribute towards the Charity's on-going general expenses. Our Investment Managers are instructed to follow a policy of 'Moderate Investment Risk', and to avoid investing in companies where their main business activities are in the areas of armaments and military equipment, tobacco, gambling or pornography.

The general fund portfolio remains at a low level as, for the time being, expenditure can be, in normal years, funded by current income. The retirement and building maintenance portfolios are also invested ethically but to provide both growth and income.

RAISING FUNDS

The Charity manages its own activities in respect to raising funds and does not employ the services of professional fund-raisers. It aims to achieve best practice in the way in that it communicates with its supporters primarily by taking care with both the tone of its communications and the accuracy of the data it holds to minimise the pressures upon such individuals. It collects, stores and uses personal data in accordance with data protection legislation, and specifically does not use data for other than the purpose(s) for which it was collected, sell or swap data to any third party, or profile such information for statistical analysis. Again, it ensures that communication preferences can be changed at any time. The Charity undertakes to react to and investigate any complaints regarding its activities for raising funds, and to learn from them and improve its service. During the year, however, the Charity received no complaints about such activities.

CORONAVIRUS (COVID-19) PANDEMIC

The continuing effects of the recent COVID-19 Pandemic on the income of the charity are difficult to predict, however while we expect donations and investment income to continue to suffer we will be able to continue our work for the foreseeable future as our charitable expenditure, and in particular the donations to the Missions, is to a large extent dependent on funds available.

RESERVES POLICY

The Trustees are very conscious of the commitment of the Charity to continue its work in the future and the need to safeguard resources, especially with an increase in the number of Members reaching retirement age. With this in view the Trustees have designated funds to a 'Reserve and Retirement Fund'. This fund is intended to provide income for the future needs of aged or infirm Confrères as they return to the United Kingdom after having served abroad. In view of the fact that all four properties owned by the Charity are over one hundred and fifty years old, and despite the fact that they have been well maintained, the 'Building Maintenance Fund' is intended to cover any future unexpected large expenditure on these properties. Despite the deficit made in the year, given the level of reserves the Trustees have every confidence that the Trust can continue to function within its objects and that there are no 'going concern' issues.

RISK ASSESSMENT

The Trustees have assessed the major risks to which the Charity is exposed in the United Kingdom, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to mitigate our exposure to major risks.

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The Trustees have carried out a thorough review of our insurance cover and established that cover is indeed comprehensive, particularly in regard to property, vehicle and Employers' Liability insurance.

Safeguarding children and vulnerable adults remains a priority for the Trustees, and during the course of the year the Trustees have continued to consult the 'Safeguarding Co-ordinator' for the Diocese of Arundel and Brighton (to which the 'London Province' of the Verona Fathers/Comboni Missionaries is aligned in England and Wales in terms of its child safeguarding practice and structure, and in following the national Catholic Safeguarding Advisory Service (CSAS) Policy and Procedures' guidance), and to attend the training seminars in this regard organized by their 'Safeguarding Office'. Members in any kind of Ministry obtain clearance from the 'Disclosure and Barring Service' of the Home Office (previously the 'Criminal Records Bureau'), and the Province continues to address safeguarding practice regularly at Meetings of the 'Provincial Council' and at yearly Provincial Assemblies. The Trustees are aware of their obligation to report any serious incidents to the Charity Commission.

A number of our Members are infirm and are being presently cared for by others Members of their respective Community. The Trustees continue to ensure that there is adequate monitoring of their health and well-being while at the same time having due regard for their personal dignity and sense of worth. Where necessary, in dialogue with medical professionals and Social Services, those requiring nursing care on a long-term basis are offered places in a suitable local nursing home. In line with this policy, one of our elderly Members was at the beginning of the year moved to a Nursing Home run by 'Oakminster Healthcare' in Glasgow City Centre (G20 6UQ).

The major risk arising with our investments is the instability of the stock market which may lead to reductions in income and losses in capital. In an attempt to mitigate against our exposure to this risk, the Trustees receive regular quarterly reports on our investments from our Investment Managers and review our 'Investment Policy' periodically with Members of the 'Charity Team' from Brewin Dolphin.

The Trustees take their legal responsibilities seriously and discussed the provisions that would be required for the implementation of the General Data Protection Regulation (GDPR) in May 2018. Consequently, the Charity now has a written 'Data Protection Policy', 'Complaints Policy', and 'Privacy Policy' which are subject to yearly review, and has updated its websites to remain compliant with this legislation. The Trustees will continue to monitor that way in which data is held by the Charity and recognise the importance of protecting the identity of supporters in accordance with GDPR legislation.

FUTURE DEVELOPMENTS

The Trustees intend to continue the activities of the Charity as outlined above in the 'Review and Development' Section of the Report.

THE CHARITY'S ASSETS

Acquisitions and disposal of fixed assets during the year are recorded in the notes to the Accounts.

Signed on behalf of the Trustees:

Martin Devenish mccj
Director/Trustee

Approved by the Directors/Trustees on September 6th 2023

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Independent Auditor's Report

Independent auditors' report to the Trustees of the Sons of the Sacred Heart of Jesus

We have audited the financial statements of the Sons of the Sacred Heart of Jesus for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice)..

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incomes and expenditure for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustees Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

- Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.
- Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the 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 where the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion:-

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements 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 set out on page 6, the Trustees are responsible for the preparation of financial statements which 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.

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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.

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;
- tested the authorisation of expenditure
- 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.

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 management and trustees, and from our knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and Safeguarding Regulations as they affect the direct charitable activities of the charity; and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and reviewed minutes of trustees' meetings.

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

- making enquiries of management and trustees 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;
- tested the authorisation of expenditure
- 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.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of trustees; and
- enquiring of management and trustees as to actual and potential litigation and claims.

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

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

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 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.

Borucki & Co

Chartered Accountants and Statutory Auditors
42 Radnor Road
Harrow
Middlesex HA1 1RZ

Signed on 6 September 2023

Borucki & Co is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

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Statement of financial activities (incorporating an income and expenditure account) for the year ended 31 December 2022

	Notes	General fund £	Designated fund £	Restricted fund £	2022 £	2021 £	General fund £	Designated fund £	Restricted fund £
Income									
Voluntary income									
Donations and gifts		494,534	-	24,558	519,092	446,218	432,973	-	13,245
Legacies		232,662	-	-	232,662	155,091	155,091	-	-
Salaries and pensions	1	41,603	-	-	41,603	38,878	38,878	-	-
Ministry		69,599	-	-	69,599	66,018	66,018	-	-
Investment income									
Dividends and interest	2	109,237	59,507	-	168,744	151,546	102,806	48,740	-
Other income									
Miscellaneous income		4,189	-	-	4,189	8,571	8,571	-	-
Total income		951,824	59,507	24,558	1,035,889	866,322	804,337	48,740	13,245
Expenditure									
Raising funds									
Investment managers fees		23,657	13,387	-	37,044	38,165	25,470	12,695	-
Charitable Activities									
Pastoral activities									
Promotional magazine costs		41,241	-	-	41,241	44,241	44,241	-	-
Upkeep of communities	3	661,734	-	-	661,734	603,148	597,944	5,204	-
Donations and missions	4	293,474	-	-	293,474	321,679	246,950	-	74,729
Management and administration	5	41,673	-	-	41,673	28,575	28,575	-	-
Other expenditure	8	-	-	-	-	-	-	-	-
Governance costs		11,112	-	-	11,112	10,300	10,300	-	-
Total expenditure		1,072,891	13,387	-	1,086,278	1,046,108	953,480	17,899	74,729
Total income less expenditure		(121,067)	46,120	24,558	(50,389)	(179,786)	(149,143)	30,841	(61,484)
Net gains (losses) on investments		(655,849)	(352,682)	-	(1,008,531)	690,531	474,298	216,233	-
Net income (expenditure) before transfer		(776,916)	(306,562)	24,558	(1,058,920)	510,745	325,155	247,074	(61,484)
Transfers between funds		-	-	-	-	-	(500,000)	500,000	-
Net movement in funds		(776,916)	(306,562)	24,558	(1,058,920)	510,745	(174,845)	747,074	(61,484)
Balances brought forward 1 January		4,301,939	5,834,713	13,821	10,150,473	9,639,728	4,476,784	5,087,639	75,305
Balances carried forward 31 December		3,525,023	5,528,151	38,379	9,091,553	10,150,473	4,301,939	5,834,713	13,821

Continuing operations

None of the charity's activities were acquired or discontinued during the above two financial years.

Statement of total recognised gains and losses

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

Sons of the Sacred Heart of Jesus
(also known as The Verona Fathers/Comboni Missionaries)
Balance Sheet
as at 31 December 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	c	3,416,763	3,411,629
Investments at market value	10	<u>5,626,721</u>	<u>6,812,502</u>
		9,043,484	10,224,131
Current assets			
Debtors	11	34,718	97,106
Cash at bank and in hand		<u>480,968</u>	<u>296,075</u>
		515,686	393,181
Creditors: amounts falling due within one year	12	(467,617)	(466,839)
Net current assets/(liabilities)		<u>48,069</u>	<u>(73,658)</u>
		<u>9,091,553</u>	<u>10,150,473</u>
Capital and reserves			
Unrestricted Funds			
General funds		3,525,023	4,301,939
Designated funds	13	<u>5,528,151</u>	<u>5,834,713</u>
		9,053,174	10,136,652
Restricted funds	14	<u>38,379</u>	<u>13,821</u>
		<u>9,091,553</u>	<u>10,150,473</u>

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Approved by the Trustees
and signed on their behalf

Martin Devenish mccj
Director/Trustee
Approved by the Directors/Trustees on September 6th 2023

Sons of the Sacred Heart of Jesus
(also known as The Verona Fathers/Comboni Missionaries)
Statement of cash flows
for the year ended 31 December 2022

	Note	2022 £	2021 £
Cash generated in operating activities	A	<u>(139,321)</u>	<u>(406,892)</u>
Cash flows from investing activities			
Investment income		168,744	151,546
Proceeds of investment sales		2,092,006	2,065,777
Purchases of investments		(1,994,300)	(1,947,346)
Purchase of fixed assets		<u>(21,780)</u>	<u>(10,000)</u>
Cash provided (used) in investing activities		<u>244,670</u>	<u>259,977</u>
 Increase in cash and cash equivalents in year		<u>105,349</u>	<u>(146,915)</u>
 Movement in year			
(Decrease) increase in cash at bank and in hand		184,893	(177,072)
(Decrease) increase in deposits and cash held by investment managers for re-investment		<u>(79,543)</u>	<u>30,157</u>
		<u>105,350</u>	<u>(146,915)</u>
 A. Reconciliation of net movement in funds to net cash flow from operating			
		2022 £	2021 £
Net income (expenditure)		(1,058,920)	510,745
Deduct investment income		(168,744)	(151,546)
Add depreciation		16,646	14,199
Add/(deduct) net movement on investments.		1,008,531	(690,531)
Increase (decrease) in creditors		778	(57,478)
(Increase) decrease in debtors		<u>62,388</u>	<u>(32,281)</u>
		<u>(139,321)</u>	<u>(406,892)</u>

Sons of the Sacred Heart of Jesus
(also known as The Verona Fathers/Comboni Missionaries)

Principal accounting policies
for the year ended 31 December 2022

1 Basis of preparation and assessment of going concern

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

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

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

2 Income

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

Legacies are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date.

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

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

3 Expenditure

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

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

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

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

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

4 Tangible fixed assets

Freehold land and buildings are included at a valuation based either on a value estimated by the Trustees in 1999 or on historical cost. The Trustees do not consider that the expense of a professional valuation in order to ascertain the separate values of the land and buildings is justified.

The buildings are in constant use in furtherance of the charitable objectives and are maintained to standards that ensure that their residual value is not less than the book value. Buildings are not depreciated, for the reason stated above, they have a very long useful economic life such that annual depreciation would be immaterial.

All assets costing more than £1,000 and with an expected life of more than one year are capitalised.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant, equipment, fixtures and fittings 20% or 25% on cost.

Motor vehicles 25% on cost.

After five years plant, equipment, fixtures and fittings with a net book value of nil are written out of the accounts as in the opinion of the Trustees such assets have a negligible residual value.

Sons of the Sacred Heart of Jesus
(also known as The Verona Fathers/Comboni Missionaries)

Principal accounting policies
for the year ended 31 December 2022

5 Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

7 Investments

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

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

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

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

8 Fund accounting

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

The designated funds are monies set aside out of general funds and designated for specific purposes by the Trustees.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

9 Taxation

The Trust, as a registered charity, is exempt from taxation on its income and gains falling within Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No tax charge has arisen in the year.

Sons of the Sacred Heart of Jesus
(also known as The Verona Fathers/Comboni Missionaries)
Notes to the Accounts
for the year ended 31 December 2022

1 Salaries and pensions of members

	General fund	Designated fund	Restricted fund	2022	2021	General fund	Designated fund	Restricted fund
	£	£	£	£	£	£	£	£
Salaries	3,224	-	-	3,224	3,000	3,000	-	-
Pensions	38,379	-	-	38,379	35,878	35,878	-	-
	41,603	-	-	41,603	38,878	38,878	-	-

2 Investment income

	General fund	Designated fund	Restricted fund	2022	2021	General fund	Designated fund	Restricted fund
	£	£	£	£	£	£	£	£
Dividends and interest from investments	108,265	59,507	-	167,772	151,530	102,790	48,740	-
Bank and other interest	972	-	-	972	16	16	-	-
	109,237	59,507	-	168,744	151,546	102,806	48,740	-

3 Charitable activities

	General fund	Designated fund	Restricted fund	2022	2021	General fund	Designated fund	Restricted fund
	£	£	£	£	£	£	£	£
Upkeep of communities								
Staff costs	98,304	-	-	98,304	87,133	87,133	-	-
Premises	165,610	-	-	165,610	142,307	142,307	-	-
Provisions and household	80,223	-	-	80,223	69,012	69,012	-	-
Other community and personal costs	300,951	-	-	300,951	290,497	285,293	5,204	-
Depreciation	16,646	-	-	16,646	14,199	14,199	-	-
	661,734	-	-	661,734	603,148	597,944	5,204	-

4 Donations and missions

	General fund	Designated fund	Restricted fund	2022	2021	General fund	Designated fund	Restricted fund
	£	£	£	£	£	£	£	£
Donations	14,370	-	-	14,370	9,314	9,314	-	-
Ministry for Refugees	-	-	-	-	3,000	3,000	-	-
Contributions to the work of the Generalate	224,971	-	-	224,971	190,564	190,564	-	-
Contributions to Missions	54,133	-	-	54,133	118,801	44,072	-	74,729
	293,474	-	-	293,474	321,679	246,950	-	74,729

Contributions to the Missions of the Verona Fathers throughout the world are set out below:

	2022	2021
	£	£
Brazil	3,400	-
Colombia	-	4,000
Ethiopia	1,000	55,000
Eritrea	3,000	-
Italy	8,528	-
Kenya	2,580	10,484
Lay Missionaries	-	4,865
Malawi	4,564	3,600
Mexico	19,110	15,004
Portugal	6,342	3,810
South Sudan	-	189
Tanzania	-	2,739
Uganda	1,157	9,400
Contributions of less than £2,500	4,452	9,710
	54,133	118,801

5 Management and administration

	General fund	Designated fund	Restricted fund	2022	2021	General fund	Designated fund	Restricted fund
	£	£	£	£	£	£	£	£
Office expenses	4,006	-	-	4,006	7,357	7,357	-	-
Digital archive project	33,428	-	-	33,428	14,784	14,784	-	-
Professional fees	4,239	-	-	4,239	6,434	6,434	-	-
	41,673	-	-	41,673	28,575	28,575	-	-

6 Net incoming (outgoing) resources before transfers

This is stated after charging (crediting)	General fund	Designated fund	Restricted fund	2022	2021	General fund	Designated fund	Restricted fund
	£	£	£	£	£	£	£	£
Staff costs (note 7)	101,257	-	-	101,257	87,133	87,133	-	-
Auditors remuneration	6,800	-	-	6,800	6,800	6,800	-	-
Accounting and other	4,312	-	-	4,312	3,500	3,500	-	-
Depreciation	16,646	-	-	16,646	14,199	14,199	-	-

Sons of the Sacred Heart of Jesus
(also known as The Verona Fathers/Comboni Missionaries)
Notes to the Accounts
for the year ended 31 December 2022

7 Staff costs and Trustees' remuneration

	2022	2021
	£	£
Staff costs during the year were as follows:		
Wages and salaries	98,304	80,156
Social security costs	1,367	5,322
Pension contributions	1,586	1,655
	<u>101,257</u>	<u>87,133</u>

No employee earned more than £60,000 per annum (including benefits) during the year or in the previous year.

The average number of employees, analysed by function was:

Office	2	2
Domestic	<u>3</u>	<u>3</u>
	<u>5</u>	<u>5</u>

No trustee received any remuneration or reimbursement of expenses in respect of services as a trustee during the year or in the previous year. All members of the Order, including the trustees, are maintained by the Trust.

8 Other expenditure

Expenditure incurred in respect of historical liabilities for which insurance cover cannot be traced, or where historical policy limits are inadequate.

c Tangible fixed assets

	Freehold land and buildings	Motor vehicles	Furniture and equipment	Total
	£	£	£	£
Cost				
At 1 January 2022	3,391,418	118,579	5,118	3,515,115
Additions	-	21,780	-	21,780
Disposals	-	-	-	-
At 31 December 2022	<u>3,391,418</u>	<u>140,359</u>	<u>5,118</u>	<u>3,536,895</u>
Depreciation				
At 1 January 2022	-	100,927	2,559	103,486
Charge for the year	-	15,367	1,279	16,646
On disposals	-	-	-	-
At 31 December 2022	<u>-</u>	<u>116,294</u>	<u>3,838</u>	<u>120,132</u>
Net book value				
At 31 December 2022	<u>3,391,418</u>	<u>24,065</u>	<u>1,280</u>	<u>3,416,763</u>
At 31 December 2021	<u>3,391,418</u>	<u>17,652</u>	<u>2,559</u>	<u>3,411,629</u>

10 Investments

	2022	2021
	£	£
Listed Investments		
Market value at 1 January 2022	6,640,972	6,068,872
Additions at cost	1,994,300	1,947,346
Disposal proceeds	(2,092,006)	(2,065,777)
Gain (loss) in year	(1,008,532)	690,531
Market value at 31 December 2022	<u>5,534,734</u>	<u>6,640,972</u>
Cash held by investment managers for re-investment	<u>91,987</u>	<u>171,530</u>
	<u>5,626,721</u>	<u>6,812,502</u>
Cost of listed investments at 31 December 2022	<u>5,267,933</u>	<u>5,303,003</u>

11 Debtors

	2022	2021
	£	£
Other debtors	34,718	7,247
Prepayments and accrued income	-	5,059
Due from Generalate Rome	-	84,800
	<u>34,718</u>	<u>97,106</u>

12 Creditors: amounts falling due within one year

	2022	2021
	£	£
Due to Provinces, Procures and Missions	341,772	400,835
Sundry creditors	45,855	45,964
Accruals	26,682	20,040
Due to Generalate in Rome	53,308	-
	<u>467,617</u>	<u>466,839</u>

Sons of the Sacred Heart of Jesus
(also known as The Verona Fathers/Comboni Missionaries)
Notes to the Accounts
for the year ended 31 December 2022

13 Designated funds

The income funds of the charity includes the following designated funds, set aside from the unrestricted funds of the Trust by the trustees for specific purposes:

	At 1 January 2022	Transfers	Incoming resources	Utilised/ realised	At 31 December 2022
	£		£	£	£
Reserve and Retirement fund	1,906,656	-	45,881	(300,988)	1,651,549
Building Maintenance fund	536,639	-	13,626	(65,081)	485,184
The Land and Buildings fund	3,391,418	-	-	-	3,391,418
	<u>5,834,713</u>	<u>-</u>	<u>59,507</u>	<u>(366,069)</u>	<u>5,528,151</u>

The Reserve and Retirement fund has been setup to provide for the retired and aged members of the Province in future years.

The Building Maintenance fund is intended to cover any large unexpected costs arising from the age and condition of the charities properties.

The Land and Buildings fund is equal to the book value of the land and buildings A decision was made to separate this fund from the general fund of the charity in recognition of the fact that the land and buildings 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.

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and other monies held on trust to be applied for specific purposes:

	At 1 January 2022	Incoming resources	Utilised/ realised	At 31 December 2022
	£	£	£	£
Mission donations	3,865	-	-	3,865
Nekemte School Project Ethiopia	2,290	24,558	-	26,848
St Daniel Comboni Secondary School Nairobi	7,666	-	-	7,666
	<u>13,821</u>	<u>24,558</u>	<u>-</u>	<u>38,379</u>

The specific purposes for which the funds are to be applied are as follows:

The Mission Fund consists of donations received for specific missions and projects.

The Nekemte School Project consists of funds collected to build a school in Ethiopia.

St Daniel Comboni Secondary School Nairobi represents donations for a secondary school in Kenya.

15 Analysis of net assets between funds

	General fund	Designated funds	Restricted funds	2022
	£	£	£	£
Fixed assets	3,999,884	5,043,600	-	9,043,484
Current assets	(7,244)	484,551	38,379	515,686
Creditors: amounts falling due within one year	(467,617)	-	-	(467,617)
	<u>3,525,023</u>	<u>5,528,151</u>	<u>38,379</u>	<u>9,091,553</u>