



The Congregation of the Holy Spirit
and the Immaculate Heart of Mary

British Province

THE SPIRITANS

Trustees and Accounts
ANNUAL REPORT 2021

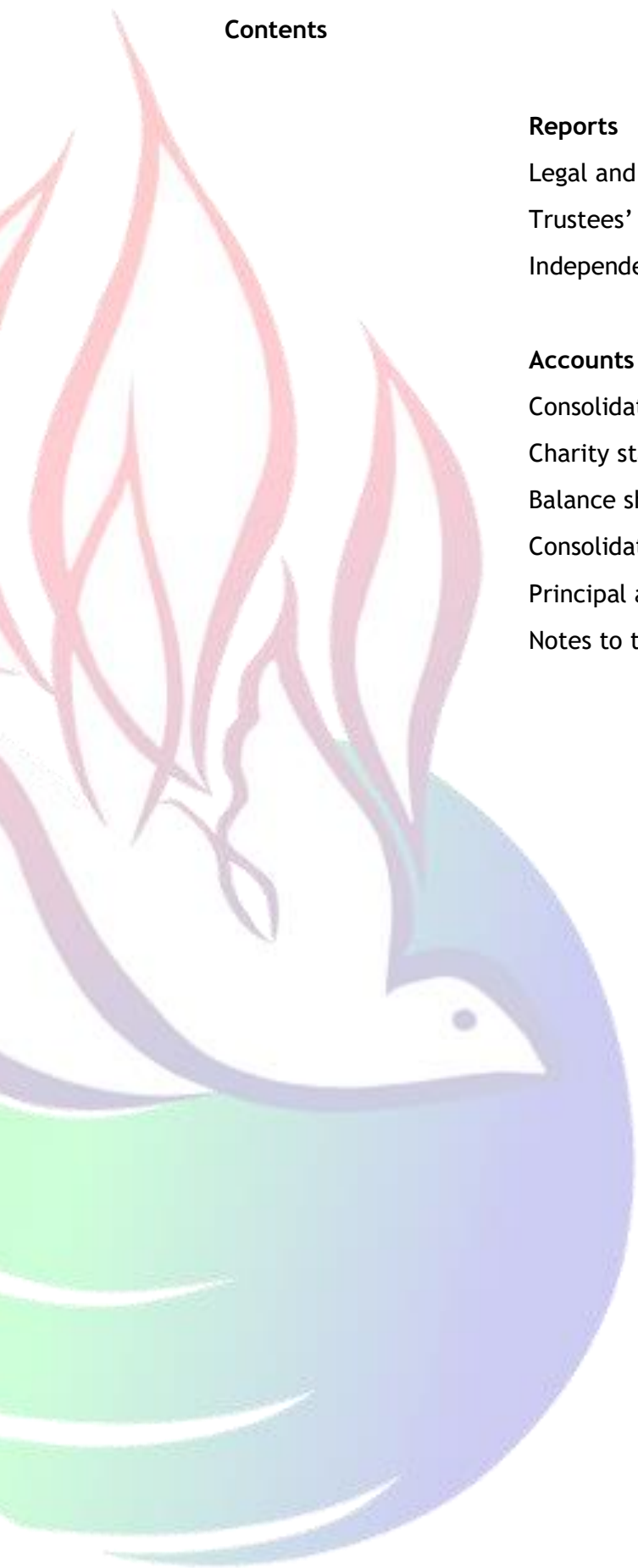
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Legal and administrative information

Trustees	Father Ugochukwu Ikwuka C.S.Sp (Chairperson from 1 September 2021) Father Michael Desmond Wilson C.S.Sp (appointed 1 September 2021) Father James Flynn C.S.Sp (First Assistant) (appointed 1 September 2021) Father Joseph Melchior Kiwango C.S.Sp (appointed 1 September 2021) Father Paul Antwi-Boasiako C.S.Sp (appointed 1 September 2021) Father Kenneth Okoli C.S.Sp (Chairperson) (resigned 1 September 2021) Father James Mchamangu C.S.Sp (resigned 1 September 2021) Father John Kitchen C.S.Sp (First Assistant) (resigned 1 September 2021) Father Thomas Wilberforce C.S.Sp (resigned 1 September 2021)
Principal Address	Spiritan House 60 Hoole Road Chester CH2 3NL
Other locations	6 Woodlands Road Bromley Kent BR1 2AF 117 Newarthill Road Carfin Motherwell ML1 5AL The Spiritan Centre Northallerton Road Salford M7 3TP Holy Ghost Fathers 61 Leicester Road Salford M7 4DA
Charity registration numbers	227350 (England and Wales) SC011294 (Scotland)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	National Westminster Bank plc 10 Elephant Yard Kendal LA9 4LZ

Legal and administrative information

Investment Managers	Investec Wealth & Investment Limited 2 Gresham Street London EC2V 7QP
	Ramsey Crookall Securities House 38/42 Athol Street Douglas Isle of Man IM1 1QH
	BlackRock Investment Managers (UK) Limited 12 Throgmorton Avenue London EC2N 2DL
	UBS Financial Services Inc 500 Grant Street BNY Mellon Center 46th Floor PA 15219-2502
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Solicitors	IBB Solicitors Capital Court 30 Windsor Street Uxbridge Middlesex UB8 1AB

The trustees present the report and accounts of The Congregation of the Holy Spirit and the Immaculate Heart of Mary, British Province (the “charity” or “Province”) for the year ended 31 December 2021. The charity is also known within the Catholic Church as ‘The Spiritans’ and the ‘Holy Ghost Fathers’.

The accounts have been prepared in accordance with the accounting policies set out on pages 27 to 33 of the attached accounts and comply with the charity’s trust deed, 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 (Charities SORP FRS 102).



Introduction and short history

The Congregation of the Holy Spirit, or as we are widely known, the Holy Ghost Fathers or Spiritans, was founded in 1703 by Claude Francis Poullart des Places (1679-1709) and merged in 1845 with The Congregation of the Holy Heart of Mary, founded by the Venerable Father Francis Libermann (1802-1852) to form The Congregation of the Holy Ghost and the Immaculate Heart of Mary (the Congregation).

The Spiritans came to Britain 200 years after our initial founding when the anti-Catholic government in France was busy closing convents and monasteries. They looked for a refuge abroad and rented Prior Park, a mansion near Bath in Somerset.

Before they returned to France three years later, the Bishop of Liverpool allowed them to open Castlehead in Grange-over-Sands, Lancashire as a junior seminary. Gradually the seminary flourished and boys were put through their secondary studies before going to France for the Novitiate and training for the missionary priesthood. They formed the English Province of the international Congregation.

By 1939, the Fathers had bought a property in Nottinghamshire to act as a senior seminary but the Second World War broke out and the government requisitioned the house as a military hospital. On average, four new priests were ordained every year and despite the U-boats in the Atlantic, they sailed to their missions in Sierra Leone, Nigeria and East Africa.

With the diocesan clergy assured, young men were encouraged to join the Holy Ghost Fathers and there are now many professed members from the diocese and the surrounding areas.

Introduction and short history (continued)

In 1947, a house was acquired in Bickley, Kent, as headquarters for the infant English Province and a centre for late vocations. Ex-servicemen were applying to join and some needed help to complete their studies prior to going to the Novitiate.

Recognising the importance of Scotland, as both a place for missionary vocations as well as support for missionary work, the Spiritans set up a community on the outskirts of Glasgow in 1956.

In 1963, the Province was recognised as a registered charity under English Law.

From the late 1980's to date, there has been a conscious decision to concentrate on working with young people, people seeking asylum and refugees, and other marginalised groups within the United Kingdom, as well as maintaining a retirement provision for elderly confreres and offering assistance to the Congregation's overseas missionary works. The Spiritans also staff several parishes in the dioceses of Birmingham, Nottingham, Salford, Southwark and Westminster together with a missionary outreach in Carfin, Scotland.

In 2008, the Province changed its name from the Congregation of the Holy Ghost and the Immaculate Heart of Mary, English Province to the Congregation of the Holy Spirit and the Immaculate Heart of Mary, British Province. This was to reflect its geographical reality.

History of our overseas missionary works

In 1925, the first Spiritans from the United Kingdom went to Sierra Leone in West Africa. As numbers grew, more followed and then others began to go to Southern Nigeria and Mauritius, while a few went to east Africa and the Caribbean.

In 1947, Rome entrusted to the then English Province the Prefecture of Otukpo in Northern Nigeria, an area almost the size of England, Frank Murray C.S.Sp being the first Prefect. Ever since, most of our Fathers have worked there. This became the Diocese of Makurdi in 1958 with James Hagan C.S.Sp. as its first bishop.

The Fathers first concentrated on education in primary schools, and then opened colleges for boys, and with the help of the Holy Rosary Sisters, for girls too. In 1975, the Government took over the schools enabling the missionaries to pay more attention to the adults, using the new Rite of Christian Initiation for Adults (RCIA).

The response was tremendous. Bishop Murray, C.S.Sp. invited in other Religious Societies, of both men and women, and many new parishes were opened as well as clinics and hospitals.

From the beginning, following Father Libermann's advice, the missionaries encouraged local vocations who would eventually take over the area. A Junior Seminary was opened in Keffi in 1956 and students from there went on to the Senior Seminary in Jos. The first Diocesan priest for Makurdi Diocese was ordained on 1 January 1970, to be followed each year by an ever-increasing number.

With the diocesan clergy assured, young men were encouraged to join the Holy Ghost Fathers and there are now many professed members from the diocese and the surrounding areas.

History of our overseas missionary works (continued)

Today there are close to five million people in the original prefecture area, which is now split into seven dioceses, Idah, Otukpo, Makurdi, Gboko, Katsin ala, Lafia and part of Jalingo, each with its own Nigerian Bishop and clergy.

The Province continued its links with Sierra Leone and has always had Fathers working there up to and during the brutal and horrendous civil war which ran from 1991 to 2000.

After Vatican II, there was a much greater involvement in international projects and the then English Province was at the forefront of this missionary commitment with British confreres serving on international teams in Angola, Australia, Kenya, Tanzania, South Africa and Ghana.

The Province has continued to experience growth and renewal due largely to mission-appointments of Spiritans from other Provinces of the Congregation to the British Province.

The Province has enjoyed great missionary successes and expansion in Britain and overseas, and has maintained an international and missionary flavour to its works.

Constitution

The charity was established by a Trust Deed executed in 1963 which conferred the initial assets of the charity upon its trustees, requiring them to apply the capital, and income from such assets, for charitable purposes which advance the religious, missionary and other charitable work in England, Wales, Scotland and any other part of Great Britain and in British Colonies and Dependencies or the British Commonwealth for such lawful charitable purposes connected with the advancement of the Roman Catholic religion as the trustees shall decide. In 2012, the Trust Deed was amended to take into account the worldwide nature of the British Province's mission so that we are no longer constricted to the territories mentioned above.

Objectives and activities

Objectives

The objective of the charity (Province) is to advance the religious, missionary or other charitable work of the Congregation.

In practice, this means the charitable work of the Roman Catholic Church especially the promotion of its ethical, religious and missionary ideals.

When setting the objectives and planning the work of the charity for the year, and when encouraging the work of individual members, the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

Objectives and activities (continued)

The Vision of the British Province

The Spiritans of the British Province undertake to be a witness to the Gospel in an ever-changing world. We strive especially to serve those who are poor and marginalised by society, sensitive to their changing needs. Our vision is to carry out our mission by fidelity to community life. We desire a revitalisation of community. The process of sharing, community prayer, mutual support and trust, affirmation and dialogue are recognised as essential elements of community building.

The Mission of the British Province

We are dedicated to the Holy Spirit, who invites us to renew the face of the earth through our holiness and work for the poor. We place ourselves under the protection of the Immaculate Heart of Mary, who was filled by the same Spirit inviting us to lift up the lowly.

In keeping with our ideal of a life that is both fraternal and apostolic, we take for our motto the words used to describe the early Christian communities: *Sharing all things in common*.

In faithfulness to the intuitions of our Founders, to their experiences and to the living traditions of our Congregation, we give priority to those who have little or no experience of the Gospel. Among these are:



These areas contain some of the most disadvantaged in our society and belong to groups for whom the Church has difficulty in finding workers.

The decree of the Second Vatican Council "Ad Gentes" (to the nations), remains an important commitment of the British Province.

We aspire to achieve this mission through:

- Witnessing to community life;
- Collaborative ministry;
- Parish ministry; and

Objectives and activities (continued)

The Mission of the British Province (continued)

- Putting in place foundations so that a work is not dependent on our continuing presence.

We also continue to give support to new Provinces and Foundations (circumscriptions) of the Congregation.

In 2018, the Province convened a Provincial Chapter which reviewed the Province's objectives and put in place the vision and mission of the Province (and hence for the charity) for the next three to six years.

Activities, achievements and performance

General overview

The Congregation of the Holy Spirit and Immaculate Heart of Mary, British Province is part of an international missionary organisation within the Catholic Church, but with an independent authority and structure. It has branches in over sixty countries on six continents, with its Generalate (Motherhouse) in Rome. The Province has in total 90 members from different countries.

We Spiritans, are a religious congregation, comprising clerics, consecrated laymen and Lay Associates. Spiritan brothers are consecrated laymen who make life long vows, but have not opted for ordination to the priesthood. We develop professional and technical skills such as medicine, teaching, social services and communications, which are critical to mission works and projects everywhere in the world. Spiritan Lay Associates are members who undertake renewable promises of commitment, to live out the Spiritan vision and spirituality in their everyday family lives and work. Many of them are key supporters of our projects.

In recent years, the trustees have set up close partnerships within this international framework whereby members from other Provinces are appointed to the British Province to participate in our mission in the United Kingdom.

As well as direct aid for projects in other Provinces, donations are also made to our European Secretariat in Brussels and to the Generalate in Rome, which helps the financing of various missionary projects throughout the world through the COR UNUM fund.

Part of our work is catering for the retirement needs of our elderly and sick members who have spent the majority of their lives in missionary work.

Ministry and the Impact of Covid-19

Since the start of the Covid-19 pandemic in 2020, we have been living through a very challenging time. For many people, it was a time of so much isolation and loneliness, of sadness and death, and yet of creativity and shining generosity.

The Covid-19 has affected not only the basic nature of social interactions but has also had a significant economic impact at every level in ways that have been outside of the charity's control.

Activities, achievements and performance (continued)

Ministry and the Impact of Covid-19 (continued)

With social distancing measures in place, the charity's ministry has been heavily affected. While strictly observing the Government's advice, the Congregation encouraged all its members to use all means available to continue serving people in need, making use of online platforms to broadcast prayers and organise meetings.

Members of the Congregation, especially those who were not in the vulnerable category, continued to support the vulnerable members of the society as chaplains working mostly with the NHS. Other ways the parishes and communities offered support include:

Volunteering with NHS
as Chaplains

Parishes continued to
support the parishioners
through online services,
phone calls and letters

Most of our parishes
continued to run food
banks. Through this, an
average of 400 people
were supported per
week. Also, some of our
parish halls were used as
vaccination centres

Supporting bereaved
families

Through Revive CIO (our
subsidiary) we continue
to offer support to
Refugees and people
seeking asylum. Over
3000 people were
helped

Through Just Youth,
young people received
spiritual and moral
support during the
pandemic

During the pandemic, 4 more parishes were taken by the Spiritans as we continue to support the dioceses in the time of crisis. Though we were able to meet a limited number of people because of the restrictions, the network of relationship between the parishioners continued

Financial Impact of Covid-19

The pandemic has also caused a significant financial impact, as all the Mission Appeals and face to face fundraising events were cancelled and donations reduced.

In order to continue with our ministry and to be able to protect our workers, some of our staff were furloughed under the Coronavirus Job Retention Scheme, having 80% of their wages costs covered by the Government. As the Government eased the lockdown, our offices, places of worship and projects made the necessary adjustments, putting in place health and safety measures to slowly welcome back our parishioners and volunteers.

Activities, achievements and performance (continued)

Financial Impact of Covid-19 (continued)

The return on the charity's investments was also affected, but bounced back at the end of the financial year. However, the current fluctuations of the financial markets make it difficult to ascertain the real impact; we are working with our investment managers to mitigate the risks.

The trustees will continue to keep both income and expenditure under review. Whilst there will undoubtedly be challenges ahead, the trustees do not expect material concerns to arise over the charity's financial position.

Communities, parishes, projects and chaplaincies

The Province administered the works of **23 parishes** within Britain during 2021 on behalf of the dioceses in which each parish is situated.

Each parish is orientated and focused towards the Missionary objectives of the Province. This includes not only support of the local Church but also the spectrum of efforts the Congregation is involved with worldwide. This is achieved through encouraging prayer, community building and practical support. The parishes act as a base for our Spiritan outreach in that particular area.

Our Spiritan ministry encompasses engagement within the parish, the local community, and reaching out to those at the margins of the society. Using the parish as a base, we also reach out to schools as school chaplains and school governors.

Chaplaincy is the provision of religious and pastoral services to people within local communities who may have specific needs due to their state of life, who face unique challenges, or who are vulnerable and therefore require special accommodations to be made. Most commonly, chaplaincies are connected with secular institutions, such as hospitals, prisons, and schools.

The charity continued to support schools, hospitals, different ethnic groups and prisons. In total, the Spiritans support four prisons, and many schools and hospitals - especially those attached to the parishes staffed by Spiritans.

Provision of Care for the sick and the Elderly members of the Order.

Part of our work is to support the members of our congregation who are sick or retired after many years of service, mostly, in difficult mission areas.

Last year, it was particularly difficult as due to the NHS backlog (long waiting list), many hospital appointments were cancelled due to Covid-19. Thanks to the donations and legacies received, the charity spent over £150k to support its sick and retired members.

Spiritan projects

The Province continues to support our projects, which were designed to help the less privileged in society. It has two major projects: Just Youth and Revive CIO.

Activities, achievements and performance (continued)

Spiritan projects (continued)

Just Youth

Just Youth is a youth ministry project established by the Spiritans in 1998 under a separate charity (Charity Registration No. 1072491) in Salford. It provides creative formal and informal educational activities for young people, to help develop their spiritual, moral, social, emotional, and intellectual potential that they may grow to full maturity as persons and valued citizens.

During 2021, the Province provided **four** Spiritan priests and **four** Seminarians to work with Just Youth. The Spiritans also provided the services of the Spiritan Provincial administration members who are the trustees of Just Youth, the service of the provincial financial office as well as the use of the Spiritan Centre and a grant to assist the operation of the Project. A more detailed Just Youth project report can be found attached to the Just Youth accounts.

As Just Youth works mainly with schools, its income was adversely affected due to the lockdown. The Spiritans supported Just Youth and still continues to do so as the organisation recovers from the pandemic.

More information can be obtained from the Just Youth website www.justyouth.co.uk as well as a detailed report filed with the Charity Commission.

Revive CIO

Revive is a Spiritan Missionary project which provides free practical support, services and advocacy for refugees and people seeking asylum regardless of race, religion, gender, sexuality, disability, age or beliefs.

The work is underpinned and inspired by the Christian values of compassion, service, equality and respect of human dignity. Revive aims to promote access to rights, safety, stability and independence.

The Revive project has been a part of the Spiritans since 2002 when it was established. As the project continued to grow and expand, the trustees decided to register this project as a Charitable Incorporated Organisation (CIO).

More information can be found on Revive's website www.revive-uk.org and also in a separate report filed with Charity Commission.

Overseas ministry and support

Brazil - City of Angels

In aid of City of Angels, the British Province contributed £60k in 2021.

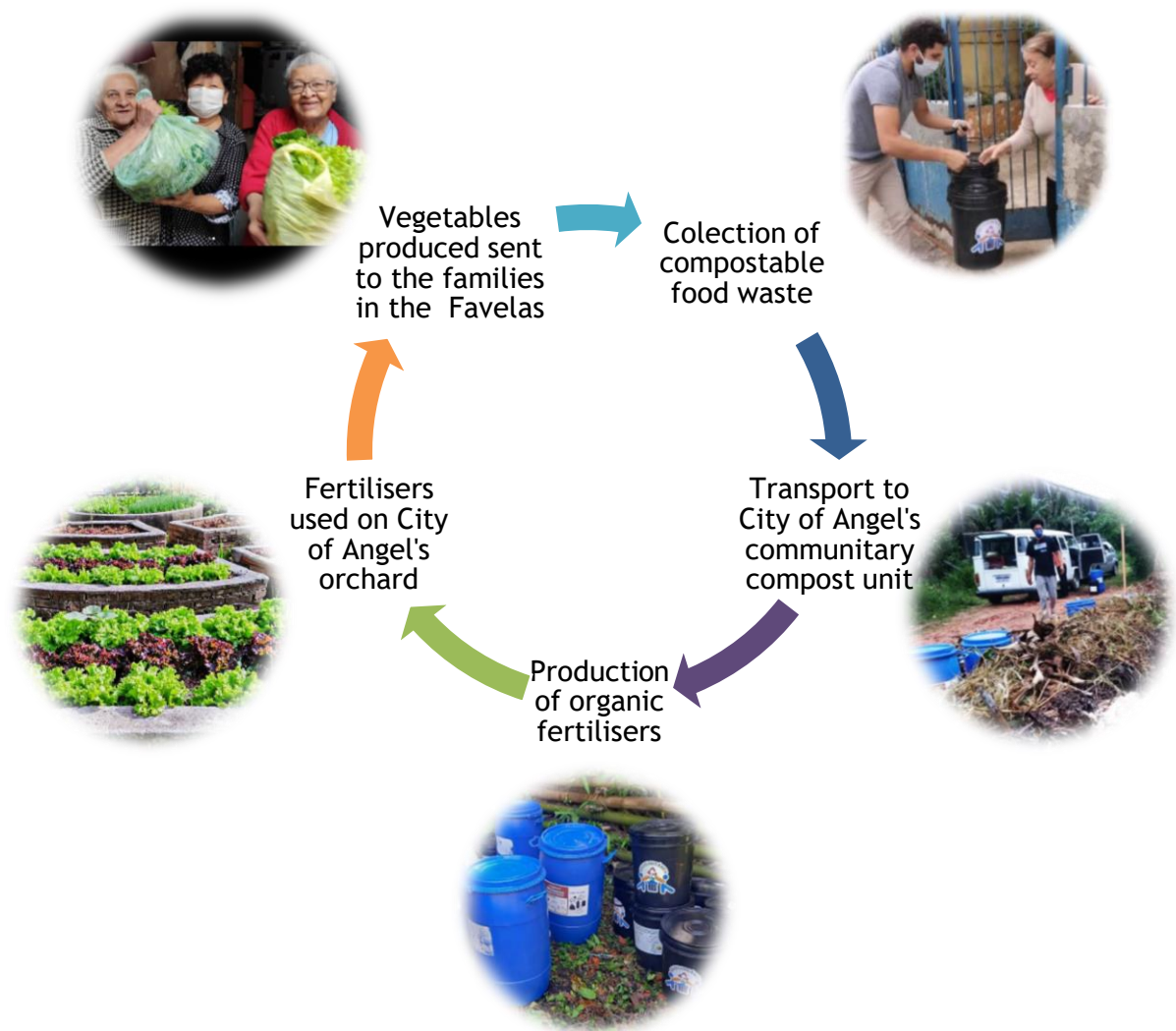
In response to Pope Francis' call to "care for our Common Home" and in pursuit of justice, peace and integrity of creation (JPIC), the City of Angels developed the Reciclorganico Project. The aim is to educate the population of favelas on sustainability and to offer an alternative to the disposal of food waste generated by the families.

Activities, achievements and performance (continued)

Overseas ministry and support (continued)

Brazil - City of Angels (continued)

Throughout the process, the families are trained on what can be composted, on the chemical transformation of the residues during a visit to the City of Angels' orchard and take part on the plantation of vegetables. The young adults supported by City of Angels are responsible for the collection and transport of the residues, as well as the production of periodic reports, training of the families, social media presence and search for partnership.



Activities, achievements and performance (continued)

Overseas ministry and support (continued)

Brazil - City of Angels (continued)

Formation on sustainability based on Pope Francis' "Laudato Si"



Crèche

The crèche built in 1989 by the residents in the heart of Vila Prudente Favela is still going strong. Today, in partnership with the City Council of Sao Paulo, the crèche serves **61** children from **1 to 3 years** and employs **12** staff members. The existence of the crèche is crucial to support working parents and create a stable environment to the children in their early years.



Feeding soul and body

The Covid-19 pandemic had a massive impact in the Brazilian society. With a death toll of over 619k by the end of 2021, the population also struggled with food prices rising astronomically and a hit on the 'informal economy', which employs a great part of the population living in favelas.

With some 60% of Brazilian households affected by food insecurity, the City of Angels in partnership with Overseas Charities, responded to the call distributing tons of food baskets to the families within the **35** favelas supported by the charity.



Activities, achievements and performance (continued)

Overseas ministry and support (continued)

Lay Associates

Many people from all walks of life, in contact with Spiritans in many parts of the world, feel inspired and called to share in the charism and mission of the Spiritans. Many have gone further to make a formal commitment to live a Spiritan way of life within the context of their everyday lives and working environment. They form the Lay Spiritan Associates.

Celebrating our volunteers

Volunteers remain a gift to the community especially to our organisation and, without them, we would not have accomplished what we did - from helping with drop-in sessions before the pandemic to interpreting to helping with administrative work in our parishes, stewarding in the places of worship during the pandemic and helping bereaved families, their selflessness and service to others remains a cornerstone of Spiritan ministry.

Financial review

The accounts for 2021 show the consolidated position of the 'Spiritan Group', which includes the Province, Just Youth, and Revive CIO, its subsidiary charities. The Group's net movement in funds amounted to a surplus of £400,992 (2020 - £1,566,779) comprising a net income before net investment gains of £152,300 (2020 - £2,672), with the adjusting balance being the net investment gains of £248,692 (2020 - net investment gains of £1,564,107, which, in the year to 2020, included net gains on the revaluation of investment properties of £1,505,000. There was no gain or loss on investment properties in 2021.

Income

The income of the Group during 2021 amounted to £2,019,463 (2020 - £1,694,474). Our main income was from donations and legacies, which with £498,875 (2020 - £410,453) being the salaries, pensions and ministry income of the Spiritans totalled £1,422,439 (2020 - £1,105,757).

The Province continues to be extremely thankful to its donors and benefactors without whom its work would not be possible.

Income from other trading activities totalled £45,961 (2020 - £66,454), and income from listed investments and other interest amounted to £320,763 (2020 - £304,023). Income from youth education (Just Youth) was £28,337 (2020 - £17,954) in the year and income from enrichment activities (Revive CIO) totalled £177,747 (2020 - £164,276).

All income received during 2021 was used to support the missionary activities of the Province both at home and overseas.

Expenditure

The expenditure of the Province continues to be monitored. The principal areas of expenditure are the support of the Provinces and the wider Congregation's missionary objectives, both at home in Britain and overseas, together with the continued expense of funding the operation of the retirement provision in Chester and Carfin, and the employment costs of staff that help facilitate the Province's missionary work.

Financial review (continued)

Expenditure (continued)

During 2021, Group expenditure was £1,867,163 (2020 - £1,691,802) of which £1,367,972 (2020 - £1,141,288) relates to charitable missionary objectives in the UK and £192,413 (2020 - £255,041) relates to donations and the support of overseas missions. £84,126 (2020 - £72,559) relates to the costs of the Spiritan Youth ministry, including the costs of the subsidiary charity, Just Youth. This sum principally reflects the salaries of its staff and the operational costs of the Spiritan Centre. Expenditure on the Group's enrichment activities totalled £179,337 (2020 - £170,420).

The balance of the expenditure relates to the cost of raising funds including investment management costs.

Each year budgets are established and closely monitored to ensure prudent management of the Province's resources. This, as well as the strategic plan, helps to ensure the ongoing viability of the Province. Main areas of expenditure are constantly being reviewed and examined in order to ensure a continuing and viable missionary Province in the future.

Financial position

The consolidated balance sheet shows total funds of £13,630,676 (2020 - £13,229,684) of which £2,468,305 (2020 - £2,457,715) represents properties and other tangible fixed assets, which are essential in supporting the work of the Province. Other funds that need mention are as follows:

- £366,352 (2020 - £366,352) relates to a designated fund for the use with the homeless and those with addictions.
- £6,820,000 (2020 - £6,720,000) is designated as a retirement fund to ensure that the needs of the retired members of the Province can be supported.
- £362,000 (2020 - £nil) is designated as an overseas retirement fund to ensure that the needs of the retired members overseas can be supported.
- £30,000 (2020 - £30,000) relates to a designated fund to look after the priests' health.
- £216,132 (2020 - £201,282) relates to restricted funds.

Reserves policy

The trustees have a policy of ensuring that they hold in reserve funds equivalent to the running costs of the charity for one year. At 31 December 2021, the level of the general fund or free reserves was £3,367,887 (2020 - £3,454,335). The level of free reserves currently more than meets this target. The trustees believe that, together with the designated funds, they have sufficient free reserves to meet the needs of the charity in the immediate future and they continue to monitor the level of reserves closely.

Given the challenges that will arise in the short to medium term as a result of the aftermath of Covid-19 and more recent geopolitical events this level of reserves, being slightly higher than that required by the reserves policy, is deemed appropriate and the trustees are content that the charity is a going concern.

Financial review (continued)

Investment policy

The trustees have the power to invest in such assets as they see fit. However, to ensure all financial investments adhere to Catholic Social Teaching the charity has an established 'Ethical Investment Policy'.

The services of investment management companies, are employed to implement this policy and to ensure the maximum return is achieved on our investments. Our investments are reviewed on a regular basis.

Plans for the future

With the aftermath of the pandemic and more recent geopolitical events, the trustees will continue to monitor the income and expenditure and make decisions accordingly. The Province had an elective assembly in July this year, and new trustees were elected. However, the 2018 Chapter decisions were not changed.

Structure, governance and management

Employees, volunteers and members of the congregation

The Province is very fortunate in continuing to have many dedicated people to help in its missionary activities. This voluntary help enables the members of the charity to devote their time to working with deprived groups, those on the margins and those in need. There is no remuneration for this work. Alongside their other priestly duties, the trustees give a great deal of their time to the administrative work of the Province. There are also members appointed to take charge of communities and the care of the elderly members of the Province. These duties are carried out without financial remuneration and, once again, their contribution is greatly appreciated.

Statement of trustees' responsibilities

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 and in Scotland requires the trustees to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the group and the charity and of the income and expenditure of the group and charity for that period.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and 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

Structure, governance and management (continued)

Statement of trustees' responsibilities (continued)

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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 accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations for 2006 and the provisions of the charity's trust deed. 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.

Appointment of trustees

All trustees are appointed by those members of The Congregation of the Holy Spirit and the Immaculate Heart of Mary, British Province (the "Province") who are in permanent vows. The Chairperson of the trustees is the elected Provincial Superior of the Province. The other trustees are the first assistant and appointed councillors on the Provincial Council.

The trustees are elected and appointed every three years at an elective Provincial Assembly or Chapter of the Province and are confirmed in office by the Generalate of The Congregation of the Holy Spirit and the Immaculate Heart of Mary in Rome.

As all trustees are members of the Congregation, they have detailed knowledge of the works of the charity, its structure and its aims and objectives.

On 1 March 2013 the trustee body of the Congregation, under an order from the Charity Commission of England and Wales and ratified by the Office of the Scottish Charity Regulator, became an incorporated body to be known as The Incorporated Trustees of The Congregation of the Holy Spirit and the Immaculate Heart of Mary, British Province.

Training of the Provincial Council in their role as trustees is facilitated by the Provincial Bursar (Chief Financial Officer). Training is provided using materials provided by the Charity Commission of England and Wales or the Office of the Scottish Charity Regulator, major conferences, the Association of Provincial Bursars, the Conference of Religious and also relevant literature and seminars provided by firms of solicitors and accountants specialising in charity practice and procedures.

The names of the trustees who served during the year and up to the date on which this report was approved are set out on page 1 of this report.

Organisational structure

The Provincial Council (board of trustees) is bound to a common vision contained in the Spiritan Rule of Life promulgated by the international body of the Congregation of the Holy Spirit from its headquarters in Rome. This is applied to local circumstances by a gathering (Chapter) of the general body of the British Province members. However, the Province is an independent legal entity under British law, responsible for its own financial concerns.

The Provincial Council is responsible for the overall governance and management of the Province.

Structure, governance and management (continued)

Organisational structure (continued)

The main administration office of the Province during 2021 was in Chester.

For the day-to-day management of the Province, the trustees have appointed Community Leaders and Project Directors to oversee each of its communities and missionary projects.

These Community Leaders and Project Directors meet regularly with the trustees to ensure that the charity's governance and objectives are complied with.

Each community and project has its own advisory committee that meets on a regular basis. These committees submit regular reports to the Provincial Council/trustees.

During 2021 the trustees met regularly physically and through online platforms.

The Provincial Bursar, assisted by the Provincial Finance Team, administers the affairs of the central administration and oversees the community bursars and the project administrators who are responsible for the day-to-day management of the Province. The Provincial Bursar and the Provincial Council are also supported by advice from their professional advisors.

Each community and missionary project operates its own bank account in a centralised accounting structure with the Province's bankers. All bank accounts are monitored by the Provincial Bursar's office.

Key management personnel

The trustees consider that they comprise the key management of the group and charity in charge of directing and controlling, running and operating the group and charity on a day-to-day basis.

All trustees are members of the Congregation and whilst their living and personal expenses are borne by the charity they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or their role as key management personnel.

The key management personnel of the subsidiary charities, Just Youth and Revive CIO, comprise their respective trustees. None of the trustees of Just Youth or Revive CIO received any remuneration during the year.

Risk management

The advisory committees of each project and community bursars are responsible for overseeing risk assessments. All significant activities undertaken by the Province are subject to a risk review. The major risks are ranked in terms of their potential impact and probability. The advisory committees and community bursars then report all major risks to the Provincial Bursar's office and Provincial Council who ensure that adequate systems are in place to manage the risks.

Structure, governance and management (continued)

Risk management (continued)

In addition to the challenges faced because of the Covid-19 pandemic (see above), this work has identified a number of key risks for the charity which are described below together with the principal ways in which they are mitigated:

- The trustees are aware that there is both a moral and legal obligation to care for the older members. None of the Spiritans 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. As the age profile increases, so too does the need to provide care for the brethren. Key elements of the management of this risk are: (a) ensuring that the charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual Spiritans encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.
- The charity works with children and vulnerable adults including older people. The Spiritans, as a religious missionary Congregation and a member of the Conference of Religious (CoR), adheres to the national Safeguarding Policy of the Catholic Church as agreed by the Bishop's Conference of England and Wales and the Conference of Religious.

Complying with the policy means:

- Ensuring that all activities are conducted safely by applying the principles of "Creating a Safe Environment" as per the national policy.
- Ensuring that all personnel involved (including religious and laity) are recruited under Safer Recruitment Guidelines and obtain a Disclosure and Barring Service (DBS) Disclosure for working with vulnerable groups.

The Spiritans Safeguarding Policy and Procedures are based on the principles and guidelines set out in the National Safeguarding Policy:

Respect for the innate dignity of every person is a fundamental principle. Integral to this is the recognition of the right of all children, which must be respected, protected, cared for and nurtured - a right rooted in the Gospel and Christian tradition as well as in international, domestic and canon law.

The Spiritans always liaise closely with statutory agencies to ensure that if a disclosure is made, the correct procedure is followed. The Province has a Spiritan who is responsible for compliance with this policy.

Structure, governance and management (continued)

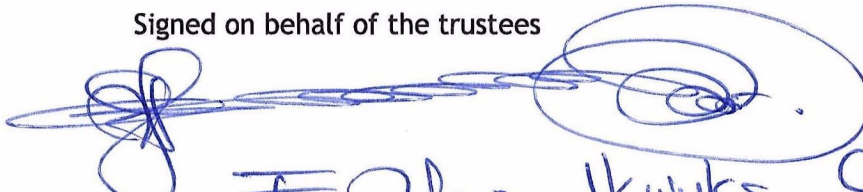

Risk management (continued)

- The charity donates significant sums in support of the wider Congregation and other organisations. The vast majority of donations sent overseas are to fund projects administered directly by members of the international Congregation. Whether or not the funds are used here in Great Britain or overseas, the trustees always ensure that they are fully briefed about and familiar with the work of a potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that, wherever possible (and always in the case of monies sent overseas), a full written report of how the monies have been utilised and applied is obtained from the recipient.
- One of the charity's principal assets comprises listed investments, the value of which is dependent on movements in United Kingdom and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the trustees. The trustees meet with the investment managers and the manager's performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs - both now and in the future.

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of Professional Fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2021, the charity received no complaints about its fundraising activities.

Signed on behalf of the trustees


Trustee  CESP
Approved on: 16/06/22

Independent auditor's report to the trustees of The Congregation of the Holy Spirit and the Immaculate Heart of Mary, British Province

Opinion

We have audited the accounts of The Congregation of the Holy Spirit and the Immaculate Heart of Mary, British Province (the 'parent charity') and of The Congregation of the Holy Spirit and the Immaculate Heart of Mary, British Province and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the group and parent charity statement of financial activities, the group and parent balance sheets, the consolidated 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 group's and of the parent charity's affairs as at 31 December 2021 and of their 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 group 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the accounts 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 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 and proper accounting records have not been kept by the parent charity; or
- the parent charity 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 group's and the parent 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 group or the parent 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

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

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 representatives from the 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 and 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
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of representatives from the trustees 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 representatives from the 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;
- 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

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

- 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.

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.

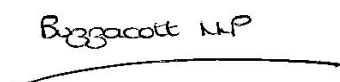
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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, and in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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

13 July 2022

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

Consolidated statement of financial activities Year to 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Unrestricted funds (as restated) £	Restricted funds (as restated) £	Total funds 2020 £
Income from:							
Donations and legacies	1	1,277,094	145,345	1,422,439	1,014,595	91,162	1,105,757
Other trading activities	2	45,961	—	45,961	66,454	—	66,454
Investments and interest receivable	3	320,763	—	320,763	304,023	—	304,023
Charitable activities							
. Enrichment activities		—	177,747	177,747	—	164,276	164,276
. Youth education	4	28,337	—	28,337	17,954	—	17,954
Other sources							
. Coronavirus Job Retention Scheme		11,108	—	11,108	32,461	—	32,461
. Foreign exchange gains		2,799	—	2,799	—	—	—
. Surplus on disposal of tangible fixed assets		632	—	632	3,549	—	3,549
. Miscellaneous income		9,677	—	9,677	—	—	—
Total income		1,696,371	323,092	2,019,463	1,439,036	255,438	1,694,474
Expenditure on:							
Raising funds	5	43,315	—	43,315	45,241	—	45,241
Charitable activities							
. Enrichment projects	6	28,260	151,077	179,337	97,895	72,525	170,420
. Youth activities	7	84,126	—	84,126	72,559	—	72,559
. Support of members of the Congregation and their ministry	8	1,367,972	—	1,367,972	1,141,288	—	1,141,288
. Donations and support of overseas missions	9	35,248	157,165	192,413	155,823	99,218	255,041
Other costs							
. Foreign exchange losses		—	—	—	7,253	—	7,253
Total expenditure		1,558,921	308,242	1,867,163	1,520,059	171,743	1,691,802
Net income (expenditure) for the year before investment gains	11	137,450	14,850	152,300	(81,023)	83,695	2,672
Net gains on investments							
. Listed investments		248,692	—	248,692	59,107	—	59,107
. Investment properties		—	—	—	1,505,000	—	1,505,000
	15	248,692	—	248,692	1,564,107	—	1,564,107
Net income and net movement in funds		386,142	14,850	400,992	1,483,084	83,695	1,566,779
Reconciliation of funds:							
Fund balances brought forward at 1 January 2021							
. As previously stated		12,892,533	337,151	13,229,684	11,503,157	159,748	11,662,905
. Prior year adjustment (note 24)		135,869	(135,869)	—	42,161	(42,161)	—
. As restated		13,028,402	201,282	13,229,684	11,545,318	117,587	11,662,905
Fund balances carried forward at 31 December 2021		13,414,544	216,132	13,630,676	13,028,402	201,282	13,229,684

All of the group's activities derived from continuing operations during the above two financial years.

The group has no recognised gains and losses other than those shown in the statement of financial activities above and, therefore, no separate statement of total recognised gains and losses has been presented.

Charity statement of financial activities Year to 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Unrestricted funds (as restated) £	Restricted funds (as restated) £	Total funds 2020 £
Income from:							
Donations and legacies	1	1,268,265	144,604	1,412,869	1,001,214	88,293	1,089,507
Other trading activities	2	33,517	—	33,517	54,459	—	54,459
Investments and interest receivable	3	320,515	—	320,515	302,913	—	302,913
Charitable activities							
• Enrichment activities							
• Youth education		60,000	—	60,000	60,000	—	60,000
Other sources							
• Coronavirus Job Retention Scheme		—	—	—	18,745	—	18,745
• Foreign exchange gains		2,799	—	2,799	3,549	—	3,549
• Surplus on disposal of tangible fixed assets		632	—	632	—	—	—
• Miscellaneous income		9,677	—	9,677	—	—	—
Total income		1,695,405	144,604	1,840,009	1,440,880	88,293	1,529,173
Expenditure on:							
Raising funds	5	40,615	—	40,615	40,641	—	40,641
Charitable activities							
• Youth activities		60,000	—	60,000	60,000	—	60,000
• Support of members of the Congregation and their ministry	8	1,367,972	—	1,367,972	1,141,288	—	1,141,288
• Donations and support of overseas missions	9	90,048	157,165	247,213	227,428	99,218	326,646
Other costs							
• Foreign exchange losses		—	—	—	7,253	—	7,253
Total expenditure		1,558,635	157,165	1,715,800	1,476,610	99,218	1,575,828
Net income (expenditure) for the year before investment gains	11	136,770	(12,561)	124,209	(35,730)	(10,925)	(46,655)
Net gains on investments							
• Listed investments		248,692	—	248,692	59,107	—	59,107
• Investment properties		—	—	—	1,505,000	—	1,505,000
	15	248,692	—	248,692	1,564,107	—	1,564,107
Net income and net movement in funds		385,462	(12,561)	372,901	1,528,377	(10,925)	1,517,452
Reconciliation of funds:							
Fund balances brought forward at 1 January 2021							
• As previously stated		12,790,275	182,844	12,973,119	11,355,606	100,061	11,455,667
• Prior year adjustment (note 24)		135,869	(135,869)	—	42,161	(42,161)	—
• As restated		12,926,144	46,975	12,973,119	11,397,767	57,900	11,455,667
Fund balances carried forward at 31 December 2021		13,311,606	34,414	13,346,020	12,926,144	46,975	12,973,119

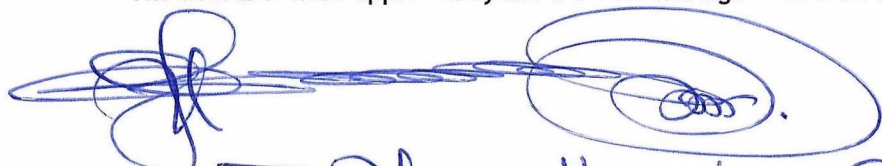
All of the charity's activities derived from continuing operations during the above two financial years.

The charity has no recognised gains and losses other than those shown in the statement of financial activities above and, therefore, no separate statement of total recognised gains and losses has been presented.

Balance sheets 31 December 2021

	Notes	Group		Charity	
		2021 £	2020 (as restated) £	2021 £	2020 (as restated) £
Fixed assets					
Tangible assets	14	2,468,305	2,457,715	2,452,962	2,445,099
Investments	15	10,031,365	9,747,823	10,031,365	9,747,823
		<u>12,499,670</u>	<u>12,205,538</u>	<u>12,484,327</u>	<u>12,192,922</u>
Current assets					
Debtors	16	213,214	192,346	210,524	121,708
Short term deposits		448,263	447,977	379,579	379,541
Cash at bank and in hand		613,207	624,820	388,067	506,620
		<u>1,274,684</u>	<u>1,265,143</u>	<u>978,170</u>	<u>1,007,869</u>
Creditors: amounts falling due within one year	17	(143,678)	(240,997)	(116,477)	(227,672)
Net current assets		<u>1,131,006</u>	<u>1,024,146</u>	<u>861,693</u>	<u>780,197</u>
Total net assets		<u>13,630,676</u>	<u>13,229,684</u>	<u>13,346,020</u>	<u>12,973,119</u>
Represented by:					
Restricted funds	18	216,132	201,282	34,414	46,975
Unrestricted funds					
. Designated funds	19	7,578,352	7,116,352	7,578,352	7,116,352
. Tangible fixed assets fund	20	2,468,305	2,457,715	2,452,962	2,445,099
. General funds		3,367,887	3,454,335	3,280,292	3,364,693
		<u>13,414,544</u>	<u>13,028,402</u>	<u>13,311,606</u>	<u>12,926,144</u>
		<u>13,630,676</u>	<u>13,229,684</u>	<u>13,346,020</u>	<u>12,973,119</u>

The accounts were approved by the trustees and signed on their behalf by:


 Trustee *Fr Ugo Ikemaka CSSP*
 Approved on: *16/06/22*

Consolidated statement of cash flows Year to 31 December 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash used in by operating activities	A	(261,283)	(232,741)
Cash flows from investing activities:			
Investment income and interest received		320,763	304,023
Proceeds from the disposal of tangible fixed assets		634	3,553
Purchase of tangible fixed assets		(36,591)	(47,139)
Proceeds from the disposal of listed investments		701,784	729,443
Purchase of listed investments		(733,034)	(766,103)
Net cash provided by investing activities		253,556	223,777
Change in cash and cash equivalents in the year		(7,727)	(8,964)
Cash and cash equivalents at 1 January 2021	B	1,123,542	1,132,506
Cash and cash equivalents at 31 December 2021	B	1,115,815	1,123,542

Notes to the statement of cash flows for the year to 31 December 2021

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

	2021 £	2020 £
Net income and net movement in funds (as per the statement of financial activities)	400,992	1,566,779
Adjustments for:		
Depreciation charge	25,999	27,364
Gains on investments	(248,692)	(1,564,107)
Investment income and interest receivable	(320,763)	(304,023)
Surplus on disposal of tangible fixed assets	(632)	(3,549)
(Increase) decrease in debtors	(20,868)	56,180
Decrease in creditors	(97,319)	(11,385)
Net cash used in operating activities	(261,283)	(232,741)

B Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	613,207	624,820
Short term deposits (less than 3 months)	448,263	447,977
Cash held by investment managers	54,345	50,745
Total cash and cash equivalents	1,115,815	1,123,542

C Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	1,123,542	(7,727)	1,115,815

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Principal accounting policies 31 December 2021

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 2021. Comparative information is provided in respect to the year to 31 December 2020.

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) (effective 1 January 2020) 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:

- assessing the probability of the receipt of legacy income;
- estimating accrued expenditure;
- determining the basis for the allocation of support and governance costs across the charitable key areas of charitable activity;
- estimating the useful economic life of tangible fixed assets for the purposes of calculating the depreciation charge;
- estimating the open market value of investment properties;
- determining the value of designated funds needed at the year-end, in particular in respect to the assumptions made in determining the value of the retirement fund; and
- estimating future income and expenditure flows for the purposes of assessing going concern.

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 at least one year from the date of approval of these accounts.

Principal accounting policies 31 December 2021

Assessment of going concern (continued)

The trustees are of the opinion that the charity and group will have sufficient resources to meet their liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 December 2022, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

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 and group to continue as a going concern.

Basis of consolidation

The consolidated statement of financial activities and group balance sheet consolidate the accounts of The Congregation of the Holy Spirit and the Immaculate Heart of Mary, British Province and its subsidiary charities, Just Youth and Revive CIO, made up at the balance sheet date.

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 is deferred only when the group or charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future accounting period.

Income comprises donations and legacies, income from trading activities, investment income and interest receivable, income from charitable activities and other income including foreign exchange gains, the surplus on disposal of tangible fixed assets and monies from the Coronavirus Job Retention Scheme.

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.

Income recognition (continued)

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 from other trading activities comprises income from fundraising activities and the lottery organized by Just Youth. Income from the lottery is included in the accounts when the lottery is drawn with income being deferred until such time as the draw takes place. Income from other fundraising events and appeals is included in the accounts when the income is received or when it is probable that income will be received and when it can be measured reliably.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend 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 investment properties comprises rent receivable and it is recognised in the statement of financial activities when due under tenancy or lease agreements.

Income from charitable activities included fees and related income in respect to the provision of charitable work are measured at the fair value of the consideration received or receivable, excluding discounts or rebates.

The surplus on the disposal of tangible fixed assets is calculated as the difference between the sale proceeds net of sale costs and the net book value of the asset immediately prior to disposal. It is accounted for once legal completion of the disposal has taken place.

Monies from the Coronavirus Job Retention Scheme are recognised in the statement of financial activities when the funds have been applied for and the amount receivable has been quantified.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the group or 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. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

Expenditure comprises the following:

Expenditure recognition (continued)

- a) Expenditure on raising funds includes salaries, direct costs and overheads incurred in order to generate donated income and holding fundraising events. The fees paid to investment managers in connection with the management of the group's and charity's investments are included here also.
- b) Expenditure on charitable activities comprises the following:

Expenditure incurred in the provision of Enrichment Projects including costs of providing travel, courses and support to youths at the Revive centre in Salford.

Expenditure on youth projects and the work of the charitable subsidiary Just Youth.

Expenditure on the support of members of the Congregation and their ministry which allows members to carry out the work of the charity in providing spiritual welfare to Roman Catholics through saying masses, administering sacraments and other spiritual support and guidance as well as the relief of poverty and addiction.

The provision of donations and financial support to the Congregation's overseas missions.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are allocated based on an estimate of the time members spend on each activity.

Principal accounting policies 31 December 2021

Tangible fixed assets and depreciation

All assets costing more than £1,500 and with expected useful life exceeding one year are capitalised.

a) Freehold land and buildings

Freehold land and buildings are used wholly or mainly for private residential accommodation are stated at cost, or where cost is not available, at trustees' valuations made in 2001 and 2013. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, who are satisfied that their residual value is not materially different from their book value. As permitted by FRS 102, with effect from 1 January 2014 the values assigned to properties held at that date are now deemed their cost.

Assets donated to the charity for its own use are included as part of income in the year of the gift. Assets falling within the definition of tangible fixed assets are capitalised on the charity's balance sheet and depreciated in accordance with the appropriate policy. Other assets are treated as expenditure in the year of the gift.

b) Computers, furniture and equipment

Expenditure on the purchase and replacement of computers, furniture and equipment is capitalised and depreciated over a four-year period on a straight-line basis.

c) Motor vehicles

Motor vehicles are capitalised and depreciated over a four-year period 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.

The valuation of investment properties (i.e. those not occupied by Spiritans and rented out to third parties at a commercial rent), is based on current open market valuation. 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.

Principal accounting policies 31 December 2021

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. 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.

Fund structure

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

Designated funds are monies set aside of unrestricted general funds and designated for specific purposes by the trustees.

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.

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

Services provided by members of the Congregation

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

Leased assets

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

Pension costs

Contributions in respect of defined contribution pension schemes are charged to the statement of financial activities when they are payable to the scheme. The group's and charity's contributions are restricted to the contributions disclosed in note 12. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

Principal accounting policies 31 December 2021

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rates of exchange ruling date at the date of transaction. Exchange differences are recognised in the statement of financial activities.

1 Income from: donations and legacies

Group	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Unrestricted funds (as restated) £	Restricted funds (as restated) £	Total funds 2020 £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	498,875	—	498,875	410,453	—	410,453
Other donations	573,952	145,345	719,297	379,126	91,162	470,288
Legacies	204,267	—	204,267	225,016	—	225,016
Total funds	1,277,094	145,345	1,422,439	1,014,595	91,162	1,105,757

Charity	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Unrestricted funds (as restated) £	Restricted funds (as restated) £	Total funds 2020 £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	498,875	—	498,875	410,453	—	410,453
Other donations	565,123	144,604	709,727	365,745	88,293	454,038
Legacies	204,267	—	204,267	225,016	—	225,016
Total funds	1,268,265	144,604	1,412,869	1,001,214	88,293	1,089,507

2 Income from: other trading activities

Group	Unrestricted	
	Total 2021 £	Total 2020 £
Fundraising and appeals	4,326	23,891
Rent	3,282	6,545
Missionwide subscriptions	4,713	5,159
Lottery	17,204	15,454
Raffles and charity shop	16,436	15,405
Total funds	45,961	66,454

Charity	Unrestricted	
	Total 2021 £	Total 2020 £
Fundraising and appeals	1,176	21,871
Rent	1,232	4,145
Missionwide subscriptions	4,713	5,159
Lottery	9,960	7,879
Raffles and charity shop	16,436	15,405
Total funds	33,517	54,459

3 Investment income and interest receivable

	Unrestricted			
	Group		Charity	
	Total 2021 £	Total 2020 £	Total 2021 £	Total 2020 £
Income from listed investments				
. UK equities	15,542	14,991	15,542	14,991
. UK fixed interest	5,945	6,205	5,945	6,205
. UK unit trusts	2,523	-	2,523	-
. Overseas equities	3,860	5,870	3,860	5,870
. Overseas fixed interest	7,783	3,963	7,783	3,963
. Overseas unit trusts	21,605	4,586	21,605	4,586
. Alternative investments	5,217	5,269	5,217	5,269
. Property	—	2,367	—	2,367
	62,475	43,251	62,475	43,251
Interest receivable				
. Bank and loan interest	426	1,415	178	305
Income from investment properties	257,862	259,357	257,862	259,357
Total	320,763	304,023	320,515	302,913

4 Income from charitable activities: Youth education

Group	Unrestricted	
	Total 2021 £	Total 2020 £
Service level agreements		
. Chaplaincy agreements with schools		
.. Regular	25,297	15,854
.. Ad-hoc	3,040	2,100
Total funds	28,337	17,954

5 Expenditure on: Raising funds

Group	Unrestricted	
	Total 2021 £	Total 2020 £
Cost of generating donations and legacies	200	1,180
Fundraising trading		
. Lottery	6,250	4,600
. Raffles and charity shop	6,191	10,124
Investment management fees	19,915	17,440
Governance (note 10)	10,759	11,897
Total funds	43,315	45,241

Charity	Unrestricted	
	Total 2021 £	Total 2020 £
Cost of generating donations and legacies	200	1,180
Fundraising trading		
. Lottery	3,550	—
. Raffles and charity shop	6,191	10,124
Investment management fees	19,915	17,440
Governance (note 10)	10,759	11,897
Total funds	40,615	40,641

6 Expenditure on charitable activities: Enrichment projects

Group	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Unrestricted funds £	Restricted funds £	Total funds 2020 £
Total funds	28,260	151,077	179,337	97,895	72,525	170,420

7 Expenditure on charitable activities: Youth activities

Group	Unrestricted	
	Total 2021 £	Total 2020 £
Activity leaders and coordinators	9,053	9,135
Residential workers' food and expenses	21,581	17,582
Premises	21,896	18,322
Materials, resources and training	7,023	4,519
Travel and motor	17,131	17,533
Cost of activities and outings	2,824	914
Promotion of youth activities	192	36
Legal and professional fees	4,426	4,518
Total funds	84,126	72,559

8 Expenditure on charitable activities: Support of members of the Congregation and their ministry

Group and charity	Unrestricted	
	Total 2021 £	Total 2020 £
Premises	292,198	277,669
Members' personal expenses	833,811	661,658
Education, training and spiritual renewal	32,083	39,288
Other expenses, including mission awareness	20,948	27,835
Governance (note 10)	188,932	134,838
	1,367,972	1,141,288

9 Expenditure on charitable activities: Donations and support of overseas missions

Group	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Unrestricted funds (as restated) £	Restricted funds (as restated) £	Total funds 2020 £
General donations	30,490	—	30,490	21,461	—	21,461
Donations to the missions	106,499	157,165	263,664	122,465	99,218	221,683
Write bank donation to the Generalate	(112,500)	—	(112,500)	—	—	—
Governance (note 10)	10,759	—	10,759	11,897	—	11,897
Total funds	35,248	157,165	192,413	155,823	99,218	255,041

Charity	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Unrestricted funds (as restated) £	Restricted funds (as restated) £	Total funds 2020 £
General donations	30,490	—	30,490	21,461	—	21,461
Donations to the missions	106,499	157,165	263,664	122,465	99,218	221,683
Donations to Just Youth	36,300	—	36,300	49,405	—	49,405
Donations to Revive CIO	18,500	—	18,500	22,200	—	22,200
Write bank donation to the Generalate	(112,500)	—	(112,500)	—	—	—
Governance (note 10)	10,759	—	10,759	11,897	—	11,897
Total funds	90,048	157,165	247,213	227,428	99,218	326,646

In the year to 31 December 2016, the charity agreed to donate £112,500 to the Generalate in order for it to apply these funds to overseas monks in their retirement. This amount was held within creditors. The trustees, in conjunction with the Generalate, have now considered it appropriate for the funds to be administered from the UK charity and, therefore, these funds have been written back to expenditure on donations and support of overseas missions above.

10 Governance costs

Group	Unrestricted	
	Total 2021 £	Total 2020 £
Legal and professional fees	102,075	92,025
Central administration	103,457	62,748
Bank charges	4,918	3,859
	210,450	158,632

Governance costs are allocated as follows: £188,932 (2020 - £134,838) to support of members of the Congregation and their ministry, £10,759 (2020 - £11,897) to donations and support of overseas missions), £10,759 (2020 - £11,897) to raising funds and £nil (2020 - £nil) to enrichment activities.

11 Net income (expenditure) for the year before investment gains

This is stated after charging (crediting):

Group	Total funds 2021 £	Total funds 2020 £
Staff costs (note 12)	230,371	234,145
Operating lease rentals	65,186	60,012
Auditor's remuneration		
. Statutory audit services - charity		
.. Current year	11,100	14,200
.. Prior year	(3,640)	(2,680)
. Statutory audit services - subsidiaries		
.. Current year	5,225	4,200
.. Prior year	840	(1,588)
Depreciation	25,999	27,364
	Total funds 2021 £	Total funds 2020 £
Charity		
Staff costs (note 12)	119,912	114,811
Operating lease rentals	57,690	51,164
Auditor's remuneration		
. Statutory audit services		
.. Current year	11,100	14,200
.. Prior year	(3,640)	(2,680)
Depreciation	19,482	23,158

12 Staff costs and remuneration of key management personnel

Group	Total funds 2021 £	Total funds 2020 £
Staff costs during the year were as follows:		
Wages and salaries	217,805	217,041
Social security costs	4,636	9,141
Pension costs	7,930	7,963
	230,371	234,145
Staff costs per function were as follows:		
Youth and enrichment projects	110,459	119,334
Support of the members of the Congregation and their ministry	119,912	114,811
	230,371	234,145
	Total funds 2021 £	Total funds 2020 £
Charity		
Staff costs during the year were as follows:		
Wages and salaries	114,649	106,370
Social security costs	1,235	4,641
Pension costs	4,028	3,800
	119,912	114,811

There were no employees who earned more than £60,000 per annum (including benefits) during the year (2020 - none).

12 Staff costs and remuneration of key management personnel (continued)

The average number of employees, analysed by function, was as follows:

Group	Total 2021	Total 2020
Youth and enrichment projects	6	6
Support of the members of the Congregation and their ministry	10	10
	16	16

The key management personnel in charge of directing and controlling, running and operating the group and charity on a day-to-day basis comprise the trustees.

As members of the Congregation, the trustees' living and personal expenses during the year were borne by the charity but they received no remuneration or reimbursement of expenses in connection with their duties as trustees or members of key management personnel during the year (2020 - £nil).

The key management personnel of the subsidiary charities, Just Youth and Revive CIO, comprise their respective trustees. None of the trustees of Just Youth or Revive CIO received any remuneration during the year (2020 - £nil).

As members of the Congregation, 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 donated by the trustees was £20,100 (2020 - £18,400).

13 Taxation

The Congregation of the Holy Spirit and the Immaculate Heart of Mary, Just Youth and Revive CIO are all registered charities and therefore are not liable to income tax or corporation tax on income derived from their charitable activities, as it falls within the various exemptions available to registered charities.

14 Tangible fixed assets

Group	Freehold land and buildings £	Computers, furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2021	2,407,612	150,231	128,806	2,686,649
Additions	12,930	9,244	14,417	36,591
Disposals	—	—	(5,140)	(5,140)
At 31 December 2021	2,420,542	159,475	138,083	2,718,100
Depreciation				
At 1 January 2021	—	130,626	98,308	228,934
Charge for the year	—	11,807	14,192	25,999
Disposals	—	—	(5,138)	(5,138)
At 31 December 2021	—	142,433	107,362	249,795
Net book values				
At 31 December 2021	2,420,542	17,042	30,721	2,468,305
At 31 December 2020	2,407,612	19,605	30,498	2,457,715

14 Tangible fixed assets (continued)

Charity	Freehold land and buildings £	Computers, furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2021	2,407,612	145,904	116,311	2,669,827
Additions	12,930	—	14,417	27,347
Disposals	—	—	(5,140)	(5,140)
At 31 December 2021	<u>2,420,542</u>	<u>145,904</u>	<u>125,588</u>	<u>2,692,034</u>
Depreciation				
At 1 January 2021	—	129,544	95,184	224,728
Charge for the year	—	8,414	11,068	19,482
Disposals	—	—	(5,138)	(5,138)
At 31 December 2021	<u>—</u>	<u>137,958</u>	<u>101,114</u>	<u>239,072</u>
Net book values				
At 31 December 2021	<u>2,420,542</u>	<u>7,946</u>	<u>24,474</u>	<u>2,452,962</u>
At 31 December 2020	<u>2,407,612</u>	<u>16,360</u>	<u>21,127</u>	<u>2,445,099</u>

A number of freehold and long leasehold properties are held at book values based on valuations made in 2001 and 2003. As permitted under the transitional provisions of FRS 102 (section 35), the group and charity have elected to use these valuations as deemed cost.

The remaining properties and other tangible fixed assets are held at cost less accumulated depreciation where applicable.

It is likely that there are material differences between the open market values of the charity's land and buildings and their book values. These arise from the specialised nature of some properties and the effects of inflation. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of trustees, is not justified in terms of the benefit to the users of the accounts.

Notes to the accounts 31 December 2021

15 Investments

	Total 2021 £	Total 2020 £
Group and charity		
Listed investments and cash held for re-investment (note a)	2,959,240	2,678,223
Insurance bonds (note b)	117,125	114,600
Investment properties (note c)	6,955,000	6,955,000
Investment in subsidiary undertakings (note d)	—	—
	10,031,365	9,747,823

a. Listed investments and cash held for re-investment

	Total 2021 £	Total 2020 £
Group and charity		
Listed investments		
Market value at 1 January 2021	2,627,478	2,536,622
Additions at cost	733,034	766,103
Disposals at book value (see below)	(686,321)	(729,489)
Net unrealised gains	230,704	54,242
Market value at 31 December 2021	2,904,895	2,627,478
Cash held by investment managers for re-investment	54,345	50,745
	2,959,240	2,678,223
Cost of listed investments at 31 December 2021	2,407,014	2,271,446

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

	Total 2021 £	Total 2020 £
Group and charity		
Proceeds	701,784	729,443
(Gains) losses	(15,463)	46
Disposals at book value	686,321	729,489

Listed investments held at 31 December 2021 comprised the following:

	Total 2021 £	Total 2020 £
Group and charity		
UK equities	639,398	573,723
UK unit trusts	219,334	178,159
UK fixed interest	45,226	191,163
Overseas equities	618,614	491,175
Overseas fixed interest	545,481	304,703
Overseas unit trusts	326,663	440,972
Property	100,942	75,814
Alternative assets	409,237	371,769
	2,904,895	2,627,478

At 31 December 2021, listed investments included the following individual holding deemed material when compared with the overall portfolio valuation at that date:

	Market value of holding £	Percentage of portfolio %
Group and charity		
Ishares USD Treasury BD 1-3 years Ucits	145,654	5.01

15 Investments (continued)

b. Insurance bonds

	Total 2021 £	Total 2020 £
Group and charity		
Market value at 1 January 2021	114,600	109,689
Unrealised gains	2,525	4,911
Market value at 31 December 2021	<u>117,125</u>	<u>114,600</u>

c. Investment properties

	Total 2021 £	Total 2020 £
Group and charity		
At 1 January 2021	6,955,000	5,450,000
Net unrealised gains on revaluation	—	1,505,000
At 31 December 2021	<u>6,955,000</u>	<u>6,955,000</u>

The freehold properties are stated at their fair value based on open market value, which has been determined by the trustees with professional assistance provided by estate agents local to the properties concerned.

Investment properties comprise the following:

- Land and buildings at 6 Woodlands Road, Bickley. This property is included on the balance sheet at £6,000,000.
- Land and buildings at 41 Elizabeth Road, Huyton. This property is included on the balance sheet at £90,000.
- Land and buildings at 3 Parkside Mews, Whitefield. This property is included on the balance sheet at £295,000.
- Land and buildings at 3 Kynaston Road, Bromley. This is included on the balance sheet at £570,000.

d. Investment in subsidiary undertakings

Just Youth, a charity constituted as a charitable trust and registered in England and Wales (Charity Registration Number 1072491) is controlled by the charity by virtue of the fact that it has the same trustees, shares administrative services and carries out work consistent with, and supplementary to, the charity.

15 Investments (continued)

d. Investment in subsidiary undertakings (continued)

The following is a summary of the accounts of Just Youth for the year ended 31 December 2021, which have been included in the consolidated accounts.

	Total 2021 £	Total 2020 £
Income	142,852	142,141
Expenditure	(146,826)	(137,159)
Net movement in funds	(3,974)	4,982
Total funds brought forward	71,950	66,968
Total funds carried forward	67,976	71,950

Revive CIO, a charity constituted as a Charitable Incorporated Organisation and registered in England and Wales (Charity Registration Number 1183006) is controlled by the charity by virtue of the fact that it has the same trustees, shares administrative services and carries out work consistent with, and supplementary to, the charity.

The following is a summary of the accounts of Revive CIO for the year ended 31 December 2021, which have been included in the consolidated accounts.

	Total Year to 31 December 2021 £	Total Year to 31 December 2020 £
Income	215,592	214,765
Expenditure	(183,527)	(170,420)
Net movement in funds	32,065	44,345
Total funds brought forward	184,615	140,270
Total funds carried forward	216,680	184,615

16 Debtors

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Amounts due from other Spiritan bodies	87,358	99,229	87,358	99,229
Amount due from the Generalate of the Spiritans	11,925	14,818	11,925	14,818
Accrued income	107,408	69,482	107,408	—
Other debtors and prepayments	6,523	8,817	3,833	7,661
	213,214	192,346	210,524	121,708

17 Creditors: amounts falling due within one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Deferred income	17,405	375	—	—
Accruals	34,121	51,308	27,250	44,958
Monies administered on behalf of members of the Congregation	6,937	60,390	6,937	60,390
Amounts due to other Spiritans' Provinces	—	112,500	—	112,500
Other creditors	85,215	16,424	82,290	9,824
	143,678	240,997	116,477	227,672

Deferred income comprises grant income received in advance.

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Balance as at 1 January 2021	375	375	—	—
Amount released to income	(375)	(375)	—	—
Amount deferred in year	17,405	375	—	—
Balance as at 31 December 2021	17,405	375	—	—

18 Restricted funds

The income funds of the group and charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purpose.

Group	At 1 January 2021 (as restated) £	Income £	Expenditure £	At 31 December 2021 £
	£	£	£	£
Mission aid specific appeals	13,033	103,155	(103,155)	13,033
Revive - enrichment projects	154,307	178,488	(151,077)	181,718
City of Angels	33,942	41,449	(54,010)	21,381
	201,282	323,092	(308,242)	216,132

Charity	At 1 January 2021 (as restated) £	Income £	Expenditure £	At 31 December 2021 £
	£	£	£	£
Mission aid specific appeals	13,033	103,155	(103,155)	13,033
City of Angels	33,942	41,449	(54,010)	21,381
	46,975	144,604	(157,165)	34,414

Group	At 1 January 2020 (as previously stated) £	Prior year adjustment (note 24) £	At 1 January 2020 (as restated) £	Income (as restated) £	Expenditure (as restated) £	At 31 December 2020 (as restated) £
	£	£	£	£	£	£
Mission aid specific appeals	49,861	(42,161)	7,700	44,335	(39,002)	13,033
Revive - enrichment projects	59,687	—	59,687	167,145	(72,525)	154,307
City of Angels	50,200	—	50,200	43,958	(60,216)	33,942
	159,748	(42,161)	117,587	255,438	(171,743)	201,282

18 Restricted funds (continued)

	At 1 January 2020 (as previously stated)	Prior year adjustment (note 24)	At 1 January 2020 (as restated)	Income (as restated)	Expenditure (as restated)	At 31 December 2020 (as restated)
Charity	£	£	£	£	£	£
Mission aid specific appeals	49,861	(42,161)	7,700	44,335	(39,002)	13,033
City of Angels	50,200	—	50,200	43,958	(60,216)	33,942
	100,061	(42,161)	57,900	88,293	(99,218)	46,975

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

Mission aid specific appeals fund

The mission aid specific appeals fund comprised donations that have been raised through appeals for specific charitable projects. The prior year adjustment reflects the restatement of income and expenditure thereof in prior years following a detailed review of the purpose for which the income was given and the conclusion that part of such income was for general purposes (note 24).

Revive - enrichment projects fund

This fund comprises donations and grants towards specific aspects of the enrichment projects.

City of Angels fund

This fund comprises donations raised for the Congregation's mission in Brazil.

19 Designated funds

The funds of the group and charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	At 1 January 2021	New designations	Transferred/ utilised in the year	At 31 December 2021
Group and charity	£	£	£	£
Retirement fund	6,720,000	100,000	—	6,820,000
Overseas retirement fund	—	362,000	—	362,000
Homeless and alcoholics fund	366,352	—	—	366,352
Healthcare fund	30,000	—	—	30,000
	7,116,352	462,000	—	7,578,352

	At 1 January 2020	New designations	Transferred/ utilised in the year	At 31 December 2020
Group and charity	£	£	£	£
Retirement fund	6,720,000	—	—	6,720,000
Homeless and alcoholics fund	366,352	—	—	366,352
Healthcare fund	30,000	—	—	30,000
	7,116,352	—	—	7,116,352

Retirement fund

The retirement fund is set aside by the trustees to look after the priests in their retirement.

Overseas retirement fund

The retirement fund is set aside by the trustees to look after the overseas priests in their retirement.

19 Designated funds

Homeless and alcoholics fund

The homeless and alcoholics fund represents monies set aside by the trustees to be used for the aid of the homeless and alcoholics.

Healthcare fund

The healthcare funds are monies set aside by the trustees to look after the priests' health.

20 Tangible fixed asset fund

Group	At 1 January 2021 £	Movement in year £	At 31 December 2021 £
Tangible fixed assets fund	2,457,715	10,590	2,468,305

Group	At 1 January 2020 £	Movement in year £	At 31 December 2020 £
Tangible fixed assets fund	2,437,944	19,771	2,457,715

Charity	At 1 January 2021 £	Movement in year £	At 31 December 2021 £
Tangible fixed assets fund	2,445,099	7,863	2,452,962

Charity	At 1 January 2020 £	Movement in year £	At 31 December 2020 £
Tangible fixed assets fund	2,437,944	7,155	2,445,099

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets used for the support of the members of the Congregation and their ministry. A decision was made to separate this fund from the general fund in recognition of the fact that the assets are used in the day to day work of the group and charity, and the fund value would not be realisable easily if needed to meet future contingencies.

21 Analysis of net assets between funds

Group	General funds £	Designated funds £	Tangible fixed assets fund £	Restricted funds £	Total 2021 £
Fund balances at 31 December 2021 are represented by:					
Fixed assets	—	—	2,468,305	—	2,468,305
Investments	2,849,365	7,182,000	—	—	10,031,365
Current assets	662,200	396,352	—	216,132	1,274,684
Creditors: amounts falling due within one year	(143,678)	—	—	—	(143,678)
Total net assets	3,367,887	7,578,352	2,468,305	216,132	13,630,676

21 Analysis of net assets between funds (continued)

Group	General funds £	Designated funds £	Tangible fixed assets fund £	Restricted funds £	Total 2020 £
Fund balances at 31 December 2020 (as restated) are represented by:					
Fixed assets	—	—	2,457,715	—	2,457,715
Investments	3,027,823	6,720,000	—	—	9,747,823
Current assets	667,509	396,352	—	201,282	1,265,143
Creditors: amounts falling due within one year	(240,997)	—	—	—	(240,997)
Total net assets	3,454,335	7,116,352	2,457,715	201,282	13,229,684

Charity	General funds £	Designated funds £	Tangible fixed assets fund £	Restricted funds £	Total 2021 £
Fund balances at 31 December 2021 are represented by:					
Fixed assets	—	—	2,452,962	—	2,452,962
Investments	2,849,365	7,182,000	—	—	10,031,365
Current assets	547,404	396,352	—	34,414	978,170
Creditors: amounts falling due within one year	(116,477)	—	—	—	(116,477)
Total net assets	3,280,292	7,578,352	2,452,962	34,414	13,346,020

Charity	General funds £	Designated funds £	Tangible fixed assets fund £	Restricted funds £	Total 2020 £
Fund balances at 31 December 2020 (as restated) are represented by:					
Fixed assets	—	—	2,445,099	—	2,445,099
Investments	3,027,823	6,720,000	—	—	9,747,823
Current assets	564,542	396,352	—	46,975	1,007,869
Creditors: amounts falling due within one year	(227,672)	—	—	—	(227,672)
Total net assets	3,364,693	7,116,352	2,445,099	46,975	12,973,119

The total unrealised gains as at 31 December 2021 constitute a revaluation reserve as defined by the Charities SORP FRS 102. Movements in unrealised gains during the year were as follows:

	Total 2021 £	Total 2020 £
Unrealised gains included above:		
On listed investments	497,881	356,032
On insurance bonds	42,125	39,600
On investment property	4,526,064	4,526,064
Total unrealised gains at 31 December 2021	5,066,070	4,921,696
Reconciliation of movement in unrealised gains		
Unrealised gains at 1 January 2021	4,921,696	3,415,164
Gains in respect to disposals in the year	(88,855)	3,403,249
Net gains arising on revaluation arising in the year	233,229	1,564,107
Total unrealised gains at 31 December 2021	5,066,070	4,921,696

22 Leasing commitments

At 31 December 2021, the group had total future commitments under non-cancellable operating leases as follows:

Group	Motor vehicles	
	2021 £	2020 £
Payable:		
Within one year	61,291	41,513
Between two to five years	86,891	43,547
	148,182	85,060

Charity	Motor vehicles	
	2021 £	2020 £
Payable:		
Within one year	55,958	34,885
Between two to five years	84,802	36,125
	140,760	71,010

23 Related party transactions

With the exception of the transactions with trustees disclosed in note 12, there are no related party transactions requiring disclosure (2020 - none).

24 Prior year adjustment

	Unrestricted funds £	Restricted funds £	Total funds £
Reconciliation of reported funds - group			
Total funds as 1 January 2020 (as previously stated)	11,503,157	159,748	11,662,905
Prior year adjustment			
. Reclassification of restricted funds received and expended in prior years	42,161	(42,161)	—
Total funds at 1 January 2020 (as restated)	11,545,318	117,587	11,662,905
Movement in the year to 31 December 2020			
. As previously stated	1,389,376	177,403	1,566,779
. Reclassification of income and expenditure	93,708	(93,708)	—
. As restated	1,483,084	83,695	1,566,779
Total funds as at 31 December 2021 (as restated)	13,028,402	201,282	13,229,684

24 Prior year adjustment (continued)

Reconciliation of reported funds - charity	Unrestricted funds £	Restricted funds £	Total funds £
Total funds as 1 January 2020 (as previously stated)	11,355,606	100,061	11,455,667
Prior year adjustment			
. Reclassification of restricted funds received and expended in prior years	42,161	(42,161)	—
Total funds at 1 January 2020 (as restated)	11,397,767	57,900	11,455,667
Movement in the year to 31 December 2020			
. As previously stated	1,434,669	82,783	1,517,452
. Reclassification of income and expenditure	93,708	(93,708)	—
. As restated	1,528,377	(10,925)	1,517,452
Total funds as at 31 December 2021 (as restated)	12,926,144	46,975	12,973,119

The above prior year adjustment reflects a detailed analysis of the income previously classified as monies restricted to mission aid. The analysis identified that certain of the monies were unrestricted in nature. A prior year adjustment has been made to reflect this.