

# ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART

England & Wales · Charity number 233131

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [00773307](#)

**Registered** 1964-02-18

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Richard Place Dobson  
1-7 Station road  
Crawley  
West Sussex  
RH10 1HT

**Phone** 02079695500

## Activities

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**Objects:** The objects of the Charity are the advancement of the Roman Catholic religion in particular, but not limited to, through the religious and other charitable work of the Congregation, as the Trustees with the approval of the Regional Leader shall from time to time think fit (the Objects).

**Activities:** Support of the members of the Congregation and their mission

## Classification

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- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, Accommodation/housing, Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities

## Geography

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- **Area of benefit:** IN THE UNITED KINGDOM OF GREAT BRITAIN, NORTHERN IRELAND, THE REPUBLIC OF IRELAND AND ELSEWHERE
- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£258,047	£688,200	-	-
2023-12-31	£306,125	£599,465	-	-
2022-12-31	£245,950	£767,526	-	-
2021-12-31	£1,090,208	£863,423	£9,482,574	1
2020-12-31	£224,833	£491,477	-	-

## Trustees

Name	Role	Appointed
BROTHER FINBAR BUTLER	Chair	
BROTHER DERMOT		
BROTHER JOHN RODNEY PATRICK FLEMING		2020-10-01

**ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**

England & Wales - Charity number 233131

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# Accounts

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**THE ALEXIAN BROTHERS OF THE PROVINCE  
OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2024**

Company Number: 0773307  
Registered Charity Number: 233131

# THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART

FOR THE YEAR ENDED 31 DECEMBER 2024

## REFERENCE AND ADMINISTRATIVE DETAILS

<b>Trustees and directors</b>	<p>The directors of the charitable company (the charity) are its trustees for the purpose of company law and throughout this report are collectively referred to as the trustees.</p> <p>The following served as trustees of the company during the year ended 31 December 2024.</p> <p>Finbar Butler – Chairman Dermot Jeremiah O’Leary John Fleming</p>
<b>Company Secretary</b>	Dermot O’Leary
<b>Regional Leader</b>	Finbar Butler Churchfield Knock, Co. Mayo
<b>Registered Office</b>	1-7 Station Road Crawley West Sussex RH10 1HT
<b>Charity Registration No.</b>	233131
<b>Company Number</b>	0773307
<b>Charities Regulator (Ireland) Number</b>	20010713
<b>Governing Instrument</b>	Memorandum & Articles of Association dated 6 September 1963 (as amended by special resolution dated 28 May 2020)
<b>Auditors</b>	Richard Place Dobson 1-7 Station Road Crawley West Sussex RH10 1HT
<b>Solicitors</b>	Druces LLP Salisbury House London Wall London EC2M 5PS
<b>Principal Bankers</b>	Bank of Ireland 27-33 Baggot Street Dublin, DO4 VX58 Ireland
<b>Investment Managers</b>	Quilter Cheviot 27-33 Baggot Street Senator House 85 Queen Victoria Street London, EC4V 4AB
	Davy Group Davy House 49 Dawson Street Dublin DO2 PY05 Ireland

# **THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART (Charitable company limited by guarantee)**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2024**

The Trustees present their report and the audited accounts for the year ended 31 December 2024 which have been prepared in accordance with the requirements of the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), the Companies Act 2006 and applicable accounting standards.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

The Alexian Brothers of the Province of the Sacred Heart is a Company limited by guarantee and is governed by its Memorandum and Articles of Association dated 6 September 1963 (as updated May 2020) It is also registered as a charity with the Charity Commission with the Charities Regulator in Ireland. The members' liability is limited. Every member of the Congregation of the Alexian Brothers undertakes to contribute up to £1 to the assets of the company in the event of it being wound up.

### **Trustee composition, appointment of Trustees, induction and training**

The Trustees, who are also the directors of the Charity for the purposes of company law, control all activities under the direction of the Chairman who is also the Provincial of the Alexian Brothers. They act as a Council of Management. Only members of the Congregation may serve and they are appointed by the Council of Management.

Members of the Province elect the Council of Management and the Provincial/Regional Leader for a term of four years. The Council of Management appoints the Provincial Bursar. Training is provided internally by more experienced brothers and then externally by the attendance at Conferences and more specifically by professional advisors as required.

## **RISK MANAGEMENT**

The Trustees are closely involved with the review of risk and employ suitable professionals to supplement their own expert knowledge. The Trustees have assessed the major risks to which the charity is exposed, in particular those related to its operations and finances, and are satisfied that systems are in place to mitigate exposure to the major risks faced.

## **PUBLIC BENEFIT**

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

## **OBJECTIVES**

### **Charitable Objects**

The Alexian Brothers are a Roman Catholic Congregation who care for people in all areas of the health field. The Congregation came into being during the Black Plague when members risked their lives by going outside the city walls to care for dying plague victims and to bury them. Their philosophy is to minister, to the very best of their ability, to those they serve in the belief that each individual person regardless of race, creed or colour is the individual person of Jesus Christ. There are other provinces working in Belgium, Germany, Hungary, the United States and the Philippines.

The objects of the charity are the advancement of the Roman Catholic religion, in particular, but not limited to, through the religious and other charitable work of the Congregation, as the Trustees with the approval of the Regional Leader shall from time to time think fit.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

**AIMS AND ACTIVITIES**

**Review of activities and performance during the year**

**St. Alexius Knock Co. Mayo**

This property accommodates the Provincial Office and the Bursar's office.

- 5 Brothers are resident here, including the Provincial and Regional Bursar
- 2 Brothers are in care in Dublin, one receiving Nursing Care and the other in assisted living and this funded by the Region

The property was acquired in 2005 and since then has undergone a complete alteration and refurbishment. Its intended use is as a Novitiate House and providing hospitality in a community setting for people recovering from addictions or for whom no alternative services exist. It is also a house of prayer, hospitality and healing. The ministry continues to develop.

The purchase of an additional adjacent house was completed later and provides accommodation for the monastery guesthouse for those on Retreats etc.

Our Oratory is open from 6.30-8.30pm daily and the public are free to visit. Some local people, visitors and religious join the brothers for prayer.

The brothers provide:

- Addiction counselling
- Listening ear service
- Befriending services
- Telephone befriending services
- Providing accommodation and meals at Christmas time for people who live alone
- Responding to people looking for help at the door
- Helping as requested in the local parish
- Hospital visits
- Advocacy service in court
- Online support for people with mental health issues, isolation and loneliness.
- We have a large meeting room where groups meet throughout the year for prayer, training, counselling and support.

We normally have one person living in the community who is in recovery and we endeavour to upskill the person in the following:

- Domestic duties
- Kitchen duties
- Reception duties
- Gardening
- Care of our herd of pygmy goats
- Care of our flock of hens, ducks and guinea fowl

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

**AIMS AND ACTIVITIES (continued)**

**Grant Making**

The members of our community are now getting older and we have less ability to be directly involved in apostolic/mission activities. However, we are eager to use our financial resources to assist other groups who have a similar ethos to ourselves and who are engaged in charitable projects. The Trustees are constantly reviewing various projects that we feel able to assist. During the year, grants made included the following:

- Mayo Roscommon Hospice - £84.6k (2023: £87.7k). This is a charity registered in Ireland providing specialist palliative care services, free of charge, to patients and families living with life-limiting illness in counties Mayo and Roscommon. Palliative care services are available to patients in their homes and hospitals. The charity's mission is to provide care and support while meeting both the physical and emotional needs of patients and their loved ones. This vital service enables patients to live life to the full in comfort and dignity by improving their quality of life through pain control and alleviating other distressing symptoms.
- The Knock Shrine - £84.6k (2023: £87.7k). This is the international Eucharistic and Marian Roman Catholic shrine. It is visited by pilgrims from around the world and it provides a place for prayer and public worship.
- The Morning Star, Dublin - £50.8k (2023: £35.1k). This is a charity registered in Ireland to provide accommodation to homeless men. It is run entirely by Legion of Mary volunteers. Their guiding principle is to love one another and this provides residents with a message of hope and supports them on their road to recovery and independent living, whether they are from a Christian background, another faith tradition or no faith tradition.
- Western Alzheimer's -£42.3k (2023: Nil).. This is a charity registered in Ireland to provide Alzheimer's/Dementia care in the West of Ireland.

**FINANCIAL REVIEW**

The financial statements comply with the charity's governing document and with current statutory requirements.

The accounts show that income for the year was £258.0k (2023: £306.1k). Although voluntary income, which mainly takes the form of Brothers' donated pensions, increased with inflation, bank interest declined following the investment of surplus cash reserves during the year.

Total expenditure increased, rising to £688.2k (2023: £599.5k). The main increase was in grants paid whilst costs in support of Brothers and their ministry rose marginally.

The result, before gains/losses on investments, was net expenditure of £430.2k (2023: £293.3k).

The year saw investment losses of £29.2k (2023: gains of £113.2k). The overall result was therefore a decrease in funds of £459.3k (2023: £180.1k).

By the end of the year the charity's net assets had fallen to £7.60m from £8.06m – see Reserves Policy below.

During 2024, the Trustees invested cash reserves of just over £2.1m into a Euro-denominated portfolio managed by the Davy Group in Ireland. Cash reserves were greater than required for the charity's day-to-day spending and interest rates appeared to have peaked. In recognition of this and the fact that much of the charity's spending is in Euros, it was decided to open a separate Euro-portfolio. The Trustees have specified that the portfolio is to be managed with a low degree of risk.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

**RESERVES POLICY**

At the end of the year to 31 December 2024 the total funds of the charity stood at £7.60m. Of this, £700.2k is represented by fixed assets required for the support of the activities and the administration of the charity, and a designated fund has been set up to reflect this.

A designated fund has been established to reflect the funding needed in respect of the charity's commitment to provide for the needs of its members in sickness and old age. Calculations indicated that a fund of in the region of £3.5m, is required to provide fully for this commitment. No changes to the level of the fund have been made during the year but this will be kept under review and further designations, or releases from the fund, will be considered as circumstances and needs change.

In addition, the Trustees have set aside a sum of £1.5m as a Charitable Projects Fund. This is intended to provide funding for various charitable activities which the Trustees will support financially, it is hoped over the longer-term, but which will tend not to have direct input from the members of the Province. This is considered to be the most effective way of pursuing the aims of the charity in view of the fact that the membership of the Province is aging and the members are increasingly unable to work directly in pursuit of the charity's purposes.

The charity's "free reserves" therefore stood at approximately £1.90m at the end of the year. It has generally been the policy of the trustees to aim to hold around two to three years' expenditure in reserve. At the year-end the level of reserves was in line with this policy but towards the upper end of the target range. However, the Trustees intend to continue to make grants of at least the level seen in recent years and therefore significant deficits are anticipated for the foreseeable future. As a result, "free reserves" will be depleted. Furthermore, the level of these funds are, in part, subject to fluctuations in investment values.

The Trustees therefore feel that the current level is adequate but not excessive provision for the Charity's ongoing needs.

**INVESTMENT POLICY AND PERFORMANCE**

Investments in equities, fixed income stocks and cash over the long term should enhance real value of funds by means of a diversified portfolio with medium risk. The Trustees have established an ethical investment policy and have communicated this to their Fund Managers. The policy states that "no investments are to be made in companies which are predominantly involved in the production of armaments, tobacco or abortion products".

The quarterly reports of the investment managers compare performance with a number of relevant indices and comment thereon.

The total return on the charity's investments in the year was +2.22% (2023: +7.4%). This was a little below the averages quoted for the charity sector for the year but the Trustees recognise that a low-risk approach is being adopted and that the year was a transitional one with the addition of funds to investments part-way through the year (see Financial Review above).

The Trustees consider returns to have been satisfactory but will keep the performance and management of investments under review.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

**FUTURE PLANS**

The Trustees will continue to monitor closely the effectiveness and viability of all of the charity's activities with a view to ensuring that these continue for as long as possible, in the light of the increasing age profile of the members of the Province. They will also consider how best to further the charity's purposes by means of grants made to third-party charities with objects and aims in keeping with those of the charity and the Congregation.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of The Alexian Brothers of the Province of the Sacred Heart for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees' Report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Trustees' Report was approved by the Board and signed on their behalf on  
11 September 2025 by:

.....  
Dermot O'Leary  
Trustee

## THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART

### INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART

#### Opinion

We have audited the financial statements of The Alexian Brothers of the Province of the Sacred Heart (the 'charitable company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of the charitable company's incoming resources and application of resources, 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 Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the Trustees' Report, other than the financial statements and our Auditor's Report thereon. The trustees are responsible for the other information contained within the Trustees' Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in The Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

## **THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE TRUSTEES OF THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**

#### **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 Companies Act 2006 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient and proper accounting records have not been kept by the charitable company; or
- the charitable company's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees for the financial statements**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud, the audit engagement team made enquiries of management, and those charged with governance, regarding the procedures relating to identifying, evaluating and complying with;

1. laws and regulations and whether they were aware of any instances of non-compliance;
2. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
3. the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

## **THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**

### **INDEPENDENT AUDITOR'S REPORT**

### **TO THE TRUSTEES OF THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, General Data Protection Regulations, Canon Law, Companies Act 2006, Charities Act 2011, The Statement of Recommended Practice for Charities (SORP 2019) and employment law and health and safety regulations. We performed audit procedures to detect non-compliance, which may have a material impact on the financial statements. These included reviewing financial statement disclosures and evaluating advice received from external advisors. There were no significant laws and regulations we deemed as having an indirect impact on the financial statements.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the rationale in relation to any significant, unusual transactions and transactions entered into outside of the normal course of business.

Income recognition was also identified as a significant risk which could lead to a material misstatement due to fraud or error. Audit procedures performed included but were not limited to performing walk through tests to identify the control procedures in place and once an understanding of the investment income process was gained, a substantive test was carried out using a sample basis to ensure all dividends existed and were complete in the accounts. Cut off testing was also performed to ensure dividends were recorded in the correct period.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Darren Harding ACA FCCA DChA (Senior Statutory Auditor)**

For and on behalf of Richard Place Dobson Services Limited  
Chartered Accountants  
Statutory Auditor

Date: 11 September 2025

Ground Floor  
1 – 7 Station Road  
West Sussex  
RH10 1HT

is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024 £	2023 £
<b>INCOME FROM:</b>			
Donations and legacies	1	108,150	99,785
Investments	2	149,897	206,340
<b>Total income</b>		258,047	306,125
<b>EXPENDITURE ON:</b>			
Raising funds			
Investment Management fees (net of refund)		23,801	(7,319)
Cost of activities in furtherance of the charity's objects	3		
- Support of Brothers the Congregation and their ministries		380,584	373,653
- Grants paid		283,815	233,131
- Support of Brothers the Congregation and their ministries		664,399	606,784
<b>Total expenditure</b>		688,200	599,465
Net (expenditure) before gains/(losses) on investments		(430,153)	(293,340)
Net (losses)/gains on quoted investments		(29,179)	113,233
<b>Net income/(expenditure)and net movement in funds</b>		(459,332)	(180,107)
Total funds brought forward		8,059,747	8,239,854
<b>Total funds carried forward</b>		£7,600,415	£8,059,747

No summary Income and Expenditure Account has been prepared because the information required by the Companies Act 2006 is clearly shown in the above statement. The Net income/expenditure before unrealised gains and losses represents the net surplus for the year.

The charitable company had no recognised gains or losses other than as disclosed in the Statement of Financial Activities for the financial year ended 31 December 2024 and 31 December 2023.

The accompanying notes form part of these financial statements.



**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**YEAR ENDED 31 DECEMBER 2024**

**NOTE OF HISTORICAL COST SURPLUSES AND DEFICITS**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Net movement in funds	(459,332)	(180,107)
Unrealised (gains)/ losses on investments	(1,372)	(68,154)
Realised (gains)/losses in market value adjusted to cost	(74,533)	(57,669)
Historical cost deficit/surplus for the year	<u>£(535,237)</u>	<u>£(305,930)</u>

The accompanying notes form part of these financial statements.

**THE ALEXIAN BROTHERS OF PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from Operating Activities</b>		
Net cash used in operating activities	(416,361)	(393,913)
<b>Cash flows from investing activities</b>		
Dividends and interest from investments	149,897	206,340
Payments to acquire fixed assets	(25,096)	(33,158)
Payments to acquire investments	(3,459,310)	(377,473)
Receipts from sales of investments	1,341,639	407,407
<b>Net cash provided/(used) by investing activities</b>	<b>(1,992,870)</b>	<b>203,116</b>
<b>Change in cash and cash equivalents in year</b>	<b>(2,409,231)</b>	<b>(190,797)</b>
Cash and cash equivalents at 1 January 2024	2,838,317	3,029,114
Cash and cash equivalents at 31 December 2024	<b>£429,086</b>	<b>£2,838,317</b>

**Notes to the Cash Flow Statement**

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

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Net movement in funds (as per the Statement of Financial Activities)</b>	(459,332)	(180,107)
<b>Adjustments for</b>		
Losses / (Gains) on investments	29,179	(113,233)
Dividends and interest from investments	(149,897)	(206,340)
Depreciation	135,611	133,102
Decrease / (Increase) in debtors	10,884	(20,942)
Increase / (Decrease) in creditors	17,194	(6,393)
<b>Net cash (used in) operating activities</b>	<b>£(416,361)</b>	<b>£(393,913)</b>

**B. Analysis of cash and cash equivalents**

Cash at bank and in hand	429,086	2,838,317
Total cash and cash equivalents	<b>£429,086</b>	<b>£2,838,317</b>

**C. Analysis of changes in net cash funds**

	<b>At 1 January</b>	<b>Cashflows</b>	<b>At 31 December</b>
	<b>2024</b>	<b>£</b>	<b>2024</b>
	<b>£</b>		<b>£</b>
Cash at bank and in hand	2,838,317	(2,409,231)	429,086
Total cash and cash equivalents	<b>£2,838,317</b>	<b>£(2,409,231)</b>	<b>£429,086</b>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**PRINCIPAL ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

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**

The financial statements have been prepared in accordance with Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

**Critical accounting estimates and areas of judgement**

Preparation of the accounts requires the Trustees to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- estimating the economic useful life of tangible fixed assets.

**Assessment of going concern**

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

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. 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 2025, 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).

**Income recognition**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacies, 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(s) to the Trust 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, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

In accordance with the Charities SORP FRS102, volunteer time is not recognised.

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.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**PRINCIPAL ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

**Expenditure recognition and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise fees paid in respect of fund management advice in relation to the charity's portfolios of quoted investments, which is managed under a discretionary management agreement.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. These costs comprise charitable grants and donations, direct and support costs in respect to the support of members of the Congregation and their ministry. It also includes governance costs.

Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**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.

**Tangible fixed assets**

Individual fixed assets costing £2,500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight-line basis as follows:

	Annual rate
Freehold land	Nil
Freehold buildings	2% - 10%
Refurbishment and alterations	2%
Fixtures and plant	15% – 33.3%
Motor vehicles	25%

A full year's depreciation is charged against an asset in the year it is acquired but no depreciation is charged in the year of its disposal.

**Financial Instruments**

The charity only holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**PRINCIPAL ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

**Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Deposits for more than three months and up to one year are 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 where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Services provided by members of the Congregation**

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

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction or at an average rate for the year, depending on the nature of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

**Leased assets**

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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all of the risks and rewards of ownership to the charity. Assets held under finance leases are recognised initially at the fair value of the leased assets (or, if lower, the present value of the minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is recognised as a finance lease obligation. Lease payments are apportioned between finance charges and the reduction of the lease obligation using the effective interest method in order to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the statement of financial activities. Assets held under finance leases are capitalised and depreciated and assessed for impairment losses in the same way as owned assets.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

**1. DONATIONS AND LEGACIES**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
General donations	38,068	33,467
Pensions donated by members of the Congregation	70,082	66,318
	<u>£108,150</u>	<u>£99,785</u>

**2. INVESTMENT INCOME**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Income from listed investments	131,223	133,499
Bank interest	18,674	72,841
	<u>£149,897</u>	<u>£206,340</u>

**3. EXPENDITURE ON CHARITABLE ACTIVITIES**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Support of Brothers of the Congregation and their ministries</b>		
Depreciation	135,611	133,102
Community costs	153,831	189,128
Governance and Support costs (note 4)	28,511	28,641
Losses on translation of foreign currencies	62,631	22,782
	<u>380,584</u>	<u>373,653</u>
<b>Grants paid</b>		
Grants to overseas activities of the Alexian Brothers	21,448	22,697
Other charitable donations and grants (see below)	262,367	210,434
	<u>283,815</u>	<u>233,131</u>
	<u>£664,399</u>	<u>£606,784</u>
<b>Other charitable donations &amp; grants comprises:</b>		
Mayo Roscommon Hospice Foundation	84,635	87,681
Knock Shrine	84,635	87,681
The Morning Star, Dublin	50,781	35,072
Western Alzheimers	42,316	-
	<u>£262,367</u>	<u>£210,434</u>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

**4. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration		
- Current year	13,200	11,400
- Prior-year under-accrual	900	2,200
	<u>14,100</u>	<u>13,600</u>
Other - Company Secretarial services	975	1,183
	<u>15,075</u>	<u>14,783</u>
Other professional fees	10,680	9,900
Legal fees	2,756	3,958
	<u>£28,511</u>	<u>£28,641</u>

**5. NET INCOME/EXPENDITURE FOR THE YEAR**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>This is stated after charging:</b>		
Investment management fees (net of refund)	23,801	(7,319)
Depreciation	135,611	133,102
Losses /(Gains) on translation of foreign currencies	62,631	22,782
Auditors remuneration		
- Audit fees	14,100	13,600
- Other services	975	1,183
Legal fees	2,756	3,958
	<u>£40,134</u>	<u>£31,247</u>

**6. STAFF COSTS AND STAFF NUMBERS**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>This is stated after charging:</b>		
Wages and salaries	36,072	27,700
Social security costs	4,062	3,547
Other pension costs	-	-
	<u>£40,134</u>	<u>£31,247</u>
<b>:</b>	<b>No</b>	<b>No</b>
The average number of employees in the year was:	<u>1</u>	<u>1</u>

**7. TRUSTEES' REMUNERATION AND KEY MANAGEMENT PERSONNEL**

The charity Trustees are not paid and do not receive any other benefits from employment with the Trust in the year (2023: £Nil) neither were they reimbursed expenses during the year (2023:£Nil). No charity trustee received payment for professional or other services supplied to the charity (2023: Nil). However, the living costs of the Trustees, who are all members of the Congregation, are borne by the charity – see Note 8.

The key management personnel of the charity are provided by the Trustees, who are not remunerated.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

**8. TRANSACTIONS WITH THE TRUSTEES**

The Trustees of the Charity are also members of the Congregation and as such have taken vows of poverty under which they have renounced all personal rights to income and capital. The Charity provides for the essential needs of all members of the Congregation within the Province. The living costs of the three Trustees are therefore borne by the Charity. There were no other related party transactions (2023- None).

**9. TAXATION**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**10. COMPANY STATUS AND ULTIMATE CONTROL**

The company is limited by guarantee and does not have a share capital. The members' liability is limited. Every member of the Congregation of the Alexian Brothers undertakes to contribute up to £1 to the assets of the company in the event of it being wound up.

**11. TANGIBLE FIXED ASSETS:**

	<b>Freehold Properties £</b>	<b>Motor Vehicles £</b>	<b>Office Equipment &amp; Furniture £</b>	<b>Total £</b>
<b>COST OR VALUATION</b>				
At 1 January 2024	1,641,195	17,356	31,351	1,689,902
Additions	25,096	-	-	25,096
At 31 December 2024	<u>1,666,291</u>	<u>17,356</u>	<u>31,351</u>	<u>1,714,998</u>
<b>ACCUMULATED DEPRECIATION</b>				
At 1 January 2024	849,567	12,178	17,451	879,196
Charge for year	128,320	2,589	4,702	135,611
At 31 December 2024	<u>977,887</u>	<u>14,767</u>	<u>22,153</u>	<u>1,014,807</u>
<b>NET BOOK VALUE</b>				
At 31 December 2024	<u>£688,404</u>	<u>£2,589</u>	<u>£9,198</u>	<u>£700,191</u>
At 31 December 2023	<u>£791,628</u>	<u>£5,178</u>	<u>£13,900</u>	<u>£810,706</u>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

<b>12. INVESTMENTS</b>	<b>2024</b>		<b>2023</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Market value at 1 January 2024		4,400,318		4,317,019
Additions		3,459,310		377,473
Disposals				
Proceeds	(1,341,639)		(407,407)	
(Losses) / Gains	(30,551)		45,079	
		<u>(1,372,190)</u>		<u>(362,328)</u>
Net unrealised investment gains/(losses)		1,372		68,154
		<u>£6,488,810</u>		<u>£4,400,318</u>
Market value at 31 December 2024		<u>£6,488,810</u>		<u>£4,400,318</u>
		<u>£6,413,722</u>		<u>£4,401,135</u>
			<b>2024</b>	<b>2023</b>
			<b>£</b>	<b>£</b>
<b>Listed on a UK stock exchange</b>				
UK Fixed Interest			804,548	578,331
Overseas Fixed Interest			1,421,766	390,039
UK Equities			751,188	908,634
North American Equities			752,827	660,271
Europe (ex UK) Equities			175,639	159,560
Japan Equities			58,028	-
Asia Pacific (ex-Japan) Equities			42,090	-
Emerging Markets			115,119	109,163
Index-linked "Kick-out" Bond			-	510,020
Global			-	63,572
Other Alternatives			681,674	831,148
			<u>4,802,879</u>	<u>4,210,738</u>
General Cash and Short Maturity Bonds			1,685,931	189,580
			<u>£6,488,810</u>	<u>£4,400,318</u>
<b>13. DEBTORS</b>			<b>2024</b>	<b>2023</b>
			<b>£</b>	<b>£</b>
Prepayments and accrued income			7,277	5,906
Rebate of Quilter Cheviot Management fees			12,852	25,107
			<u>£20,129</u>	<u>£31,013</u>
<b>14. CREDITORS: Amounts falling due within one year</b>			<b>2024</b>	<b>2023</b>
			<b>£</b>	<b>£</b>
Accruals & deferred income			28,085	19,900
Other creditors			9,716	707
			<u>£37,801</u>	<u>£20,607</u>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

**15. DESIGNATED FUNDS**

The trustees have designated funds out of the unrestricted funds for specific purposes as follows:

**Fixed Assets Fund**

In order to fulfil its charitable objectives, the Charity needs property and other fixed assets. These assets, although they are for unrestricted purposes, cannot be realised without undermining the Charity's work and the trustees therefore feel that it is appropriate to reflect the investment in fixed assets by means of a designated fund. Depreciation is charged against the fund. Transfers are made to reflect the net investment/dis-investment in fixed assets during the year.

**Retirement Fund**

A fund has been designated in respect of the Charity's commitment to provide for the retirement and care in old age and sickness of its members. During 2023, the level of the fund required was assessed in the light of current economic circumstances and financial returns, and the anticipated long-term needs of members. There are six professed Brothers to provide for and estimates indicate that a fund in the region of some £3.5m is needed to finance fully the Charity's commitment to provide care for its elderly members. Therefore, a fund was established with a designation of £3.5m. The Trustees will keep the level of the designation under review with a view to releasing funds for other purposes when, as expected, the number of Brothers falls.

**Charitable Projects Fund**

The Trustees have set aside this fund in order to finance giving to charitable projects that they wish to support but for which they now lack the personnel. The fund will provide both capital and income. The Trustees have identified a number of projects that they wish to support and, although grants are only made annually, it is the Trustees' intention, if possible, to provide funding to secure the longer-term future of these projects. Therefore, a fund has been set aside to cover this financial support for several years. During 2023, a fund of £1.5m was established.

	<b>Balance At start of year £</b>	<b>Net Income/ (Expenditure) £</b>	<b>Designated/ (Released) in year £</b>	<b>Balance At end of year £</b>
<b>Movements - Current year</b>				
Fixed asset fund	810,706	(110,515)	-	700,191
Retirement fund	3,500,000	(36,227)	36,227	3,500,000
Charitable Projects Fund	1,500,000	(283,815)	283,815	1,500,000
	<u>£5,810,706</u>	<u>£(430,557)</u>	<u>£320,042</u>	<u>£5,700,191</u>

	<b>Balance At start of year £</b>	<b>Net Income/ (Expenditure) £</b>	<b>Designated/ (Released) in year £</b>	<b>Balance At end of year £</b>
<b>Movements – Prior year</b>				
Fixed asset fund	-	-	810,706	810,706
Retirement fund	-	-	3,500,000	3,500,000
Charitable Projects Fund	-	-	1,500,000	1,500,000
	<u>£-</u>	<u>£-</u>	<u>£5,810,706</u>	<u>£5,810,706</u>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

**16. ANALYSIS OF NET ASSETS**

**Fund Balances at 31 December 2024**

were represented by:

	<b>Designated Funds</b>				<b>Total £</b>
	<b>General Fund £</b>	<b>Fixed Assets £</b>	<b>Retirement Fund £</b>	<b>Charitable Projects Fund £</b>	
Tangible fixed assets	-	700,191	-	-	700,191
Investments	1,488,810	-	3,500,000	1,500,000	6,488,810
Current assets	449,215	-	-	-	449,215
Current liabilities	(37,801)	-	-	-	(37,801)
	<u>£1,900,224</u>	<u>£700,191</u>	<u>£3,500,000</u>	<u>£1,500,000</u>	<u>£7,600,415</u>

**Fund Balances at 31 December 2023**

were represented by:

	<b>Designated Funds</b>				<b>Total £</b>
	<b>General Fund £</b>	<b>Fixed Assets £</b>	<b>Retirement Fund £</b>	<b>Charitable Projects Fund £</b>	
Tangible fixed assets	-	810,706	-	-	810,706
Investments	900,318	-	3,500,000	-	4,400,318
Current assets	1,369,330	-	-	1,500,000	2,869,330
Current liabilities	(20,607)	-	-	-	(20,607)
	<u>£2,249,041</u>	<u>£810,706</u>	<u>£3,500,000</u>	<u>£1,500,000</u>	<u>£8,059,747</u>

**ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**

England & Wales - Charity number 233131

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# Accounts

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**THE ALEXIAN BROTHERS OF THE PROVINCE  
OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2023**

Company Number: 0773307  
Registered Charity Number: 233131

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Trustees and directors</b>	<p>The directors of the charitable company (the charity) are its trustees for the purpose of company law and throughout this report are collectively referred to as the trustees.</p> <p>The following served as trustees of the company during the year ended 31 December 2023.</p> <p>Finbarr Butler – Chairman Dermot Jeremiah O’Leary John Fleming</p>
<b>Company Secretary</b>	Dermot O’Leary
<b>Regional Leader</b>	Finbarr Butler Churchfield Knock, Co. Mayo
<b>Registered Office</b>	10 Queen Street Place London EC4R 1AG
<b>Charity Registration No.</b>	233131
<b>Company Number</b>	0773307
<b>Governing Instrument</b>	Memorandum & Articles of Association dated 6 September 1963 (as amended by special resolution dated 20 May 2020)
<b>Auditors</b>	Richard Place Dobson 1-7 Station Road Crawley West Sussex RH10 1HT
<b>Solicitors</b>	Druces LLP Salisbury House London Wall London EC2M 5PS
<b>Principal Bankers</b>	The Royal Bank of Scotland London City Office 62/63 Threadneedle Street London EC2R 8LA
<b>Investment Managers</b>	Quilter Cheviot Senator House 85 Queen Victoria Street EC4V 4AB

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

The Trustees present their report and the audited accounts for the year ended 31 December 2023 which have been prepared in accordance with the requirements of the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), the Companies Act 2006 and applicable accounting standards.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Document**

The Alexian Brothers of the Province of the Sacred Heart is a Company limited by guarantee and is governed by its Memorandum and Articles of Association dated 6 September 1963 (as updated May 2020) It is also registered as a charity with the Charity Commission. The members' liability is limited. Every member of the Congregation of the Alexian Brothers undertakes to contribute up to £1 to the assets of the company in the event of it being wound up.

**Trustee composition, appointment of Trustees, induction and training**

The Trustees, who are also the directors of the Charity for the purposes of company law, control all activities under the direction of the Chairman who is also the Provincial of the Alexian Brothers. They act as a Council of Management. Only members of the Congregation may serve and they are appointed by the Council of Management.

Members of the Province elect the Council of Management and the Provincial/Regional Leader for a term of four years. The Council of Management appoints the Provincial Bursar. Training is provided internally by more experienced brothers and then externally by the attendance at Conferences and more specifically by professional advisors as required.

**RISK MANAGEMENT**

The Trustees are closely involved with the review of risk and employ suitable professionals to supplement their own expert knowledge. The Trustees have assessed the major risks to which the charity is exposed, in particular those related to its operations and finances, and are satisfied that systems are in place to mitigate exposure to the major risks faced.

**PUBLIC BENEFIT**

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

**OBJECTIVES**

**Charitable Objects**

The Alexian Brothers are a Roman Catholic Congregation who care for people in all areas of the health field. The Congregation came into being during the Black Plague when members risked their lives by going outside the city walls to care for the dying plague victims and to bury them. Their philosophy is to minister, to the very best of their ability, to those they serve in the belief that each individual person regardless of race, creed or colour is the individual person of Jesus Christ. There are other provinces working in Belgium, Germany, Hungary, the United States and the Philippines.

The objects of the charity are the advancement of the Roman Catholic religion, in particular, but not limited to, through the religious and other charitable work of the Congregation, as the Trustees with the approval of the Regional Leader shall from time to time think fit.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**AIMS AND ACTIVITIES**

**Review of activities and performance during the year**

**St. Alexius Knock Co. Mayo**

Accommodates the Provincial Office and the Bursar's office relocated from Drumcondra Dublin.

- 5 Brothers are resident here, including the Provincial and Regional Bursar
- 2 Brothers are in care in Dublin, one receiving Nursing Care and the other in assisted living and this funded by the Region

The property was acquired in 2005 and since then has undergone a complete alteration and refurbishment. Its intended use is as a Novitiate House and providing hospitality in a community setting for people recovering from addictions or for whom no alternative services exist. It is also a house of prayer, hospitality and healing. The ministry continues to develop.

The purchase of an additional adjacent house was completed later and provides accommodation for the monastery guesthouse for those on Retreats etc.

Our Oratory is open from 6.30-8.30pm daily and the public are free to visit. Some local people, visitors and religious join the brothers for prayer.

The brothers provide:

- Addiction counselling
- Listening ear service
- Befriending services
- Telephone befriending services
- Providing accommodation and meals at Christmas time for people who live alone
- Responding to people looking for help at the door
- Helping as requested in the local parish
- Hospital visits
- Advocacy service in court
- Online support for people with mental health issues, isolation and loneliness.
- We have a large meeting room where groups meet throughout the year for prayer, training, counselling and support.

We normally have one person living in the community who is in recovery and we endeavour to upskill the person in the following:

- Domestic duties
- Kitchen duties
- Reception duties
- Gardening
- Care of our herd of pygmy goats
- Care of our flock of hens, ducks and guinea fowl

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**AIMS AND ACTIVITIES (continued)**

**Grant Making**

The members of our community are now getting older and we have less ability to be directly involved in apostolic/mission activities. However, we are eager to use our financial resources to assist other groups who have a similar ethos to ourselves and who are engaged in charitable projects. The Trustees are constantly reviewing various projects that we feel able to assist. During the year, grants made included the following:

- Mayo Roscommon Hospice - £87.7k (2022: £100k). This is a charity registered in Ireland providing specialist palliative care services, free of charge, to patients and families living with life-limiting illness in counties Mayo and Roscommon. Palliative care services are available to patients in their homes and hospitals. The charity's mission is to care and support while meeting both the physical and emotional needs of patients and their loved ones. This vital service enables patients to live life to the full in comfort and dignity by improving their quality of life through pain control and alleviating other distressing symptoms.
- The Knock Shrine - £87.6k (2022: £86.3k). This is the international Eucharistic and Marian Roman Catholic shrine. It is visited by pilgrims from around the world and it provides a place for prayer and public worship.
- The Morning Star, Dublin - £35.1k (2022: £100k). This is a charity registered in Ireland to provide accommodation to homeless men. It is run entirely by Legion of Mary volunteers. Their guiding principle is to love one another and this provides residents with a message of hope and supports them on their road to recovery and independent living whether they are from a Christian background, another faith tradition or no faith tradition.
- In 2022, in addition to the Grants referred to above, £100k was donated to Western Alzheimer's, a charity registered in Ireland to provide Alzheimer's/Dementia care in the West of Ireland, and £17.8k to a Ukraine Appeal, to assist in the alleviation of the suffering of those fleeing the conflict in Ukraine.

**FINANCIAL REVIEW**

The accounts comply with the charity's governing document and with current statutory requirements.

The accounts show that income for the year was £306.1k (2022: £246.0k). The rise was thanks to a general increase in recurring sources of income, with investment income, including bank interest, continuing to be the main source.

Total expenditure fell to £599.5k (2022 £767.5k). with lower grants paid being only partially offset by an increase in costs in support of Brothers and their ministry. In addition, a rebate of investment management fees was received.

The result, before gains/losses on investments, was net expenditure of £293.3k (2022: £521.6k).

The year saw investment gains of £113.2k (2022: losses of £721.1k). The overall result was a decrease in funds of £180.1k (2022: £1.243m).

By the end of the year the charity's net assets had fallen to £8.06m from £8.24m – see Reserves Policy below.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**RESERVES POLICY**

At the end of the year to 31 December 2023 the total funds of the charity stood at £8.06m. Of this, £811k is represented by fixed assets required for the support of the activities and the administration of the charity, and a designated fund has been set up to reflect this.

During 2023, a designated fund was established to reflect the funding needed in respect of the charity's commitment to provide for the needs of its members in sickness and old age. Calculations indicate that a fund of in the region of £3.5m, is required to provide fully for this commitment. The level of this fund will be kept under review and further designations, or releases from the fund, will be considered as circumstances and needs change.

In addition, the Trustees have set aside a sum of £1.5m as a Charitable Projects Fund. This is intended to provide funding for various charitable activities which the Trustees will support financially, it is hoped over the longer-term, but which will tend not to have direct input from the members of the Province. This is considered to be the most effective way of pursuing the aims of the charity in view of the fact that the membership of the Province is aging and the members are increasingly unable to work directly in pursuit of the charity's purposes.

The charity's "free reserves" therefore stood at approximately £2.25m at the end of 2023. It has generally been the policy of the trustees to aim to hold around two to three years' expenditure in reserve. At the year-end the level of reserves was a little in excess of the upper level. However, this is after a year of good investment growth. Recent years' experience of investment losses highlights the transitory nature of investment values, in the short-term, which directly impacts upon reserve levels. Therefore, the Trustees feel that this is adequate but not excessive provision for the Charity's ongoing needs.

**INVESTMENT POLICY AND PERFORMANCE**

Investments in equities, fixed income stocks and cash over the long term should enhance real value by means of a diversified portfolio with medium risk. The Trustees have established an ethical investment policy and have communicated this to their Fund Managers. The policy states that "no investments are to be made in companies which are predominantly involved in the production of armaments, tobacco or abortion products".

The quarterly reports of the investment managers compare performance with a number of relevant indices and comment thereon.

The total return on the charity's investments in the year was +7.4% (2022: 12.7%). This was broadly in line with averages quoted for the charity sector for the year. The Trustees consider this to be satisfactory but will keep the performance of investments under review.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**FUTURE PLANS**

The Trustees will continue to monitor closely the effectiveness and viability of all of the charity's activities with a view to ensuring that these continue for as long as possible, in the light of the increasing age profile of the members of the Province. They will also consider how best to further the charity's purposes by means of grants made to third-part charities with objects and aims in keeping with those of the charity and the Congregation.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of The Alexian Brothers of the Province of the Sacred Heart for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees' Report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Trustees' Report was approved by the Board and signed on their behalf on by:



Finbarr Butler  
Trustee

Date: 27 August 2024

## THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART

### INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART

#### Opinion

We have audited the financial statements of The Alexian Brothers of the Province of the Sacred Heart (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of the charitable company's incoming resources and application of resources, 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 Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the Trustees' Report, other than the financial statements and our Auditor's Report thereon. The trustees are responsible for the other information contained within the Trustees' Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in The Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

## **THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**

### **INDEPENDENT AUDITOR'S REPORT**

### **TO THE TRUSTEES OF THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**

#### **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 Companies Act 2006 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient and proper accounting records have not been kept by the charitable company; or
- the charitable company's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees for the financial statements**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud, the audit engagement team made enquiries of management, and those charged with governance, regarding the procedures relating to identifying, evaluating and complying with;

1. laws and regulations and whether they were aware of any instances of non-compliance;
2. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
3. the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

# THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, General Data Protection Regulations, Canon Law, Companies Act 2006, Charities Act 2011, The Statement of Recommended Practice for Charities (SORP 2019) and employment law and health and safety regulations. We performed audit procedures to detect non-compliance, which may have a material impact on the financial statements. These included reviewing financial statement disclosures and evaluating advice received from external advisors. There were no significant laws and regulations we deemed as having an indirect impact on the financial statements.

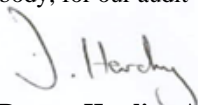
The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the rationale in relation to any significant, unusual transactions and transactions entered into outside of the normal course of business.

Income recognition was also identified as a significant risk which could lead to a material misstatement due to fraud or error. Audit procedures performed included but were not limited to performing walk through tests to identify the control procedures in place and once an understanding of the investment income process was gained, a substantive test was carried out using a sample basis to ensure all dividends existed and were complete in the accounts. Cut off testing was also performed to ensure dividends were recorded in the correct period.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Darren Harding ACA FCCA DChA (Senior Statutory Auditor)**

For and on behalf of Richard Place Dobson Services Limited  
Chartered Accountants  
Statutory Auditor

Date: 27 August 2024

Ground Floor  
1 – 7 Station Road  
West Sussex  
RH10 1HT

is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	2023 £	2022 £
<b>INCOME FROM:</b>			
Donations and legacies	1	99,785	96,289
Investments	2	206,340	130,827
Other			
- Gain on currency conversion		-	18,834
- Gain on disposal of fixed assets		-	-
<b>Total income</b>		<u>306,125</u>	<u>245,950</u>
<b>EXPENDITURE ON:</b>			
Raising funds			
Investment Management fees (net of refund)		(7,319)	28,035
Cost of activities in furtherance of the charity's objects	3		
- Support of Brothers the Congregation and their ministries		373,653	322,072
- Grants paid		233,131	417,419
- Support of Brothers the Congregation and their ministries		<u>606,784</u>	<u>739,491</u>
<b>Total expenditure</b>		<u>599,465</u>	<u>767,526</u>
Net (expenditure) before gains/(losses) on investments		(293,340)	(521,576)
Net gains/(losses) on quoted investments		113,233	(721,144)
<b>Net income/(expenditure)and net movement in funds</b>		<u>(180,107)</u>	<u>(1,242,720)</u>
Total funds brought forward		<u>8,239,854</u>	<u>9,482,574</u>
<b>Total funds carried forward</b>		<u><u>£8,059,747</u></u>	<u><u>£8,239,854</u></u>

No summary Income and Expenditure Account has been prepared because the information required by the Companies Act 2006 is clearly shown in the above statement. The Net income/expenditure before unrealised gains and losses represents the net surplus for the year.

The charitable company had no recognised gains or losses other than as disclosed in the Statement of Financial Activities for the financial year ended 31 December 2023 and 31 December 2022.

The accompanying notes form part of these financial statements.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**Company number: 0773307**

**BALANCE SHEET**

**AT 31 DECEMBER 2023**

	Notes	£	2023	£	£	2022	£
<b>FIXED ASSETS</b>							
Tangible assets	11			810,706			910,650
Investments	12			4,400,318			4,317,019
				<u>5,211,024</u>			<u>5,227,669</u>
<b>CURRENT ASSETS</b>							
Debtors	13	31,013			10,071		
Short term deposits		2,069,000			2,000,000		
Cash and bank balances		769,317			1,029,114		
		<u>2,869,330</u>			<u>3,039,185</u>		
<b>CREDITORS:</b> amounts falling due within one year	14	(20,607)			(27,000)		
<b>NET CURRENT ASSETS</b>				2,848,723			3,012,185
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				<u>£8,059,747</u>			<u>£8,239,854</u>
<b>Represented by -</b>							
<b>FUNDS</b>							
<b>Unrestricted Funds</b>				2,249,041			8,239,854
<b>Designated Funds</b>							
- Fixed Assets		810,706			-		
- Retirement Fund		3,500,000			-		
- Charitable Projects Fund		1,500,000			-		
	15	<u>5,810,706</u>					-
				<u>£8,059,747</u>			<u>£8,239,854</u>

Of the Accumulated Reserves shown above, £817 relates to unrealised losses on investments (2022: unrealised gains of £126,640).

The financial statements were approved and authorised for issue by the Board on 27 August 2024 and were signed below on its behalf by:



Finbarr Butler  
 Director

The accompanying notes form part of these financial statements.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**YEAR ENDED 31 DECEMBER 2023**

**NOTE OF HISTORICAL COST SURPLUSES AND DEFICITS**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Net movement in funds	(180,107)	(1,242,720)
Unrealised (gains)/ losses on investments	(68,154)	459,386
Realised (gains)/losses in market value adjusted to cost	(57,669)	447,392
Historical cost deficit/surplus for the year	<u>£(305,930)</u>	<u>£(335,942)</u>

The accompanying notes form part of these financial statements.

**THE ALEXIAN BROTHERS OF PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from Operating Activities</b>		
Net cash used in operating activities	(393,913)	(529,939)
<b>Cash flows from investing activities</b>		
Dividends and interest from investments	206,340	130,827
Payments to acquire fixed assets	(33,158)	(10,356)
Proceeds from sale of fixed assets	-	-
Payments to acquire investments	(377,473)	(1,971,455)
Receipts from sales of investments	407,407	1,580,413
<b>Net cash provided/(used) by investing activities</b>	<b>203,116</b>	<b>(270,571)</b>
<b>Change in cash and cash equivalents in year</b>	<b>(190,797)</b>	<b>(800,510)</b>
Cash and cash equivalents at 1 January 2023	3,029,114	3,829,624
Cash and cash equivalents at 31 December 2023	<b>£2,838,317</b>	<b>£3,029,114</b>

**Notes to the Cash Flow Statement**

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Net movement in funds (as per the Statement of Financial Activities)</b>	(180,107)	(1,242,720)
<b>Adjustments for</b>		
(Gains)/Losses on investments	(113,233)	721,144
Dividends and interest from investments	(206,340)	(130,827)
Depreciation	133,102	129,281
(Increase)/Decrease in debtors	(20,942)	(1,767)
(Decrease)/Increase in creditors	(6,393)	(5,050)
<b>Net cash (used in) operating activities</b>	<b>£(393,913)</b>	<b>£(529,939)</b>

**B. Analysis of cash and cash equivalents**

Cash at bank and in hand	2,838,317	3,029,114
Total cash and cash equivalents	<b>£2,838,317</b>	<b>£3,029,114</b>

**C. Analysis of changes in net cash funds**

	<b>At 1 January</b>	<b>Cashflows</b>	<b>At 31 December</b>
	<b>2023</b>	<b>£</b>	<b>2023</b>
	<b>£</b>		<b>£</b>
Cash at bank and in hand	3,029,114	(190,797)	2,838,317
Total cash and cash equivalents	<b>£3,029,114</b>	<b>£(190,797)</b>	<b>£2,838,317</b>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**PRINCIPAL ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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

**Basis of preparation**

The financial statements have been prepared in accordance with Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

**Critical accounting estimates and areas of judgement**

Preparation of the accounts requires the Trustees to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- estimating the economic useful life of tangible fixed assets.

**Assessment of going concern**

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

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. 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 2024, 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).

**Income recognition**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacies, 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(s) to the Trust 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, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of care services service it is deferred until the criteria for income recognition are met.

In accordance with the Charities SORP FRS102, volunteer time is not recognised.

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.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**PRINCIPAL ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Expenditure recognition and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise fees paid in respect of fund management advice in relation to the charity's portfolio of quoted investments, which is managed under a discretionary management agreement.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. These costs comprise charitable grants and donations, direct and support costs in respect to the support of members of the Congregation and their ministry. It also includes governance costs.

Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**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.

**Tangible fixed assets**

Individual fixed assets costing £2,500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight-line basis as follows:

	Annual rate
Freehold land	Nil
Freehold buildings	2 - 10%
Refurbishment and alterations	2%
Fixtures and plant	15 – 33.3%
Motor vehicles	25%

A full year's depreciation is charged against an asset in the year it is acquired but no depreciation is charged in the year of its disposal.

**Financial Instruments**

The charity only holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**PRINCIPAL ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Deposits for more than three months and up to 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 where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Services provided by members of the Congregation**

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

**Foreign currencies**

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

**Leased assets**

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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all of the risks and rewards of ownership to the charity. Assets held under finance leases are recognised initially at the fair value of the leased assets (or, if lower, the present value of the minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is recognised as a finance lease obligation. Lease payments are apportioned between finance charges and the reduction of the lease obligation using the effective interest method in order to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the statement of financial activities. Assets held under finance leases are capitalised and depreciated and assessed for impairment losses in the same way as owned assets.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**1. DONATIONS AND LEGACIES**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
General donations	33,467	35,247
Pensions donated by members of the Congregation	66,318	61,042
	<u>£99,785</u>	<u>£96,289</u>

**2. INVESTMENT INCOME**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Income from listed investments	133,499	119,852
Bank interest	72,841	10,975
	<u>£206,340</u>	<u>£130,827</u>

**3. EXPENDITURE ON CHARITABLE ACTIVITIES**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Support of Brothers of the Congregation and their ministries</b>		
Depreciation	133,102	129,281
Community costs	189,128	166,374
Governance and Support costs (note 5)	28,641	26,417
Losses on translation of foreign currencies	22,782	-
	<u>373,653</u>	<u>322,072</u>
<b>Grants paid</b>		
Grants to overseas activities of the Alexian Brothers	22,697	13,855
Other charitable donations and grants (see below)	210,434	403,564
	<u>233,131</u>	<u>417,419</u>
	<u>£606,784</u>	<u>£739,491</u>
<b>Other charitable donations &amp; grants comprises:</b>		
Mayo Roscommon Hospice Foundation	87,681	100,000
Knock Shrine	87,681	86,303
The Morning Star, Dublin	35,072	100,000
Western Alzheimers	-	100,000
Ukraine Appeal	-	17,261
	<u>£210,434</u>	<u>£403,564</u>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**4. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration		
- Current year	11,400	11,000
- Prior-year under-accrual	2,200	2,050
	<u>13,600</u>	<u>13,050</u>
Other - Company Secretarial services	1,183	1,183
	<u>14,783</u>	<u>14,233</u>
Other professional fees	9,900	10,273
Legal fees	3,958	1,911
	<u>£28,641</u>	<u>£26,417</u>

**5. NET INCOME/EXPENDITURE FOR THE YEAR**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>This is stated after charging:</b>		
Investment management fees (net of refund)	(7,319)	28,035
Depreciation	133,102	129,281
Losses /(Gains) on translation of foreign currencies	22,782	(18,834)
Auditors remuneration		
- Audit fees	13,600	13,050
- Other services	1,183	1,183
Legal fees	3,958	1,911
	<u>£31,247</u>	<u>£27,356</u>

**6. STAFF COSTS AND STAFF NUMBERS**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>This is stated after charging:</b>		
Wages and salaries	27,700	23,666
Social security costs	3,547	3,690
Other pension costs	-	-
	<u>£31,247</u>	<u>£27,356</u>
	<b>No</b>	<b>No</b>
The average number of employees in the year was:	<u>1</u>	<u>1</u>

**7. TRUSTEES' REMUNERATION AND KEY MANAGEMENT PERSONNEL**

The charity Trustees are not paid and do not receive any other benefits from employment with the Trust in the year (2022: £Nil) neither were they reimbursed expenses during the year (2022: nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £Nil). However, the living costs of the Trustees, who are all members of the Congregation, are borne by the charity – see Note 8.

The key management personnel of the charity are provided by the Trustees, who are not remunerated.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**8. TRANSACTIONS WITH THE TRUSTEES**

The Trustees of the Charity are also members of the Congregation and as such have taken vows of poverty under which they have renounced all personal rights to income and capital. The Charity provides for the essential needs of all members of the Congregation within the Province. The living costs of the three Trustees are therefore borne by the Charity. There were no other related party transactions (2022- None).

**9. TAXATION**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**10. COMPANY STATUS AND ULTIMATE CONTROL**

The company is limited by guarantee and does not have a share capital. The members' liability is limited. Every member of the Congregation of the Alexian Brothers undertakes to contribute up to £1 to the assets of the company in the event of it being wound up.

**11. TANGIBLE FIXED ASSETS:**

	<b>Freehold Properties £</b>	<b>Motor Vehicles £</b>	<b>Office Equipment &amp; Furniture £</b>	<b>Total £</b>
<b>COST OR VALUATION</b>				
At 1 January 2023	1,618,138	17,356	40,023	1,675,517
Additions	23,057	-	10,101	33,158
Disposals	-	-	(18,773)	(18,773)
At 31 December 2023	<u>1,641,195</u>	<u>17,356</u>	<u>31,351</u>	<u>1,689,902</u>
<b>ACCUMULATED DEPRECIATION</b>				
At 1 January 2023	723,756	9,589	31,522	764,867
Charge for year	125,811	2,589	4,702	133,102
Eliminated on disposal	-	-	(18,773)	(18,773)
At 31 December 2023	<u>849,567</u>	<u>12,178</u>	<u>17,451</u>	<u>879,196</u>
<b>NET BOOK VALUE</b>				
At 31 December 2023	<u>£791,628</u>	<u>£5,178</u>	<u>£13,900</u>	<u>£810,706</u>
At 31 December 2022	<u>£894,382</u>	<u>£7,767</u>	<u>£8,501</u>	<u>£910,650</u>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

<b>12. INVESTMENTS</b>	<b>2023</b>		<b>2022</b>	
	£	£	£	£
Market value at 1 January 2023		4,317,019		4,647,121
Additions		377,473		1,971,455
Disposals				
Proceeds	(407,407)		(1,580,413)	
Gains/(Losses)	45,079		(261,758)	
		<u>(362,328)</u>		<u>(1,842,171)</u>
Net unrealised investment gains/(losses)		68,154		(459,386)
		<u>£4,400,318</u>		<u>£4,317,019</u>
Market value at 31 December 2023		<u>£4,400,318</u>		<u>£4,317,019</u>
Cost at 31 December 2023		<u>£4,401,135</u>		<u>£4,443,659</u>
			<b>2023</b>	<b>2022</b>
			£	£
<b>Listed on a UK stock exchange</b>				
UK Fixed Interest			578,331	492,605
Overseas Fixed Interest			390,039	459,463
UK Equities			908,634	898,568
North American Equities			660,271	541,512
Europe (ex UK) Equities			159,560	141,535
Japan Equities			-	49,659
Emerging Markets			109,163	126,113
Index-linked "Kick-out" Bond			510,020	438,170
Global			63,572	153,616
Other Alternatives			831,148	868,008
			<u>4,210,738</u>	<u>4,169,249</u>
General Cash and Short Maturity Bonds			189,580	147,770
			<u>£4,400,318</u>	<u>£4,317,019</u>
<b>13. DEBTORS</b>			<b>2023</b>	<b>2022</b>
			£	£
Prepayments and accrued income			5,906	10,071
Rebate of 2023 Quilter Cheviot Management fees			25,107	-
			<u>£31,013</u>	<u>£10,071</u>
<b>14. CREDITORS: Amounts falling due within one year</b>			<b>2023</b>	<b>2022</b>
			£	£
Accruals & deferred income			19,900	27,000
Other creditors			707	-
			<u>£20,607</u>	<u>£27,000</u>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**15. DESIGNATED FUNDS**

The trustees have designated funds out of the unrestricted funds for specific purposes as follows:

**Fixed Assets Fund**

In order to fulfil its charitable objectives, the Charity needs property and other fixed assets. These assets, although they are for unrestricted purposes, cannot be realised without undermining the Charity's work and the trustees therefore feel that it is appropriate to reflect the investment in fixed assets by means of a designated fund. Depreciation is charged against the fund. Transfers are made to reflect the net investment/dis-investment in fixed assets during the year.

**Retirement Fund**

A fund has been designated in respect of the Charity's commitment to provide for the retirement and care in old age and sickness of its members. During 2023, the level of the fund required was assessed in the light of current economic circumstances and financial returns, and the anticipated long-term needs of members. There are six professed Brothers to provide for and estimates indicate that a fund in the region of some £3.5m is needed to finance fully the Charity's commitment to provide care for its elderly members. Therefore, a fund was established with a designation of £3.5m. The Trustees will keep the level of the designation under review with a view to releasing funds for other purposes when, as expected, the number of Brothers falls.

**Charitable Projects Fund**

The Trustees have set aside this fund in order to finance giving to charitable projects that they wish to support but for which they now lack the personnel. The fund will provide both capital and income. The Trustees have identified a number of projects that they wish to support and, although grants are only made annually, it is the Trustees' intention, if possible, to provide funding to secure the longer-term future of these projects. Therefore, a fund has been set aside to cover this financial support for several years. During 2023, a fund of £1.5m was established.

<b>Movements - Current year</b>	<b>Balance At start of year £</b>	<b>Net Income/ (Expenditure) £</b>	<b>Designated/ (Released) in year £</b>	<b>Balance At end of year £</b>
Fixed asset fund	-	-	810,706	810,706
Retirement fund	-	-	3,500,000	3,500,000
Charitable Projects Fund	-	-	1,500,000	1,500,000
	<u>£-</u>	<u>£-</u>	<u>£5,810,706</u>	<u>£5,810,706</u>

Designated Funds were only set up in the year to 31 December 2023.

Consequently, there are no movements on Designated Funds to show for the previous year.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**16. ANALYSIS OF NET ASSETS**

**Fund Balances at 31 December 2023**

were represented by:

	<b>Designated Funds</b>				<b>Total £</b>
	<b>General Fund £</b>	<b>Fixed Assets £</b>	<b>Retirement Fund £</b>	<b>Charitable Projects Fund £</b>	
Tangible fixed assets	-	810,706	-	-	810,706
Investments	900,318	-	3,500,000	-	4,400,318
Current assets	1,369,330	-	-	1,500,000	2,869,330
Current liabilities	(20,607)	-	-	-	(20,607)
	<u>£2,249,041</u>	<u>£810,706</u>	<u>£3,500,000</u>	<u>£1,500,000</u>	<u>£8,059,747</u>

**Fund Balances at 31 December 2022**

were represented by:

	<b>Designated Funds</b>				<b>Total £</b>
	<b>General Fund £</b>	<b>Fixed Assets £</b>	<b>Retirement Fund £</b>	<b>Charitable Projects Fund £</b>	
Tangible fixed assets	910,650	-	-	-	910,650
Investments	4,317,019	-	-	-	4,317,019
Current assets	3,039,185	-	-	-	3,039,185
Current liabilities	(27,000)	-	-	-	(27,000)
	<u>£8,239,854</u>	<u>£-</u>	<u>£-</u>	<u>£-</u>	<u>£8,239,854</u>

**ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**

England & Wales - Charity number 233131

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# Accounts

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**THE ALEXIAN BROTHERS OF THE PROVINCE  
OF THE SACRED HEART  
(Charitable company limited by guarantee)**

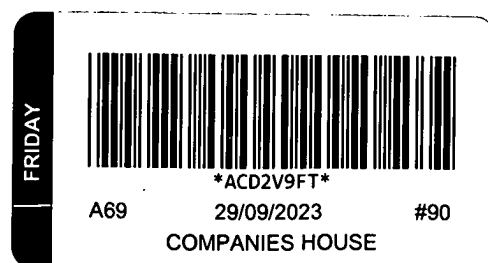
**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2022**

Haysmacintyre LLP  
Chartered Accountants  
Registered Auditors  
London

Company Number: 0773307  
Registered Charity Number: 233131



**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Trustees and directors</b>	<p>The directors of the charitable company (the charity) are its trustees for the purpose of company law and throughout this report are collectively referred to as the trustees.</p> <p>The following served as trustees of the company during the year ended 31 December 2021.</p> <p>Finbar Butler – Chairman Dermot Jeremiah O’Leary John Fleming</p>
<b>Company Secretary</b>	Dermot O’Leary
<b>Regional Leader</b>	Finbar Butler Churchfield Knock, Co. Mayo
<b>Registered Office</b>	10 Queen Street Place London EC4R 1AG
<b>Charity Registration No.</b>	233131
<b>Company Number</b>	0773307
<b>Governing Instrument</b>	Memorandum & Articles of Association dated 6 September 1963 (as amended by special resolution dated 20 May 2020)
<b>Auditor</b>	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
<b>Solicitors</b>	Druces LLP Salisbury House London Wall London EC2M 5PS
<b>Principal Bankers</b>	The Royal Bank of Scotland London City Office 62/63 Threadneedle Street London EC2R 8LA
<b>Investment Managers</b>	Quilter Cheviot Senator House 85 Queen Victoria Street EC4V 4AB

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

The Trustees present their report and the audited accounts for the year ended 31 December 2022 which have been prepared in accordance with the requirements of the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), the Companies Act 2006 and applicable accounting standards.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Document**

The Alexian Brothers of the Province of the Sacred Heart is a Company limited by guarantee and is governed by its Memorandum and Articles of Association dated 6 September 1963. (Updated May 2020) It is also registered as a charity with the Charity Commission. The members' liability is limited. Every member of the Congregation of the Alexian Brothers undertakes to contribute up to £1 to the assets of the company in the event of it being wound up.

**Trustee composition, appointment of Trustees, induction and training**

The Trustees, who are also the directors of the Charity for the purposes of company law, control all activities under the direction of the Chairman who is also the Provincial of the Alexian Brothers. They act as a Council of Management. Only members of the Congregation may serve and they are appointed by the Council of Management.

Members of the Province elect the Council of Management and the Provincial for a term of four years. The Council of Management appoints the Provincial Bursar. Training is provided internally by more experienced brothers and then externally by the attendance at Conferences and more specifically by professional advisors as required.

**RISK MANAGEMENT**

The Trustees are closely involved with the review of risk and employ suitable professionals to supplement their own expert knowledge. The Trustees have assessed the major risks to which the charity is exposed, in particular those related to its operations and finances, and are satisfied that systems are in place to mitigate exposure to the major risks faced.

**PUBLIC BENEFIT**

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

**OBJECTIVES**

**Charitable Objects**

The Alexian Brothers are a Roman Catholic Congregation who care for people in all areas of the health field. The Congregation came into being during the Black Plague when members risked their lives by going outside the city walls to care for the dying plague victims and to bury them. Their philosophy is to minister, to the very best of their ability, to those they serve in the belief that each individual person regardless of race, creed or colour is the individual person of Jesus Christ. There are other provinces working in Belgium, Germany, Hungary, the United States and the Philippines.

The objects of the charity are the advancement of the Roman Catholic religion, in particular, but not limited to, through the religious and other charitable work of the Congregation, as the Trustees with the approval of the Regional Leader shall from time to time think fit.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**AIMS AND ACTIVITIES**

**Review of activities and performance during the year**

**St. Alexius Knock Co. Mayo**

Accommodates the Provincial Office and the Bursar's office relocated from Drumcondra Dublin.

- 5 Brothers are resident here, including the Provincial and Regional Bursar
- 2 Brothers are in care in Dublin, one receiving Nursing Care and the other in assisted living and this funded by the Region

The property was acquired in 2005 and since then has undergone a complete alteration and refurbishment. Its intended use is as a Novitiate House and providing hospitality in a community setting for people recovering from addictions or for whom no alternative services exist. It is also a house of prayer, hospitality and healing. The ministry continues to develop.

The purchase of an additional adjacent house was completed later and provides accommodation for the monastery guesthouse for those on Retreats etc.

Our Oratory is open from 6.30-8.30pm daily and the public are free to visit. Some local people, visitors and religious join the brothers for prayer.

The brothers provide:

- Addiction counselling
- Listening ear service
- Befriending services
- Telephone befriending services.
- Providing accommodation and meals at Christmas time for people who live alone
- Responding to people looking for help at the door
- Helping as requested in the local parish
- Hospital visits
- Advocacy service in court
- Online support for people with mental health issues, isolation and loneliness.
- We have a large meeting room where groups meet throughout the year for prayer, training, counselling and support.

We normally have one person living in the community who is in recovery and we endeavour to upskill the person in the following:

- Domestic duties
- Kitchen duties
- Reception duties
- Gardening
- Care of our herd of pygmy goats
- Care of our flock of hens, ducks and guinea fowl

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
(Charitable company limited by guarantee)

**TRUSTEES' REPORT (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**AIMS AND ACTIVITIES (continued)**

**Grant Making**

The members of our community are now getting older age and we have less ability to be directly involved in apostolic/mission activities. However, we are eager to use our financial resources to assist other groups who have a similar ethos to ourselves and who are engaged in charitable projects. The Trustees are constantly reviewing various projects that we feel able to assist. During the year, grants made included the following:

- Mayo/Roscommon Hospice - £100,000. A charity registered in Ireland providing specialist palliative care services, free of charge, to patients and families living with life-limiting illness in counties Mayo and Roscommon. Palliative care services are available to patients in their homes and hospitals. The charity's mission is to care and support while meeting both the physical and emotional needs of patients and their loved ones. This vital service enables patients to live life to the full in comfort and dignity by improving their quality of life through pain control and alleviating other distressing symptoms.
- Western Alzheimer's - £100,000. A charity registered in Ireland to provide Alzheimer's/Dementia care in the West of Ireland by means of a purpose-built "home from home" overnight respite care unit in Ballindine as well as delivering other services to some 5,000 families across Galway, Mayo and Roscommon. Its vision, mission and work are all underpinned by a commitment to provide these essential support and services that meet the specific needs of people living with dementia across the region each year. Its facility, Marian House, is being extended to increase its capacity to provide 13 new en suite bedrooms. The year's donation was a contribution to the capital costs of this development.
- The Morning Star, Dublin - £100,000. A charity registered in Ireland to provide accommodation to homeless men. It is run entirely by Legion of Mary volunteers. Their guiding principle is to love one another and this provides residents with a message of hope and supports them on their road to recovery and independent living whether they are from a Christian background, another faith tradition or no faith tradition.
- The Knock Shrine - £86,303. This is the international Eucharistic and Marian Roman Catholic shrine. It is visited by pilgrims from around the world and it provides a place for prayer and public worship.
- Ukraine Appeal - £17,806. During the year, the Trustees sought to assist in the alleviation of the suffering of those fleeing the conflict in Ukraine.

**FINANCIAL REVIEW**

The accounts comply with the charity's governing document and with current statutory requirements.

The accounts show that income for the year was £246.0k (2021: £1.09m). The previous year included gains on the disposal of properties of £883.5k; comprising a gain £769.5k on the sale of the charity's property in Dublin which had become surplus to requirements and a further notional gain of £114k from the disposal of the charity's Manchester property which was gifted to Caritas Salford (Registered charity number: 1125808) in that year. Recurring sources of income were marginally higher in 2022 than in 2021. Investment income continues to be the main recurring source of income of the charity and this grew to £130.8k (2021: £114.8k). Donations increased to £96.3k (2021: £90.7k).

Total expenditure fell to £767.5k (2021: £863.4k) after an increase last year. Although cash grants were higher by some £140k, the previous year included an additional £170k, which was the notional value of the aforementioned Manchester property that was donated to Caritas Salford. There was also a small decrease in other categories in Support of Brothers and their ministries, most notably in Community costs which had risen in 2021.

The result, before gains/losses on investments, was net expenditure of £521.6k (2021: net income of £226.8k).

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
(Charitable company limited by guarantee)

**TRUSTEES' REPORT (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**FINANCIAL REVIEW (Continued)**

The year saw investment losses of £721.1k (2021: gains of £316.2k). The overall result was a decrease in increase in funds of £1.243m (2021: increase of £543.0k).

By the end of the year the charity's net assets had fallen to £8.24m from £9.48m. Of this, £910.7k is represented by fixed assets which are required for the ongoing operations of the charity. The balance of £7.33m consists of the charity's investment portfolio and its cash reserves and other working capital.

**RESERVES POLICY**

The reserves of the charity, excluding the element represented by fixed assets, therefore stood at £7.33m at 31 December 2022.

A key commitment of the charity is the need to provide for the care of members of the Province in sickness and old age and this has profound implications for the finances of the charity. Members of the Province have all taken a vow of poverty which means that all rights to assets and income have been given up, generally in favour of the Province. Where members earn a salary, stipend or pension this is paid into the charity under a deed of covenant. There is now little or no such income with members being past retirement age and not having occupational pension rights. In most cases, members have devoted the whole of their working lives to the Province and are dependent upon it for all their temporal needs. Although members invariably continue to perform charitable work long past normal retirement age, if they are healthy enough to do so, the work is often not remunerative and the Province must provide for their upkeep and in some cases nursing care. The Trustees estimate that the level of free assets required for the purposes of providing long term support for members is a sum in the region of £3.5m.

The charity's "free reserves" therefore stood at approximately £3.83m at the year-end. It has generally been the policy of the trustees to aim to hold around two years' expenditure in reserve. At the year-end the level of reserves was equivalent to nearly 5 years' expenditure and is thus a little in excess of the target level set out in the Trustees' policy. However, the year's investment losses highlight the transitory nature of investment values which directly impact upon reserve levels.

In addition, the Trustees have increased the extent to which the charity's purposes are achieved by means of grants made to third party charities and are looking to increase the scope of the charity's grant-making. The Trustees will assess reserves levels in the light of potential new areas of expenditure.

In addition to the commitment to care for members, reserves are required to:-

- provide for the replacement and refurbishment of buildings;
- provide for new missions around the World; and
- provide working capital for the operations of the charity.

**INVESTMENT POLICY AND PERFORMANCE**

Investments in equities, fixed income stocks and cash over the long term should enhance real value by means of a diversified portfolio with medium risk. The Trustees have established an ethical investment policy and have communicated this to their Fund Managers. The policy states that "no investments are to be made in companies which are predominantly involved in the production of armaments, tobacco or abortion products".

The quarterly reports of the investment managers compare performance with a number of relevant indices and comment thereon.

The total return on the charity's investments in the year was -12.7% (2021: +10.0%). This represented a slight under-performance against the averages quoted for the charity sector for the year. The Trustees will keep the performance of investments under review.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
(Charitable company limited by guarantee)

**TRUSTEES' REPORT (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**FUTURE PLANS**

The Trustees will continue to monitor closely the effectiveness and viability of all of the charity's activities with a view to ensuring that these continue for as long as possible, in the light of the increasing age profile of the members of the Province. They will also consider how best to further the charity's purposes by means of grants made to third-part charities with objects and aims in keeping with those of the charity and the Congregation.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of The Alexian Brothers of the Province of the Sacred Heart for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

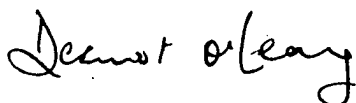
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees' Report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Trustees' Report was approved by the Board and signed on their behalf on 28 September 2023 by:



.....  
Dermot O'Leary  
Trustee

## **Independent auditor's report to the members of The Alexian Brothers of the Province of the Sacred Heart**

### **Opinion**

We have audited the financial statements of The Alexian Brothers of the Province of the Sacred Heart for the year ended 31 December 2022 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of the charitable company's net movement in funds, including the 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 Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 financial statements 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

## **Independent auditor's report to the members of The Alexian Brothers of the Province of the Sacred Heart (continued)**

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 5 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Canon Law, Companies Act 2006, Charities Act 2011, employment law and health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Canon Law, Companies Act 2006, Charities Act 2011, The Statement of Recommended Practice for Charities (SORP 2019) and FRS102.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of income and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting minutes of trustees' meetings;
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted at the year-end or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimate, being the depreciation of fixed assets.

## **Independent auditor's report to the members of The Alexian Brothers of the Province of the Sacred Heart (continued)**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jane Askew (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: 28 September 2023

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
<b>INCOME FROM:</b>			
Donations and legacies	1	96,289	90,722
Other trading activities			
- Rents receivable from charitable-use properties temporarily surplus to operational requirements		-	1,190
Investments	2	130,827	114,790
Other			
- Gain on currency conversion		18,834	-
- Gain on disposal of fixed assets	3	-	883,506
<b>Total income</b>		<u>245,950</u>	<u>1,090,208</u>
<b>EXPENDITURE ON:</b>			
Raising funds			
Investment Management fees		28,035	26,719
Cost of activities in furtherance of the charity's objects	4		
- Support of Brothers the Congregation and their ministries		739,491	836,704
<b>Total expenditure</b>		<u>767,526</u>	<u>863,423</u>
Net income/(expenditure)/ before gains/(losses) on investments		(521,576)	226,785
Net gains/(losses) on quoted investments		(721,144)	316,228
<b>Net income/(expenditure)and net movement in funds</b>		<u>(1,242,720)</u>	<u>543,013</u>
Total funds brought forward		9,482,574	8,939,561
<b>Total funds carried forward</b>		<u><u>£8,239,854</u></u>	<u><u>£9,482,574</u></u>

No summary Income and Expenditure Account has been prepared because the information required by the Companies Act 2006 is clearly shown in the above statement. The Net income/expenditure before unrealised gains and losses represents the net surplus for the year.

The charitable company had no recognised gains or losses other than as disclosed in the Statement of Financial Activities for the financial year ended 31 December 2022 and 31 December 2021.

The accompanying notes form part of these financial statements.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
(Charitable company limited by guarantee)

Company number: 0773307

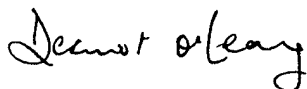
**BALANCE SHEET**

AT 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	12		910,650		1,029,575
Investments	13		4,317,019		4,647,121
			<u>5,227,669</u>		<u>5,676,696</u>
<b>CURRENT ASSETS</b>					
Debtors	14	10,071		8,304	
Short term deposits		2,000,000		2,000,000	
Cash and bank balances		1,029,114		1,829,624	
		<u>3,039,185</u>		<u>3,837,928</u>	
<b>CREDITORS:</b> amounts falling due within one year	15	(27,000)		(32,050)	
<b>NET CURRENT ASSETS</b>			3,012,185		3,805,878
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>£8,239,854</u>		<u>£9,482,574</u>
Represented by -					
<b>ACCUMULATED RESERVES</b>					
Unrestricted Funds			<u>£8,239,854</u>		<u>£9,482,574</u>

Of the Accumulated Reserves shown above, £126,640 relates to unrealised losses on investments (2021: unrealised gains of £780,138).

The financial statements were approved and authorised for issue by the Board on 28 September 2023 and were signed below on its behalf by:



.....  
Dermot O'Leary  
Trustee

The accompanying notes form part of these financial statements.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**YEAR ENDED 31 DECEMBER 2022**

**NOTE OF HISTORICAL COST SURPLUSES AND DEFICITS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Net movement in funds	(1,242,720)	543,013
Unrealised losses/(gains) on investments	459,386	(306,448)
Realised losses in market value adjusted to cost	447,392	138,884
Historical cost deficit/surplus for the year	<u>£(335,942)</u>	<u>£375,449</u>

The accompanying notes form part of these financial statements.

**THE ALEXIAN BROTHERS OF PROVINCE OF THE SACRED HEART**  
(Charitable company limited by guarantee)

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
<b>Cash flows from Operating Activities</b>		
Net cash used in operating activities	(529,939)	(469,449)
<b>Cash flows from investing activities</b>		
Dividends and interest from investments	130,827	114,790
Payments to acquire fixed assets	(10,356)	-
Proceeds from sale of fixed assets	-	1,027,731
Payments to acquire investments	(1,971,455)	(815,961)
Receipts from sales of investments	1,580,413	844,487
<b>Net cash provided by investing activities</b>	(270,571)	1,171,047
<b>Change in cash and cash equivalents in year</b>	(800,510)	701,598
Cash and cash equivalents at 1 January 2022	3,829,624	3,128,026
Cash and cash equivalents at 31 December 2022	<u>£3,029,114</u>	<u>£3,829,624</u>

**Notes to the Cash Flow Statement**

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

	2022 £	2021 £
<b>Net movement in funds (as per the Statement of Financial Activities)</b>	(1,242,720)	543,013
<b>Adjustments for</b>		
Losses/(gains) on investments	721,144	(316,228)
(Gains) on disposal of Fixed Assets	-	(883,506)
Dividends and interest from investments	(130,827)	(114,790)
Depreciation	129,281	126,692
Notional value attributed to property donated to third party charity	-	170,000
Decrease/(Increase) in debtors	(1,767)	(4,480)
(Decrease)/Increase in creditors	(5,050)	9,850
<b>Net cash (used in) operating activities</b>	<u>£(529,939)</u>	<u>£(469,449)</u>

**B. Analysis of cash and cash equivalents**

Cash at bank and in hand	3,029,114	3,829,624
<b>Total cash and cash equivalents</b>	<u>£3,029,114</u>	<u>£3,829,624</u>

**C. Analysis of changes in net cash funds**

	At 1 January 2022 £	Cashflows £	At 31 December 2022 £
Cash at bank and in hand	3,829,624	(800,510)	3,029,114
<b>Total cash and cash equivalents</b>	<u>£3,829,624</u>	<u>£(800,510)</u>	<u>£3,029,114</u>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**PRINCIPAL ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**

The financial statements have been prepared in accordance with Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

**Critical accounting estimates and areas of judgement**

Preparation of the accounts requires the Trustees to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- estimating the economic useful life of tangible fixed assets.

**Assessment of going concern**

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

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. 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 2023, 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).

**Income recognition**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacies, 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(s) to the Trust 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, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of care services service it is deferred until the criteria for income recognition are met.

In accordance with the Charities SORP FRS102, volunteer time is not recognised.

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.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
(Charitable company limited by guarantee)

**PRINCIPAL ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**Expenditure recognition and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise fees paid in respect of fund management advice in relation to the charity's portfolio of quoted investments, which is managed under a discretionary management agreement.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. These costs comprise charitable grants and donations, direct and support costs in respect to the support of members of the Congregation and their ministry. It also includes governance costs.

Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**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.

**Tangible fixed assets**

Individual fixed assets costing £2,500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight-line basis as follows:

	Annual rate
Freehold land	Nil
Freehold buildings	2 - 10%
Refurbishment and alterations	2%
Fixtures and plant	15 - 33.3%
Motor vehicles	25%

**Financial Instruments**

The charity only holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
(Charitable company limited by guarantee)

**PRINCIPAL ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Deposits for more than three months and up to 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 where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Services provided by members of the Congregation**

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

**Foreign currencies**

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

**Leased assets**

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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all of the risks and rewards of ownership to the charity. Assets held under finance leases are recognised initially at the fair value of the leased assets (or, if lower, the present value of the minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is recognised as a finance lease obligation. Lease payments are apportioned between finance charges and the reduction of the lease obligation using the effective interest method in order to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the statement of financial activities. Assets held under finance leases are capitalised and depreciated and assessed for impairment losses in the same way as owned assets:

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
(Charitable company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**1. DONATIONS AND LEGACIES**

	2022 £	2021 £
General donations	35,247	21,315
Pensions donated by members of the Congregation	61,042	69,407
	<u>£96,289</u>	<u>£90,722</u>

**2. INVESTMENT INCOME**

	2022 £	2021 £
Income from listed investments	119,852	114,528
Bank interest	10,975	262
	<u>£130,827</u>	<u>£114,790</u>

**3. SURPLUS ON DISPOSAL OF TANGIBLE FIXED ASSETS**

	2022 £	2021 £
<b>Disposal of Dublin and Manchester properties</b>		
Proceeds (net of costs)	-	1,197,731
Net book value	-	(314,225)
	<u>£-</u>	<u>£883,506</u>

Note - the proceeds in 2021 include a notional figure of £170,000 in respect of the charity's Manchester property which was gifted to Caritas Salford in 2021. This figure is included in Donations - see Note 4 below.

**4. EXPENDITURE ON CHARITABLE ACTIVITIES**

	2022 £	2021 £
<b>Support of Bothers of the Congregation and their ministries</b>		
Grants to overseas activities of the Alexian Brothers	13,855	13,370
Other charitable donations and grants (see below)	403,564	263,810
Notional value of property donated	-	170,000
Depreciation	129,281	126,692
Community costs	166,374	220,014
Governance and Support costs (note 5)	26,417	29,959
Losses on translation of foreign currencies	-	12,859
	<u>£739,491</u>	<u>£836,704</u>
<b>Other charitable donations &amp; grants comprises:</b>		
Mayo Roscommon Hospice Foundation	100,000	127,882
Western Alzheimers	100,000	63,267
The Morning Star, Dublin	100,000	63,315
Knock Shrine	86,303	-
Ukraine Appeal	17,261	-
Tracy House / Homeless	-	8,010
Other	-	1,336
	<u>£403,564</u>	<u>£263,810</u>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**5. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS**

	2022	2021
	£	£
Auditors' remuneration		
- Current year	11,000	8,750
- Prior-year under-accrual	2,050	3,360
	<hr/>	<hr/>
	13,050	12,110
Other - Company Secretarial services	1,183	1,183
	<hr/>	<hr/>
	14,233	13,293
Other professional fees	10,273	12,200
Legal fees	1,911	4,466
	<hr/>	<hr/>
	£26,417	£29,959
	<hr/>	<hr/>

**6. NET INCOME/EXPENDITURE FOR THE YEAR**

	2022	2021
	£	£
<b>This is stated after charging:</b>		
Investment management fees	28,035	26,719
Depreciation	129,281	126,692
(Gains)/Losses on translation of foreign currencies	(18,834)	12,859
Auditors remuneration		
- Audit fees	13,050	12,110
- Other services	1,183	1,183
Legal fees	1,911	4,466
	<hr/>	<hr/>

**7. STAFF COSTS AND STAFF NUMBERS**

	2022	2021
	£	£
Wages and salaries	23,666	17,416
Social security costs	3,690	2,492
Other pension costs	-	-
	<hr/>	<hr/>
	£27,356	£19,908
	<hr/>	<hr/>

	No	No
The average number of employees in the year was:	1	1
	<hr/>	<hr/>

**8. TRUSTEES' REMUNERATION AND KEY MANAGEMENT PERSONNEL**

The charity Trustees are not paid and do not receive any other benefits from employment with the Trust in the year (2021: £Nil) neither were they reimbursed expenses during the year (2021: nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £Nil). However, the living costs of the Trustees, who are all members of the Congregation, are borne by the charity – see Note 9.

The key management personnel of the charity are provided by the Trustees, who are not remunerated.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**9. TRANSACTIONS WITH THE TRUSTEES**

The Trustees of the Charity are also members of the Congregation and as such have taken vows of poverty under which they have renounced all personal rights to income and capital. The Charity provides for the essential needs of all members of the Congregation within the Province. The living costs of the three Trustees are therefore borne by the Charity. There were no other related party transactions (2021- None).

**10. TAXATION**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**11. COMPANY STATUS AND ULTIMATE CONTROL**

The company is limited by guarantee and does not have a share capital. The members' liability is limited. Every member of the Congregation of the Alexian Brothers undertakes to contribute up to £1 to the assets of the company in the event of it being wound up.

**12. TANGIBLE FIXED ASSETS:**

	<b>Freehold Properties £</b>	<b>Motor Vehicles £</b>	<b>Office Equipment &amp; Furniture £</b>	<b>Total £</b>
<b>COST OR VALUATION</b>				
At 1 January 2022	1,618,138	50,138	152,134	1,820,410
Additions	-	10,356	-	10,356
Disposals	-	(43,138)	(112,111)	(155,249)
At 31 December 2022	<u>1,618,138</u>	<u>17,356</u>	<u>40,023</u>	<u>1,675,517</u>
<b>ACCUMULATED DEPRECIATION</b>				
At 1 January 2022	600,251	50,138	140,446	790,835
Charge for year	123,505	2,589	3,187	129,281
Eliminated on disposal	-	(43,138)	(112,111)	(155,249)
At 31 December 2022	<u>723,756</u>	<u>9,589</u>	<u>31,522</u>	<u>764,867</u>
<b>NET BOOK VALUE</b>				
At 31 December 2022	<u>£894,382</u>	<u>£7,767</u>	<u>£8,501</u>	<u>£910,650</u>
At 31 December 2021	<u>£1,017,887</u>	<u>£-</u>	<u>£11,688</u>	<u>£1,029,575</u>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
(Charitable company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

13. INVESTMENTS	2022		2021	
	£	£	£	£
Market value at 1 January 2022		4,647,121		4,359,419
Additions		1,971,455		815,961
Disposals				
Proceeds	(1,580,413)		(844,487)	
(Losses)/Gains	(261,758)		9,780	
		<u>(1,842,171)</u>		<u>(834,707)</u>
Net unrealised investment (losses)/ gains		(459,386)		306,448
Market value at 31 December 2022		<u>£4,317,019</u>		<u>£4,647,121</u>
Cost at 31 December 2022		<u>£4,443,659</u>		<u>£3,866,983</u>
			<b>2022</b>	<b>2021</b>
			£	£
<b>Listed on a UK stock exchange</b>				
UK Fixed Interest			492,605	593,216
Overseas Fixed Interest			459,463	502,324
UK Equities			898,568	1,010,390
North American Equities			541,512	990,335
Europe (ex UK) Equities			141,535	383,797
Japan Equities			49,659	97,838
Asia Pacific (ex Japan) Equities			-	98,841
Emerging Markets			126,113	26,348
Index-linked "Kick-out" Bond			438,170	-
Global			153,616	-
Other Alternatives			868,008	913,619
			<u>4,169,249</u>	<u>4,616,708</u>
General Cash and Short Maturity Bonds			147,770	30,413
			<u>£4,317,019</u>	<u>£4,647,121</u>
<b>14. DEBTORS</b>			<b>2022</b>	<b>2021</b>
			£	£
Prepayments and accrued income			£10,071	£8,304
			<u>£10,071</u>	<u>£8,304</u>
<b>15. CREDITORS: Amounts falling due within one year</b>			<b>2022</b>	<b>2021</b>
	£		£	£
Trade creditors			-	7,800
Accruals			27,000	24,250
			<u>£27,000</u>	<u>£32,050</u>

**ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**

England & Wales - Charity number 233131

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# Accounts

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**THE ALEXIAN BROTHERS OF THE PROVINCE  
OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2021**

Haysmacintyre LLP  
Chartered Accountants  
Registered Auditors  
London

Company Number: 0773307  
Registered Charity Number: 233131

# THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART

## LEGAL AND ADMINISTRATIVE DETAILS

<b>Trustees and directors</b>	<p>The directors of the charitable company (the charity) are its trustees for the purpose of company law and throughout this report are collectively referred to as the trustees.</p> <p>The following served as trustees of the company during the year ended 31 December 2021.</p> <p>Finbar Butler – Chairman Dermot O’Leary John Fleming</p>
<b>Company Secretary</b>	Dermot O’Leary
<b>Provincial</b>	Finbar Butler Churchfield Knock, Co. Mayo
<b>Registered Office</b>	10 Queen Street Place London EC4R 1AG
<b>Charity Registration No.</b>	233131
<b>Company Number</b>	0773307
<b>Governing Instrument</b>	Memorandum & Articles of Association dated 6 September 1963
<b>Auditor</b>	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
<b>Solicitors</b>	Druces LLP Salisbury House London Wall London EC2M 5PS
<b>Principal Bankers</b>	The Royal Bank of Scotland London City Office 62/63 Threadneedle Street London EC2R 8LA
<b>Investment Managers</b>	Quilter Cheviot Senator House 85 Queen Victoria Street EC4V 4AB

# **THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART (Charitable company limited by guarantee)**

## **TRUSTEES' REPORT**

The Trustees present their report and the audited accounts for the year ended 31 December 2021 which have been prepared in accordance with the requirements of the Statement of Recommended Practice for Charities (SORP) (Second Edition, effective 1 January 2019), the Companies Act 2006 and applicable accounting standards.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

The Alexian Brothers of the Province of the Sacred Heart is a Company limited by guarantee and is governed by its Memorandum and Articles of Association dated 6 September 1963. (Updated May 2020) It is also registered as a charity with the Charity Commission. The members' liability is limited. Every member of the Congregation of the Alexian Brothers undertakes to contribute up to £1 to the assets of the company in the event of it being wound up.

### **Trustee composition, appointment of Trustees, induction and training**

The Trustees, who are also the directors of the Charity for the purposes of company law, control all activities under the direction of the Chairman who is also the Provincial of the Alexian Brothers. They act as a Council of Management. Only members of the Congregation may serve and they are appointed by the Council of Management.

Members of the Province elect the Council of Management and the Provincial for a term of four years. The Council of Management appoints the Provincial Bursar. Training is provided internally by more experienced brothers and then externally by the attendance at Conferences and more specifically by professional advisors as required.

## **RISK MANAGEMENT**

The Trustees are closely involved with the review of risk and employ suitable professionals to supplement their own expert knowledge. The Trustees have assessed the major risks to which the charity is exposed, in particular those related to its operations and finances, and are satisfied that systems are in place to mitigate exposure to the major risks faced.

## **PUBLIC BENEFIT**

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

## **OBJECTIVES, AIMS AND ACTIVITIES**

### **Objects**

The Alexian Brothers are a Roman Catholic Congregation who care for people in all areas of the health field. The Congregation came into being during the Black Plague when members risked their lives by going outside the city walls to care for the dying plague victims and to bury them. Their philosophy is to minister, to the very best of their ability, to those they serve in the belief that each individual person regardless of race, creed or colour is the individual person of Jesus Christ. There are other provinces working in Belgium, Germany, Hungary, the United States and the Philippines.

The primary object in the Memorandum of Articles is: To promote, establish, maintain, conduct and carry on in the United Kingdom of Great Britain, Northern Ireland, the Republic of Ireland and elsewhere, by members of the Roman Catholic Order or Congregation of male religious, known as the Alexian Brothers, institutions, hospitals, homes, residences or other establishments as are intended for the nursing, care, assistance and supporting of the sick, aged, destitute, insane or infirm irrespective of their religion.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**OBJECTIVES, AIMS AND ACTIVITIES (continued)**

**Review of activities and performance during the year**

**Chairman's Report**

The year 2021 was significant not just on account of the unusual circumstances we found ourselves in because of Corona Virus, but we had to make some significant decisions and take action in relation to the following:

1. 'Charities Governance Code'

The Charities Governance Code explains the minimum standards you should meet to effectively manage and control your charity.

There were Key dates relating to the Code:

2019 - was the year of learning and preparation for charities. The Charities Governance Code Toolkit provides guidance notes and templates to assist charities and charity trustees to meet all of the core standards outlined in the Code.

2020 - is the first year that registered charities are expected to comply with the Code.

2021 - will be the first year that registered charities are expected to report on their compliance with the Code.

Charity trustees are responsible for the governance of their charity and should make sure that the following governance principles are being applied.

The charity is:



The Code identifies 6 principles on which good governance is based. Under each principle the Code provides a set of core standards that all charities are expected to apply. On top of this, “complex charities” are expected to apply a set of additional standards.

The six principles of the Charities Governance Code are:

1. Advancing Charitable Purpose
2. Behaving with Integrity
3. Leading People
4. Exercising Control
5. Working Effectively
6. Being Accountable & Transparent

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**OBJECTIVES, AIMS AND ACTIVITIES (continued)**

**Review of activities and performance during the year**

**1. Implementing the Code**

The trustees of the charity (i.e., the governing body) are responsible for making sure that the organization implements the Code.

We employed the services of L&P Cantor Fitzgerald to help with developing the Code

**2. Articles of Association**

Our Memorandum and Articles of Association, which were written in 1963, at the time of the setting up of the English Charity, were outdated and not in compliance with our Charities activities today. We engaged the services of Stone King Solicitors to update where necessary. This has been completed.

**3. Companies House**

The information held at Companies House, in relation to our Company Directors (Trustees) was inaccurate and needed updating, and the information held by the English Charity Commission was inaccurate. This has now been updated.

**4. Charitable Donations**

Regulations around charitable donation by charities are now more regulated. Donations have to be in compliance with the Articles of Association. A request has to be received from the organisation seeking the donation, and a guarantee be given in writing, that the funds will be used for the purpose requested.

**5. Finances**

Our financial investments were primarily with Barclays Bank. This was not proving satisfactory, as relationship managers kept changing, very often without notification.

In consultation with our advisors, we moved funds to Quilter Cheviot who works with hundreds of charities. They are very sensitive to the ethical policies of religious charities.

**6. The 245 Club Dublin**

Due to the age profile and health of the brothers in the Dublin Community, we had to take the decision to sell the property and of course cease the operation of the 245 Club. This decision was made easier as the Club was already closed due to the Corona Virus.

**7. Thanks**

I would like to thank Bro. Dermot, our Regional Bursar for the trojan work he did in undertaking all the work in relation to engaging with our Financial Advisor David Clarke, our Auditor Adam Halsey of Haysmacintyre and Nicola Keogh of L&P. In a year when little of the work could be completed by face-to-face engagement, most of the work had to take place through Zoom and Microsoft Teams

**Bro. Finbar Butler**  
**Chairman Alexian Brothers Province of the Sacred Heart**

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**OBJECTIVES, AIMS AND ACTIVITIES (continued)**

**Review of activities and performance during the year**

**St. Alexius Knock Co. Mayo**

Accommodates the Provincial Office and the Bursar's office relocated from Drumcondra Dublin.

- 4 Brothers are resident here, including the Provincial and Regional Bursar
- 2 Brothers are in care in Dublin, one receiving Nursing Care and the other in assisted living and this funded by the Region

The property was acquired in 2005 and since then has undergone a complete alteration and refurbishment. Its intended use is as a Novitiate House and providing hospitality in a community setting for people recovering from addictions or for whom no alternative services exist. It is also a house of prayer, hospitality and healing. The ministry continues to develop.

The purchase of an additional adjacent house was completed later and provides accommodation for the monastery guesthouse for those on Retreats etc.

Our Oratory is open from 6.30-8.30pm daily and the public are free to visit. Some local people, visitors and religious join the brothers for prayer.

The brothers provide:

- Addiction counselling
- Listening ear service
- Befriending services
- Telephone befriending services
- Providing accommodation and meals at Christmas time for people who live alone
- Responding to people looking for help at the door
- Helping as requested in the local parish
- Hospital visits
- Advocacy service in court
- Online support for people with mental health issues, isolation and loneliness.
- We have a large meeting room where groups meet throughout the year for prayer, training, counselling and support.

We normally have one person living in the community who is in recovery and we endeavour to upskill the person in the following:

- Domestic duties
- Kitchen duties
- Reception duties
- Gardening
- Care of our herd of pygmy goats
- Care of our flock of hens, ducks and guinea fowl

## **THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART (Charitable company limited by guarantee)**

### **TRUSTEES' REPORT (Continued)**

#### **FINANCIAL REVIEW**

The accounts comply with the charity's governing document and with current statutory requirements.

The accounts show that income rose to £1.09m (2020: £224.8k). The rise was due to the gain of £769.5k on the disposal of the charity's property in Dublin which had become surplus to requirements and a further notional gain of £114k from the disposal of the charity's Manchester property which was gifted to Caritas Salford (Registered charity number: 1125808) in July 2021. Recurring sources of income were marginally lower than in 2020. Investment income continues to be the main recurring source of income of the charity. This was broadly unchanged at £114.8k (2020: £114.1k).

Total expenditure also increased to £863.4k (2020: £491.5k). The main increase was in charitable grants, which rose to £263.8k (2020: £86.7k) and an additional £170k, which was the estimated value of the aforementioned Manchester property that was donated to Caritas Salford. There was also a slight increase in other categories in Support of Brothers and their ministries, most notably in Community costs which had declined in 2020. Depreciation remained largely unchanged at £126.7k (2020: £134.5k).

The result, before gains/losses on investments, was net income of £226.8k (2020 net expenditure of £266.6k).

The year saw investment gains of £316.2k which more than offset the losses of 2020 of £194.5k. Thus, the overall result was an increase in funds of £543.0k (2020: decrease of £461.1k).

By the end of the year the charity's net assets had increased to £9.48m from £8.94m. Of this, £1.03m is represented by fixed assets which are required for the ongoing operations of the charity. The balance of £8.45m consists of the charity's investment portfolio and its cash reserves and other working capital.

#### **RESERVES POLICY**

The reserves of the charity, excluding the element represented by fixed assets, therefore stood at £8.45m at 31 December 2021.

A key commitment of the charity is the need to provide for the care of members of the Province in sickness and old age and this has profound implications for the finances of the charity. Members of the Province have all taken a vow of poverty which means that all rights to assets and income have been given up, generally in favour of the Province. Where members earn a salary, stipend or pension this is paid into the charity under a deed of covenant. There is now little or no such income with members being past retirement age and not having occupational pension rights. In most cases, members have devoted the whole of their working lives to the Province and are dependent upon it for all their temporal needs. Although members invariably continue to perform charitable work long past normal retirement age, if they are healthy enough to do so, the work is often not remunerative and the Province must provide for their upkeep and in some cases nursing care. The Trustees estimate that the level of free assets required for the purposes of providing long term support for members is a sum in the region of £4.5m.

The charity's "free reserves" therefore stood at approximately £3.95m. It has generally been the policy of the trustees to aim to hold around two years' expenditure in reserve. At the year-end the level of reserves was equivalent to 4.5 years' expenditure at 2021 levels and is thus in excess of the target level set out in the Trustees' policy.

It should be noted that reserves were boosted in September 2021 with the sale of the house in Dublin for just over £1.2m referred to above and by investment gains accruing. These gains were a reversal of losses sustained in 2020 and since the year-end further losses have been sustained. This highlights the transitory nature of investment values.

The Trustees will assess reserves levels in the light of the charity's changed financial circumstances following the sale of the Care Centre and in the light of potential new areas of expenditure once its constitutional and governance review is complete (see Future Plans below).

In addition to the commitment to care for members, reserves are required to:-

- provide for the replacement and refurbishment of buildings;
- provide for new missions around the World; and
- provide working capital for the operations of the charity.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**INVESTMENT POLICY AND PERFORMANCE**

Investments in equities, fixed income stocks and cash over the long term should enhance real value by means of a diversified portfolio with medium risk. The Trustees have established an ethical investment policy and have communicated this to their Fund Managers. The policy states that “no investments are to be made in companies which are predominantly involved in the production of armaments, tobacco or abortion products”.

The quarterly reports of the investment managers compare performance with a number of relevant indices and comment thereon.

During the previous year the decision was made to appoint Quilter Cheviot as Investment Managers. The total return on the charity's investments in the year was +10.0% (2020: -1.76%). This was broadly in line with averages quoted for the charity sector for the year and was thus considered by the trustees to be satisfactory.

**FUTURE PLANS**

The Trustees will continue to monitor closely the effectiveness and viability of all of the charity's activities with a view to ensuring that these continue for as long as possible, in the light of the increasing age profile of the members of the Province.

Since the end of the year, the Trustees have instituted a thorough review of the charity's constitution and its governance arrangements. In May 2020 the charity's Memorandum and Articles of Association were updated to enable the charity to adapt its activities in the light of the changing circumstances of the Congregation and the changing needs of beneficiaries that the charity can effectively seek to meet.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of The Alexian Brothers of the Province of the Sacred Heart for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

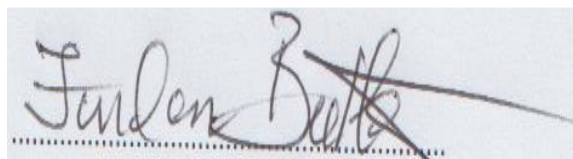
**PROVISION OF INFORMATION TO AUDITORS**

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees' Report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Trustees' Report was approved by the Board and signed on their behalf on 20 September 2022 by:

A handwritten signature in black ink, appearing to read 'Finbar Butler', is written over a horizontal dotted line. The signature is cursive and somewhat stylized.

Finbar Butler  
Trustee

## **Independent auditor's report to the members of The Alexian Brothers of the Province of the Sacred Heart**

### **Opinion**

We have audited the financial statements of The Alexian Brothers of the Province of the Sacred Heart for the year ended 31 December 2021 which comprise the Statement of Financial Activities, Balance Sheet, Note of Historical Cost Surpluses and Deficits, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of the charitable company's net movement in funds, including the 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 Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 financial statements 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

## **Independent auditor's report to the members of The Alexian Brothers of the Province of the Sacred Heart (continued)**

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report

### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 5 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Canon Law, Companies Act 2006, Charities Act 2011, employment law and health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Canon Law, Companies Act 2006, Charities Act 2011, The Statement of Recommended Practice for Charities (SORP 2019) and FRS102.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of income and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting trustees minutes;
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted at the year-end or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

## **Independent auditor's report to the members of The Alexian Brothers of the Province of the Sacred Heart (continued)**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jane Askew (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: 22 September 2022

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	2020 £
<b>INCOME FROM:</b>			
Donations and legacies	1	90,722	100,483
Charitable activities Social Club		-	8,345
Other trading activities - Rents receivable from charitable-use properties temporarily surplus to operational requirements		1,190	1,870
Investments	2	114,790	114,135
Other - Gain on disposal of fixed assets	3	883,506	-
<b>Total income</b>		<u>1,090,208</u>	<u>224,833</u>
<b>EXPENDITURE ON:</b>			
Raising funds Investment Management fees		26,719	29,043
Cost of activities in furtherance of the charity's objects - Support of Brothers the Congregation and their ministries	4	836,704	462,434
<b>Total expenditure</b>		<u>863,423</u>	<u>491,477</u>
Net income/(expenditure)/ before gains/(losses) on investments		226,785	(266,644)
Net gains/(losses) on quoted investments		316,228	(194,492)
<b>Net income/(expenditure)and net movement in funds</b>		<u>543,013</u>	<u>(461,136)</u>
Total funds brought forward		8,939,561	9,400,697
<b>Total funds carried forward</b>		<u><u>£9,482,574</u></u>	<u><u>£8,939,561</u></u>

No summary Income and Expenditure Account has been prepared because the information required by the Companies Act 2006 is clearly shown in the above statement. The Net income/expenditure before unrealised gains and losses represents the net surplus for the year.

The charitable company had no recognised gains or losses other than as disclosed in the Statement of Financial Activities for the financial year ended 31 December 2021 and 31 December 2020.

The accompanying notes form part of these financial statements.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**Company number: 0773307**

**BALANCE SHEET**

**AT 31 DECEMBER 2021**

	Notes	£	2021	£	£	2020	£
<b>FIXED ASSETS</b>							
Tangible assets	12		1,029,575			1,470,492	
Investments	13		4,647,121			4,359,419	
			<u>5,676,696</u>			<u>5,829,911</u>	
<b>CURRENT ASSETS</b>							
Debtors	14	8,304			3,824		
Short term deposits		2,000,000			-		
Cash and bank balances		1,829,624			3,128,026		
			<u>3,837,928</u>		<u>3,131,850</u>		
<b>CREDITORS:</b> amounts falling due within one year	15	(32,050)			(22,200)		
<b>NET CURRENT ASSETS</b>				3,805,878			3,109,650
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				<u>£9,482,574</u>			<u>£8,939,561</u>
Represented by -							
<b>ACCUMULATED RESERVES</b>							
<b>Unrestricted Funds</b>				<u>£9,482,574</u>			<u>£8,939,561</u>

Of the Accumulated Reserves shown above, £780,138 relates to unrealised gains on investments (2020: £612,574).

The financial statements were approved and authorised for issue by the Board on 20 September 2022 and were signed below on its behalf by:



Finbar Butler  
 Director

The accompanying notes form part of these financial statements.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**YEAR ENDED 31 DECEMBER 2021**

**NOTE OF HISTORICAL COST SURPLUSES AND DEFICITS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net movement in funds	543,013	(461,136)
Unrealised (gains) on investments	(306,448)	(177,018)
Realised losses in market value adjusted to cost	138,884	238,502
Historical cost surplus/(deficit) for the year	<u>£375,449</u>	<u>£(399,652)</u>

The accompanying notes form part of these financial statements.

**THE ALEXIAN BROTHERS OF PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from Operating Activities</b>		
Net cash used in operating activities	(469,449)	(237,731)
<b>Cash flows from investing activities</b>		
Dividends and interest from investments	114,790	114,135
Proceeds from sale of fixed assets	1,027,731	-
Payments to acquire investments	(815,961)	(2,987,236)
Receipts from sales of investments	844,487	2,989,813
<b>Net cash provided by investing activities</b>	<b>1,171,047</b>	<b>116,712</b>
<b>Change in cash and cash equivalents in year</b>	<b>701,598</b>	<b>(121,019)</b>
Cash and cash equivalents at 1 January 2021	3,128,026	3,249,045
Cash and cash equivalents at 31 December 2021	<b>£3,829,624</b>	<b>£3,128,026</b>

**Notes to the Cash Flow Statement**

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Net movement in funds (as per the Statement of Financial Activities)</b>	543,013	(461,136)
<b>Adjustments for</b>		
(Gains)/losses on investments	(316,228)	194,492
(Gains) on disposal of Fixed Assets	(883,506)	-
Dividends and interest from investments	(114,790)	(114,135)
Depreciation	126,692	134,522
Notional value attributed to property donated to third party charity	170,000	-
(Increase) / decrease in debtors	(4,480)	9,576
Increase / (decrease) in creditors	9,850	(1,050)
<b>Net cash (used in) operating activities</b>	<b>£(469,449)</b>	<b>£(237,731)</b>

**B. Analysis of cash and cash equivalents**

Cash at bank and in hand	3,829,624	3,128,026
Total cash and cash equivalents	<b>£3,829,624</b>	<b>£3,128,026</b>

**C. Analysis of changes in net cash funds**

	<b>At 1 January</b>	<b>Cashflows</b>	<b>At 31 December</b>
	<b>2021</b>	<b>£</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	3,128,026	701,598	3,829,624
Total cash and cash equivalents	<b>£3,128,026</b>	<b>£701,598</b>	<b>£3,829,624</b>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**PRINCIPAL ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 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**

The financial statements have been prepared in accordance with Statement of Recommended Practice for Charities (SORP) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

**Critical accounting estimates and areas of judgement**

Preparation of the accounts requires the Trustees to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- estimating the economic useful life of tangible fixed assets.
- The charity's Manchester property was gifted in the year and its value estimated at £170,000 (see note 3 below).

**Assessment of going concern**

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

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

**Income recognition**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacies, 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(s) to the Trust 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, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of care services service it is deferred until the criteria for income recognition are met.

In accordance with the Charities SORP FRS102, volunteer time is not recognised.

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.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**PRINCIPAL ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**Expenditure recognition and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise fees paid in respect of fund management advice in relation to the charity's portfolio of quoted investments, which is managed under a discretionary management agreement.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. These costs comprise charitable grants and donations, direct and support costs in respect to the support of members of the Congregation and their ministry. It also includes governance costs.

Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**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.

**Tangible fixed assets**

Individual fixed assets costing £2,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight-line basis as follows:

	Annual rate
Freehold land	Nil
Freehold buildings	2 - 10%
Refurbishment and alterations	2%
Fixtures and plant	15 – 33.3%
Motor vehicles	25%

**Financial Instruments**

The charity only holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**PRINCIPAL ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Deposits for more than three months and up to 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 where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Services provided by members of the Congregation**

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

**Foreign currencies**

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

**Leased assets**

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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all of the risks and rewards of ownership to the charity. Assets held under finance leases are recognised initially at the fair value of the leased assets (or, if lower, the present value of the minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is recognised as a finance lease obligation. Lease payments are apportioned between finance charges and the reduction of the lease obligation using the effective interest method in order to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the statement of financial activities. Assets held under finance leases are capitalised and depreciated and assessed for impairment losses in the same way as owned assets.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**1. DONATIONS AND LEGACIES**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
General donations	21,315	2,800
Pensions donated by members of the Congregation	69,407	97,683
	<u>£90,722</u>	<u>£100,483</u>

**2. INVESTMENT INCOME**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Income from listed investments	114,528	111,807
Bank interest	262	2,328
	<u>£114,790</u>	<u>£114,135</u>

**3. SURPLUS ON DISPOSAL OF TANGIBLE FIXED ASSETS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Disposal of property</b>		
Proceeds (net of costs)	1,197,731	-
Net book value	(314,225)	-
	<u>£883,506</u>	<u>£-</u>

Note - the above proceeds include a notional figure of £170,000 in respect of the charity's Manchester property which was gifted to Caritas Salford in 2021. This figure is included in Donations - see Note 4 below.

**4. EXPENDITURE ON CHARITABLE ACTIVITIES**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Support of Brothers of the Congregation and their ministries</b>		
Grants to overseas activities of the Alexian Brothers	13,370	26,792
Other charitable donations and grants (see below)	263,810	86,654
Notional value of property donated	170,000	-
Depreciation	126,692	134,522
Social Club activities	-	9,894
Community costs	220,014	176,473
Governance and Support costs (note 5)	29,959	21,269
Losses on translation of foreign currencies	12,859	6,803
	<u>£836,704</u>	<u>£462,434</u>
<b>Other charitable donations &amp; grants comprises:</b>		
Mayo Roscommon Hospice Foundation	127,882	24,348
Western Alzheimers	63,267	24,348
The Morning Star	63,315	24,348
Tracy House / Homeless	8,010	9,357
The Irish Catholic, publication	-	2,261
St Vincent de Paul	-	870
Other	1,336	1,122
	<u>£263,810</u>	<u>£86,654</u>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**5. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration		
- Current year	8,750	7,987
- Prior-year under-accrual	3,360	-
	<u>12,110</u>	<u>7,987</u>
Other - Company Secretarial services	1,183	1,154
	<u>13,293</u>	<u>9,141</u>
Other professional fees	12,200	3,050
Legal fees	4,466	9,078
	<u>£29,959</u>	<u>£21,269</u>

**6. NET INCOME/EXPENDITURE FOR THE YEAR**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>This is stated after charging:</b>		
Investment management fees	26,719	29,043
Depreciation	126,692	134,522
Auditors remuneration		
- Audit fees	12,110	6,833
- Other services	1,183	1,154
Legal fees	4,466	9,078
	<u>£21,269</u>	<u>£21,269</u>

**7. STAFF COSTS AND STAFF NUMBERS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>This is stated after charging:</b>		
Wages and salaries	17,416	-
Social security costs	2,492	-
Other pension costs	-	-
	<u>£19,908</u>	<u>£-</u>

	<b>No</b>	<b>No</b>
The average number of employees in the year was:	<u>1</u>	<u>-</u>

**8. TRUSTEES' REMUNERATION AND KEY MANAGEMENT PERSONNEL**

The charity Trustees are not paid and do not receive any other benefits from employment with the Trust in the year (2020: £Nil) neither were they reimbursed expenses during the year (2020: nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £Nil). However, the living costs of the Trustees, who are all members of the Congregation, are borne by the charity – see Note 9.

The key management personnel of the charity are provided by the Trustees, who are not remunerated.

**9. TRANSACTIONS WITH THE TRUSTEES AND OTHER RELATED PARTIES**

The Trustees of the Charity are also members of the Congregation and as such have taken vows of poverty under which they have renounced all personal rights to income and capital. The Charity provides for the essential needs of all members of the Congregation within the Province. The living costs of the three Trustees are therefore borne by the Charity. There were no other related party transactions (2020- None).

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**10. TAXATION**

The charity is exempt from tax on income and gains falling within Part 11 of the Corporation Tax Act 2011 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**11. COMPANY STATUS AND ULTIMATE CONTROL**

The company is limited by guarantee and does not have a share capital. The members' liability is limited. Every member of the Congregation of the Alexian Brothers undertakes to contribute up to £1 to the assets of the company in the event of it being wound up.

**12. TANGIBLE FIXED ASSETS:**

	<b>Freehold Properties £</b>	<b>Motor Vehicles £</b>	<b>Office Equipment &amp; Furniture £</b>	<b>Total £</b>
<b>COST OR VALUATION</b>				
At 1 January 2021	2,117,636	50,138	152,134	2,319,908
Disposals	(499,498)	-	-	(499,498)
At 31 December 2021	<u>1,618,138</u>	<u>50,138</u>	<u>152,134</u>	<u>1,820,410</u>
<b>ACCUMULATED DEPRECIATION</b>				
At 1 January 2021	662,019	50,138	137,259	849,416
Charge for year	123,505	-	3,187	126,692
Eliminated on disposal	(185,273)	-	-	(185,273)
At 31 December 2021	<u>600,251</u>	<u>50,138</u>	<u>140,446</u>	<u>790,835</u>
<b>NET BOOK VALUE</b>				
At 31 December 2021	<u>£1,017,887</u>	<u>£-</u>	<u>£11,688</u>	<u>£1,029,575</u>
At 31 December 2020	<u>£1,455,617</u>	<u>£-</u>	<u>£14,875</u>	<u>£1,470,492</u>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>13. INVESTMENTS</b>	<b>2021</b>		<b>2020</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Market value at 1 January 2021		4,359,419		4,556,488
Additions		815,961		2,987,236
Disposals				
Proceeds	(844,487)		(2,989,813)	
Gains / (losses)	9,780		(371,510)	
		<u>(834,707)</u>		<u>(3,361,323)</u>
Net unrealised investment gains		306,448		177,018
Market value at 31 December 2021		<u>£4,647,121</u>		<u>£4,359,419</u>
Cost at 31 December 2021		<u>£3,866,983</u>		<u>£3,746,845</u>
			<b>2021</b>	<b>2020</b>
			<b>£</b>	<b>£</b>
<b>Listed on a UK stock exchange</b>				
UK Fixed Interest			593,216	745,580
Overseas Fixed Interest			502,324	454,493
UK Equities			1,010,390	981,611
North American Equities			990,335	633,658
Europe (ex UK) Equities			383,797	351,119
Japan Equities			97,838	-
Asia Pacific (ex Japan) Equities			98,841	122,570
Emerging Markets			26,348	34,045
Other Alternatives			913,619	671,721
Real Estate (held by Barclays)			-	227,934
			<u>4,616,708</u>	<u>4,222,731</u>
General Cash and Short Maturity Bonds			30,413	136,688
			<u>£4,647,121</u>	<u>£4,359,419</u>
<b>14. DEBTORS</b>			<b>2021</b>	<b>2020</b>
			<b>£</b>	<b>£</b>
Prepayments and accrued income			<u>£8,304</u>	<u>£3,824</u>
<b>15. CREDITORS: Amounts falling due within one year</b>			<b>2021</b>	<b>2020</b>
			<b>£</b>	<b>£</b>
Trade creditors			7,800	-
Accruals			24,250	22,200
			<u>£32,050</u>	<u>£22,200</u>

**ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**

England & Wales - Charity number 233131

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# Accounts

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**THE ALEXIAN BROTHERS OF THE PROVINCE  
OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2020**

Haysmacintyre LLP  
Chartered Accountants  
Registered Auditors  
London

Company Number: 0773307  
Registered Charity Number: 233131

# THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART

## LEGAL AND ADMINISTRATIVE DETAILS

<b>Trustees and directors</b>	<p>The directors of the charitable company (the charity) are its trustees for the purpose of company law and throughout this report are collectively referred to as the trustees.</p> <p>The following served as trustees of the company during the year ended 31 December 2020.</p> <p>Finbar Butler – Chairman Dermot O’Leary Kevin O’Sullivan (Deceased – 6 January 2021 )</p>
<b>Company Secretary</b>	<p>James Kerr (Deceased February 2021) Replaced by Jeremiah Dermot O’Leary</p>
<b>Provincial</b>	<p>Finbar Butler Churchfield Knock, Co. Mayo</p>
<b>Registered Office</b>	<p>10 Queen Street Place London EC4R 1AG</p>
<b>Charity Registration No.</b>	<p>233131</p>
<b>Company Number</b>	<p>0773307</p>
<b>Governing Instrument</b>	<p>Memorandum &amp; Articles of Association dated 6 September 1963</p>
<b>Auditor</b>	<p>Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG</p>
<b>Solicitors</b>	<p>Druces LLP Salisbury House London Wall London EC2M 5PS</p>
<b>Principal Bankers</b>	<p>The Royal Bank of Scotland London City Office 62/63 Threadneedle Street London EC2R 8LA</p>
<b>Investment Managers</b>	<p>Quilter Cheviot Senator House 85 Queen Victoria Street EC4V 4AB</p> <p>Barclays Wealth 1 Churchill Place London E14 5HP</p>

# **THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART (Charitable company limited by guarantee)**

## **TRUSTEES' REPORT**

The Trustees present their report and the audited accounts for the year ended 31 December 2020 which have been prepared in accordance with the requirements of the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), the Companies Act 2006 and applicable accounting standards.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

The Alexian Brothers of the Province of the Sacred Heart is a Company limited by guarantee and is governed by its Memorandum and Articles of Association dated 6 September 1963. (Updated May 2020) It is also registered as a charity with the Charity Commission. The members' liability is limited. Every member of the Congregation of the Alexian Brothers undertakes to contribute up to £1 to the assets of the company in the event of it being wound up.

### **Trustee composition, appointment of Trustees, induction and training**

The Trustees, who are also the directors of the Charity for the purposes of company law, control all activities under the direction of the Chairman who is also the Provincial of the Alexian Brothers. They act as a Council of Management. Only members of the Congregation may serve and they are appointed by the Council of Management.

Members of the Province elect the Council of Management and the Provincial for a term of four years. The Council of Management appoints the Provincial Bursar. Training is provided internally by more experienced brothers and then externally by the attendance at Conferences and more specifically by professional advisors as required.

## **RISK MANAGEMENT**

The Trustees are closely involved with the review of risk and employ suitable professionals to supplement their own expert knowledge. The Trustees have assessed the major risks to which the charity is exposed, in particular those related to its operations and finances, and are satisfied that systems are in place to mitigate exposure to the major risks faced.

## **PUBLIC BENEFIT**

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

## **OBJECTIVES, AIMS AND ACTIVITIES**

### **Objects**

The Alexian Brothers are a Roman Catholic Congregation who care for people in all areas of the health field. The Congregation came into being during the Black Plague when members risked their lives by going outside the city walls to care for the dying plague victims and to bury them. Their philosophy is to minister, to the very best of their ability, to those they serve in the belief that each individual person regardless of race, creed or colour is the individual person of Jesus Christ. There are other provinces working in Belgium, Germany, Hungary, the United States and the Philippines.

The primary object in the Memorandum of Articles is: To promote, establish, maintain, conduct and carry on in the United Kingdom of Great Britain, Northern Ireland, the Republic of Ireland and elsewhere, by members of the Roman Catholic Order or Congregation of male religious, known as the Alexian Brothers, institutions, hospitals, homes, residences or other establishments as are intended for the nursing, care, assistance and supporting of the sick, aged, destitute, insane or infirm irrespective of their religion.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**OBJECTIVES, AIMS AND ACTIVITIES (continued)**

**Review of activities and performance during the year**

**Drumcondra Dublin:**

This comprises:

- Brothers' residence with three Brothers in residence
- A Social Club for people suffering with mental health issues

The Brothers work at the ' Social Club. It provides a variety of recreational and counselling facilities for men and women suffering from mental health issues. The service was established some thirty years ago. An average of thirty people “drop in” on each of three days each week. A 'listening' ear service is available to those who wish to share their problems or concerns. Refreshments are provided. A Library, pool table and musical instruments are also available. Visits are made by the Brothers to clients who may be in hospital.

Outings are arranged to local museums, art galleries and 'some scenic areas on Sunday afternoons and in summer to the sea-side. Films are shown in the winter season. Holidays are arranged for the Club and on occasions they travel overseas. The Club members are accompanied by a Brother and one or two volunteers. The members contribute to their accommodation and meals. At Christmas the Club and volunteers celebrate at one of the local hotels. Full Christmas dinner, gifts, and entertainment are provided.

The community of Brothers also respond to a multitude of calls from the Club-members who may have emotional problems. One Brother works part-time as a volunteer with the Samaritans. One Brother does prison visitation.

The Centre is available to other groups such as

- Legion of Mary
- Corpus Christi Prayer Group
- Relatives of those' suffering from mental Health issues
- John Main Prayer and Counselling Group.

The Centre is fully supported and financed by the Province with occasional voluntary contributions.

**St. Alexius Knock Co. Mayo**

Accommodates the Provincial Office and the Bursar's office relocated from Drumcondra Dublin.

- 3 Brothers are resident here, including the Provincial and Regional Bursar
- 1 Brother is receiving care in the Local Nursing Home fully funded by the Province.

The property was acquired in 2005 and since then has undergone a complete alteration and refurbishment. Its intended use is as a Novitiate House and providing hospitality in a community setting for people recovering from addictions or for whom no alternative services exist. It is also a house of prayer, hospitality and healing. The ministry continues to develop.

The purchase of an additional adjacent house was completed later and provides accommodation for the monastery guesthouse for those on Retreats etc.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**OBJECTIVES, AIMS AND ACTIVITIES (continued)**

Our Oratory is open from 6.30-8.30pm daily and the public are free to visit. Some local people, visitors and religious join the brothers for prayer.

The brothers provide:

- Addiction counselling
- Listening ear service
- Befriending services
- Telephone befriending services
- Providing accommodation and meals at Christmas time for people who live alone
- Responding to people looking for help at the door
- Helping as requested in the local parish
- Hospital visits
- Advocacy service in court
- Online support for people with mental health issues, isolation and loneliness.
- We have a large meeting room where groups meet throughout the year for prayer, training, counselling and support.

We normally have one person living in the community who is in recovery and we endeavour to upskill the person in the following:

- Domestic duties
- Kitchen duties
- Reception duties
- Gardening
- Care of our herd of pygmy goats
- Care of our flock of hens, ducks and guinea fowl

**FINANCIAL REVIEW**

The accounts comply with the charity's governing document and with current statutory requirements.

The accounts show that income fell to £224.8k (2019: £496.3k). This is more in line with previous years after the one-off sources of income and the receipt of a legacy that occurred in 2019. Investment income continues to be the main recurring source of income of the charity. This fell from £193.5k to £114.1k in the year.

At the same time, total expenditure rose to £491.5k from £440.8k in 2019. The main increase was in charitable grants, rising from just £7.6k in 2019 to £86.7k in 2020. This was slightly offset by other categories in Support of Brothers and their ministries declining, most notably Community costs. Depreciation remained unchanged at £134.5k.

The result, before gains/losses on investments, was net expenditure of £266.6k (2019: net income of £55.6k).

The year saw investment losses of £194.5k after gains of £551.4k in the previous year. Thus the overall result was a reduction in funds of £461.1k (2019: increase of £607k).

By the end of the year the charity's net assets had reduced to £8.94m from £9.40m. Of this, £1.47m is represented by fixed assets which are required for the ongoing operations of the charity. The balance of £7.47m consists of the charity's investment portfolio and its cash reserves and other working capital.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**RESERVES POLICY**

The reserves of the charity, excluding the element represented by fixed assets, therefore stood at £7.47m at 31 December 2020.

A key commitment of the charity is the need to provide for the care of members of the Province in sickness and old age and this has profound implications for the finances of the charity. Members of the Province have all taken a vow of poverty which means that all rights to assets and income have been given up, generally in favour of the Province. Where members earn a salary, stipend or pension this is paid into the charity under a deed of covenant. There is now little or no such income with members being past retirement age and not having occupational pension rights. In most cases, members have devoted the whole of their working lives to the Province and are dependent upon it for all their temporal needs. Although members invariably continue to perform charitable work long past normal retirement age, if they are healthy enough to do so, the work is often not remunerative and the Province must provide for their upkeep and in some cases nursing care. The Trustees estimate that the level of free assets required for the purposes of providing long term support for members is a sum in the region of £4.5m.

The charity's "free reserves" therefore stood at approximately £3.12m. It has generally been the policy of the trustees to aim to hold around two years' expenditure in reserve. At the year-end the level of reserves was equivalent to several years' expenditure at 2020 levels and is thus in excess of the target level set out in the Trustees' policy.

Reserves were boosted in September 2021 with the sale of the house in Dublin for just over £1.2m.

The Trustees will assess reserves levels in the light of the charity's changed financial circumstances following the sale of the Care Centre and in the light of potential new areas of expenditure once its constitutional and governance review is complete (see Future Plans below).

However, it is clear that without the income from reserves the charity would suffer continuing significant financial deficits. Furthermore the investment losses seen in 2018, as well as more substantial falls in earlier years, emphasise the volatility in reserves levels that charities must be prepared to withstand. To summarise, In addition to the commitment to care for members, reserves are required to:-

- provide for the replacement and refurbishment of buildings;
- provide for new missions around the World; and
- provide working capital for the operations of the charity.

**INVESTMENT POLICY AND PERFORMANCE**

Investments in equities, fixed income stocks and cash over the long term should enhance real value by means of a diversified portfolio with medium risk. The Trustees have established an ethical investment policy and have communicated this to their Fund Managers. The policy states that "no investments are to be made in companies which are predominantly involved in the production of armaments, tobacco or abortion products".

The quarterly reports of the investment managers compare performance with a number of relevant indices and comment thereon.

During the year the decision was made to appoint Quilter Cheviot as Investment Managers. Two Real Estate stocks were still held by Barclays at the year end but these were sold in the early part of 2021 and the proceeds transferred to Quilter Cheviot.

The total return on the charity's investments in the year was -1.76% (2019: +17.9%).

**FUTURE PLANS**

The Trustees will continue to monitor closely the effectiveness and viability of all of the charity's activities with a view to ensuring that these continue for as long as possible, in the light of the increasing age profile of the members of the Province.

Since the end of the year, the Trustees have instituted a thorough review of the charity's constitution and its governance arrangements. In May 2020 the charity's Memorandum and Articles of Association were updated to enable the charity to adapt its activities in the light of the changing circumstances of the Congregation and the changing needs of beneficiaries that the charity can effectively seek to meet.

The Trustees will also, as noted above, carry out a review of fund management arrangements with a view to a possible switch to a new provider of the service.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**TRUSTEES' REPORT (Continued)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of The Alexian Brothers of the Province of the Sacred Heart for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees' Report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Trustees' Report including the Strategic Report was approved by the Board and signed on their behalf on  
October 2021 by:

.....  
Finbar Butler  
Trustee

# **Independent auditor's report to the members of The Alexian Brothers of the Province of the Sacred Heart**

## **Opinion**

We have audited the financial statements of The Alexian Brothers of the Province of the Sacred Heart for the year ended 31 December 2020 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of the charitable company's net movement in funds, including the 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 Companies Act 2006.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 financial statements 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.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

## **Independent auditor's report to the members of The Alexian Brothers of the Province of the Sacred Heart (continued)**

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 5 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Canon Law, Companies Act 2006, Charities Act 2011, employment law and health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Canon Law, Companies Act 2006, Charities Act 2011, The Statement of Recommended Practice for Charities (SORP 2015) and FRS102.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of income and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting trustees minutes
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Independent auditor's report to the members of The Alexian Brothers of the Province of the Sacred Heart (continued)**

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Adam Halsey (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: October 2021

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
<b>INCOME FROM:</b>			
Donations and legacies	1	100,483	251,865
Charitable activities Social Club		8,345	48,724
Other trading activities - Rents receivable from charitable-use properties temporarily surplus to operational requirements		1,870	2,210
Investments	2	114,135	193,539
<b>Total income</b>		<u>224,833</u>	<u>496,338</u>
<b>EXPENDITURE ON:</b>			
Raising funds Investment Management fees		29,043	31,187
Cost of activities in furtherance of the charity's objects - Support of Brothers the Congregation and their ministries	3	462,434	409,596
<b>Total expenditure</b>		<u>491,477</u>	<u>440,783</u>
Net (expenditure)/income before (losses)/gains on investments		(266,644)	55,555
Net (losses)/gains on quoted investments		(194,492)	551,401
<b>Net (expenditure)/income and net movement in funds</b>	5	<u>(461,136)</u>	<u>606,956</u>
Total funds brought forward		9,400,697	8,793,741
<b>Total funds carried forward</b>		<u><u>£8,939,561</u></u>	<u><u>£9,400,697</u></u>

No summary Income and Expenditure Account has been prepared because the information required by the Companies Act 2006 is clearly shown in the above statement. The Net expenditure before unrealised gains represents the Net Deficit for the year.

The charitable company had no recognised gains or losses other than as disclosed in the Statement of Financial Activities for the financial year ended 31 December 2020 and 31 December 2019.

The accompanying notes form part of these financial statements.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART Company number: 0773307  
(Charitable company limited by guarantee)**

**BALANCE SHEET**

**AT 31 DECEMBER 2020**

	Notes	£	2020	£	£	2019	£
<b>FIXED ASSETS</b>							
Tangible assets	11			1,470,492			1,605,014
Investments	12			4,359,419			4,556,488
				<u>5,829,911</u>			<u>6,161,502</u>
<b>CURRENT ASSETS</b>							
Debtors	13	3,824			13,400		
Short term deposits				-	2,812,625		
Cash and bank balances		3,128,026			436,420		
				<u>3,131,850</u>		<u>3,262,445</u>	
<b>CREDITORS:</b> amounts falling due within one year	14	(22,200)			(23,250)		
<b>NET CURRENT ASSETS</b>				3,109,650			3,239,195
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>							
				<u>£8,939,561</u>			<u>£9,400,697</u>
Represented by -							
<b>ACCUMULATED RESERVES</b>							
<b>Unrestricted Funds</b>				<u>£8,939,561</u>			<u>£9,400,697</u>

Of the Accumulated Reserves shown above, £612,574 relates to unrealised gains on investments (2019: £674,059).

The financial statements were approved and authorised for issue by the Board on October 2021 and were signed below on its behalf by:

.....  
Finbar Butler  
Director

The accompanying notes form part of these financial statements.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**YEAR ENDED 31 DECEMBER 2020**

**NOTE OF HISTORICAL COST SURPLUSES AND DEFICITS**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net movement in funds	(461,136)	606,956
Unrealised (gains) on investments	(177,018)	(495,782)
Realised loss in market value adjusted to cost	238,502	116,169
Historical cost (deficit) for the year	<u>£(399,652)</u>	<u>£227,343</u>

The accompanying notes form part of these financial statements.

**THE ALEXIAN BROTHERS OF PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from Operating Activities</b>		
Net cash used in operating activities	(237,731)	(21,896)
<b>Cash flows from investing activities</b>		
Dividends and interest from investments	114,135	193,539
Purchase of fixed assets	-	(21,250)
Payments to acquire investments	(2,987,236)	(977,163)
Receipts from sales of investments	2,989,813	1,006,917
<b>Net cash provided by investing activities</b>	<b>116,712</b>	<b>202,043</b>
<b>Change in cash and cash equivalents in year</b>	<b>(121,019)</b>	<b>180,147</b>
Cash and cash equivalents at 1 January 2020	3,249,045	3,068,898
Cash and cash equivalents at 31 December 2020	<b>£3,128,026</b>	<b>£3,249,045</b>

**Notes to the Cash Flow Statement**

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Net movement in funds (as per the Statement of Financial Activities)</b>	(461,136)	606,956
<b>Adjustments for</b>		
Losses/(gains) on investments	194,492	(551,401)
Dividends and interest from investments	(114,135)	(193,539)
Depreciation	134,522	134,523
Decrease/(increase) in debtors	9,576	(5,900)
(Decrease) in creditors	(1,050)	(12,535)
<b>Net cash (used in) operating activities</b>	<b>£(237,731)</b>	<b>£(21,896)</b>

**B. Analysis of cash and cash equivalents**

Cash at bank and in hand	3,128,026	3,249,045
Total cash and cash equivalents	<b>£3,128,026</b>	<b>£3,249,045</b>

**C. Analysis of changes in net cash funds**

	<b>At 1 January</b>	<b>Cashflows</b>	<b>At 31 December</b>
	<b>2020</b>	<b>2020</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	3,249,045	(121,019)	3,128,026
Total cash and cash equivalents	<b>£3,249,045</b>	<b>£(121,019)</b>	<b>£3,128,026</b>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**PRINCIPAL ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**

The financial statements have been prepared in accordance with Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

**Critical accounting estimates and areas of judgement**

Preparation of the accounts requires the Trustees to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- estimating the economic useful life of tangible fixed assets.

**Assessment of going concern**

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

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. 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 2021, 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).

**Income recognition**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacies, 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(s) to the Trust 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, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of care services service it is deferred until the criteria for income recognition are met.

In accordance with the Charities SORP FRS102, volunteer time is not recognised.

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.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**PRINCIPAL ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Expenditure recognition and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise fees paid in respect of fund management advice in relation to the charity's portfolio of quoted investments, which is managed under a discretionary management agreement.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. These costs comprise charitable grants and donations, direct and support costs in respect to the support of members of the Congregation and their ministry. It also includes governance costs.

Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**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.

**Tangible fixed assets**

Individual fixed assets costing £2,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight-line basis as follows:

	Annual rate
Freehold land	Nil
Freehold buildings	2 - 10%
Refurbishment and alterations	2%
Fixtures and plant	15 – 33.3%
Motor vehicles	25%

**Financial Instruments**

The charity only holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**PRINCIPAL ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Deposits for more than three months and up to 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 where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Services provided by members of the Congregation**

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

**Foreign currencies**

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

**Leased assets**

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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all of the risks and rewards of ownership to the charity. Assets held under finance leases are recognised initially at the fair value of the leased assets (or, if lower, the present value of the minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is recognised as a finance lease obligation. Lease payments are apportioned between finance charges and the reduction of the lease obligation using the effective interest method in order to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the statement of financial activities. Assets held under finance leases are capitalised and depreciated and assessed for impairment losses in the same way as owned assets.

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART  
(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. DONATIONS AND LEGACIES**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
General donations	2,800	2,455
Legacies	-	11,063
Transfers from Local Houses in Ireland	-	142,080
Pensions donated by members of the Congregation	97,683	96,267
	<u>£100,483</u>	<u>£251,865</u>

**2. INVESTMENT INCOME**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Income from listed investments	111,807	170,193
Bank interest	2,328	23,346
	<u>£114,135</u>	<u>£193,539</u>

**3. EXPENDITURE ON CHARITABLE ACTIVITIES**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Support of Bothers of the Congregation and their ministries</b>		
Grants to overseas activities of the Alexian Brothers	26,792	25,754
Other charitable donations and grants (see below)	86,654	7,559
Depreciation	134,522	134,523
Social Club activities	9,894	13,631
Community costs	176,473	198,164
Governance and Support costs (note 4)	21,269	19,448
Losses on translation of foreign currencies	6,803	10,517
	<u>£462,434</u>	<u>£409,596</u>

**Other charitable donations & grants comprises:**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Western Alzheimers	24,348	-
The Morning Star	24,348	-
Mayo Roscommon Hospice Foundation	24,348	-
Tracy House / Homeless	9,357	-
The Irish Catholic, publication	2,261	-
St Vincent de Paul	870	1,000
CAFOD	-	1,000
Trocaire (Irish Catholic Agency for World Development)	-	1,000
Aid to the Church In Need	-	1,000
Peter McVerry Trust (Dublin charity for the homeless)	-	1,000
Crosscare, Dublin	-	1,000
Focus Ireland	-	1,000
Other	1,122	559
	<u>£86,654</u>	<u>£7,559</u>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**4. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration (see note 5)	7,987	9,193
Other professional fees	3,050	8,870
Legal fees	10,232	1,385
	<u>£21,269</u>	<u>£19,448</u>

**5. NET INCOME/EXPENDITURE FOR THE YEAR**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>This is stated after charging:</b>		
Investment management fees	29,043	31,187
Depreciation	134,522	134,523
Auditors remuneration		
- Audit fees	7,987	9,193
- Other services	1,154	1,385
Legal fees	9,078	-
	<u>£211,784</u>	<u>£277,278</u>

**6. STAFF COSTS AND STAFF NUMBERS**

The charity does not employ any staff. All of the charity's activities are carried out by members of the Congregation. Therefore there were no staff costs incurred in either the current or the prior year.

**7. TRUSTEES' REMUNERATION AND KEY MANAGEMENT PERSONNEL**

The charity Trustees are not paid and do not receive any other benefits from employment with the Trust in the year (2019: £nil) neither were they reimbursed expenses during the year (2019: nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil). However the living costs of the Trustees, who are all members of the Congregation, are borne by the charity – see Note 8.

The key management personnel of the charity are provided by the Trustees.

**8. TRANSACTIONS WITH THE TRUSTEES**

The Trustees of the Charity are also members of the Congregation and as such have taken vows of poverty under which they have renounced all personal rights to income and capital. The Charity provides for the essential needs of all members of the Congregation within the Province. The living costs of the three Trustees are therefore borne by the Charity. There were no other related party transactions (2019- the same).

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**9. TAXATION**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**10. COMPANY STATUS AND ULTIMATE CONTROL**

The company is limited by guarantee and does not have a share capital. The members' liability is limited. Every member of the Congregation of the Alexian Brothers undertakes to contribute up to £1 to the assets of the company in the event of it being wound up.

**11. TANGIBLE FIXED ASSETS:**

	<b>Freehold Properties £</b>	<b>Motor Vehicles £</b>	<b>Office Equipment &amp; Furniture £</b>	<b>Total £</b>
<b>COST OR VALUATION</b>				
At 1 January 2020	2,117,636	50,138	152,134	2,319,908
Additions	-	-	-	-
At 31 December 2020	<u>2,117,636</u>	<u>50,138</u>	<u>152,134</u>	<u>2,319,908</u>
<b>ACCUMULATED DEPRECIATION</b>				
At 1 January 2020	530,684	50,138	134,072	714,894
Charge for year	131,335	-	3,187	134,522
At 31 December 2020	<u>662,019</u>	<u>50,138</u>	<u>137,259</u>	<u>849,416</u>
<b>NET BOOK VALUE</b>				
At 31 December 2020	<u>£1,455,617</u>	<u>£-</u>	<u>£14,875</u>	<u>£1,470,492</u>
At 31 December 2019	<u>£1,586,952</u>	<u>£-</u>	<u>£18,062</u>	<u>£1,605,014</u>

**THE ALEXIAN BROTHERS OF THE PROVINCE OF THE SACRED HEART**  
**(Charitable company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

<b>12. INVESTMENTS</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Market value at 1 January 2020	4,556,488	4,034,841
Additions	2,987,236	977,163
Disposals (at book value)		
Proceeds	2,989,813	1,006,917
(Losses)/Gains	(371,510)	55,619
	<hr/>	<hr/>
Net unrealised investment gains	(3,361,323) 177,018	(951,298) 495,782
	<hr/>	<hr/>
Market value at 31 December 2020	<u>£4,359,419</u>	<u>£4,556,488</u>
	<hr/> <hr/>	<hr/> <hr/>
Cost at 31 December 2020	<u>£3,746,845</u>	<u>£3,882,429</u>
	<hr/> <hr/>	<hr/> <hr/>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Listed on a UK stock exchange</b>		
UK Fixed Interest	745,580	
Overseas Fixed Interest	454,493	
UK Equities	981,611	
North American Equities	633,658	
Europe (ex UK) Equities	351,119	
Asia Pacific (ex Japan) Equities	122,570	
Emerging Markets	34,045	
Other Alternatives	671,721	
Real Estate (held by Barclays)	227,934	
	<hr/>	<hr/>
	4,222,731	4,376,785
General Cash and Short Maturity Bonds	136,688	179,703
	<hr/>	<hr/>
	<u>£4,359,419</u>	<u>£4,556,488</u>
	<hr/> <hr/>	<hr/> <hr/>
<b>13. DEBTORS</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Prepayments and accrued income	£3,824	£13,400
	<hr/> <hr/>	<hr/> <hr/>
<b>14. CREDITORS: Amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	-	-
Accruals	22,200	23,250
Other creditors	-	-
	<hr/>	<hr/>
	<u>£22,200</u>	<u>£23,250</u>
	<hr/> <hr/>	<hr/> <hr/>