

**MISSIONARY SISTERS
SERVANTS OF THE HOLY SPIRIT
FINANCIAL STATEMENTS
31 DECEMBER 2021**

(Charity Number: 233377)

MISSIONARY SISTERS - SERVANTS OF THE HOLY SPIRIT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

LEGAL AND ADMINISTRATIVE DETAILS

Trustees	Joan Quirke Ann Carmen Lee Mary Patricia Hudson Joanna Kubisz Lizy Joseph Yudith Anu
Regional Superior	Joan Quirke
Regional Bursar	Joanna Kubisz
Principal Office	The Convent Kings Weston Lane Bristol BS11 0QU
Charity Registration Number	233377
Governing Instrument	Trust Deed dated 25 September 1965 (as amended by a scheme dated 26 July 1967)
Independent Examiner & Charity Commission named correspondent	Olayinka Tomori Longmeade Consult Ltd Regus House Victory Way, Admiral's Park Dartford DA2 6QD
Solicitors	Stone King 13 Queen Square Bath BA1 2HJ
Principal Bankers	Lloyds Bank Farnham P O Box 1000 Andover BX1 1LT
Investment Managers	Charles Stanley Asset Management 55 Bishopsgate London EC2N 3AS
Investment Powers	There are no restrictions on the trustees' powers of investment

MISSIONARY SISTERS - SERVANTS OF THE HOLY SPIRIT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Objects

The objects of the charity are to advance the religious and other charitable work of the Missionary Sisters as the Trustees, with the approval of the Superior, shall from time to time think fit and for such other lawful charitable purposes connected with the advancement of the Roman Catholic religion as the Trustees shall determine.

Trustees and Governance

All trustees are members of the Congregation. The power of appointment and removal of trustees rests with the Superior General for the time being. The trustees meet as frequently as is required for the purposes of the charity's activities and will meet at least twice per year. As members of the Congregation all trustees are well-versed in its charism, or ethos, and the objectives and activities of the charity.

When necessary the trustees seek advice and support from the charity's professional advisers and attend courses, conferences and training days as required in order to keep up-to-date with legal, regulatory and other such matters.

ACTIVITIES AND ACHIEVEMENTS

The Missionary Sisters – Servants of the Holy Spirit is an international Roman Catholic Congregation with a Region in the UK. The charity exists to carry out the charitable aims of the Congregation in England and is the legal vehicle through which its UK assets are held. Throughout 2021, there were communities of Sisters in Bristol and in Birmingham.

The Sisters of the Congregation in England undertake a wide variety of activities in pursuit of the Congregation's charitable aims.

Our charitable activities

- **General**
 - To support the Congregation's missionaries and religious missionary activity in general.
 - To support the work of the local parish.
 - To work towards overcoming barriers between denominations, faiths and cultures.
 - To relieve poverty and help those most in need
 - To promote the physical, emotional and spiritual wellbeing and growth of all people. To safeguard spiritual 'spaces'
- **Education Training**
 - Primary School Support Teaching
 - Education and preparation of missionaries including language courses/degrees/diploma, extra tuition, providing opportunities for our sisters and others to study and become competent professionals.
 - Catechetical classes for First Communion and Confirmation candidates
 - Teaching English to speakers of other languages living in England

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ACTIVITIES AND ACHIEVEMENTS - Our charitable activities (continued)

- **Medical Health Sickness & Disabilities**
 - Providing assistance to the elderly, sick, or housebound
 - Supporting staff and residents in supported accommodation, assisted living, nursing homes
 - Visiting sick people in hospital and at home, distributing communion, bringing them to church, shopping.
 - Supporting the sick or dying to experience dignity and respect, and providing pastoral and spiritual care.
 - Supporting parents of children who are sick and dying
- **Relief of Poverty & Overseas Famine Relief**
 - Giving to charitable works including CAFOD.
 - Helping with projects in developing countries by channelling donations received and sending sisters to monitor progress. Raise awareness by speaking in churches. Sending parcels abroad to those in need, giving in emergency situations.
 - Providing basic necessities, emotional support and general assistance to refugees and asylum seekers and people experiencing hardship
 - Supporting people with addictions ordinarily and in times of crisis
- **Religious Activities**
 - Support and involvement in the local parish, cathedral churches and hospitals
 - Bible sharing, preparation for the Eucharist, Communion Services
 - Inter religious collaboration
 - Health care chaplaincy work
 - Arranging prayer meetings, providing rooms for prayer groups, youth groups, organising recollection days

Work during the year

During the year our work included:

- **Children & Young People**
 - Volunteer work at a mother and toddler group
 - Supporting youth and young adults in prayer groups and religious activities
 - Children's hospital chaplaincy work

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FOR THE YEAR ENDED 31 DECEMBER 2021

ACTIVITIES AND ACHIEVEMENTS – Work during the year (continued)

- **Elderly/Old People**
 - Hospital chaplaincy and spiritual and pastoral care of older people
 - Giving support and encouragement to the elderly in our parish community, in particular visiting and accompanying lonely older people
- **Minority Groups**
 - Support of refugees and asylum seekers
 - Supporting the travelling community
- **General Public/Humankind**
 - Interdenominational voluntary community work
 - Help for distressed, sick, elderly, lonely, bereaved persons
 - Work with and in support of the parishes in which we live
 - Inter faith collaboration in our neighbourhoods
 - Food Bank voluntary work
 - Spiritual accompaniment

The Trustees conducted an in-depth review of the charity's policies for the protection of children and vulnerable adults and continue to ensure that they have in place detailed guidance for all those working in the pursuit of the charity's aims.

PUBLIC BENEFIT GUIDANCE OF THE CHARITY COMMISSION

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

FINANCIAL REVIEW

The charity's principal sources of receipts continue to be income donated by the Sisters of the Congregation from pensions, salaries and stipends. There is also income from general donations and investment income. A substantial donation was received from the Irish Region in the year which will be put towards property refurbishments. Rental income is a constant source of income, which arises from the letting of a property, not required for the charity's own charitable work. For the time being it is let to a third party organisation (a registered charity assisting disabled people). The rent is set below the market rate, to enable the organisation to pursue its charitable purposes, which are parallel to those of the charity.

Payments to support charitable activities were £119.0k compared to £105.6k in 2020. The Sisters continue to closely monitor costs but inflationary pressures meant household, community and establishment expenses rose in the year and this trend will continue in 2022. Resources were also committed towards the education of some Sisters.

As the impact of covid appears better controlled, Sisters are beginning to resume their involvement with hospital chaplaincy, work with refugees/asylum seekers, interpreting, and parish ministry.

The net result was that there was an excess of receipts over payments of £56.5k (2020: £64.0k). At the end of the year bank and cash balances had increased to £820.9k from £764.4k in 2019.

MISSIONARY SISTERS - SERVANTS OF THE HOLY SPIRIT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW (continued)

Investment policy and performance

The trustees' investment strategy is to maximise total return within acceptable levels of risk and within certain ethical constraints. The fund manager is instructed to avoid investment in companies whose main activities are considered to be in conflict with the teachings of the Roman Catholic Church. This includes tobacco and armaments, coal and unconventional fossil fuel resources and extraction techniques.

The year to 31 December 2021 saw a recovery from the volatility experienced by the markets in 2020 which arose because of the pandemic in 2020. Indeed, the markets not only recovered but also enjoyed some growth.

Withdrawals are made from the portfolio to meet fund management fees. The total return (income plus/minus capital gains/losses) on the portfolio was +14.46% (2019: -2.35 %.). This is at least in line with the averages quoted for the charity sector as a whole in 2021.

The trustees consider this to have been a satisfactory return especially in the light of uncertainties arising from the pandemic. The trustees will continue to monitor closely the performance of the portfolio and will meet with the charity's investment manager at least once every six months.

Reserves policy

It is anticipated that results in the next few years are likely to follow single digit growth or loss.

The charity owns Fixed Assets in the form of properties in Farnham, Birmingham and Bristol. The Farnham property is now considered to be surplus to the needs of the sisters. As noted above the trustees are furthering the charity's objects by means of letting this property to a third party charity. The trustees continue to keep the charity's property requirements under review. The trustees are confident that the properties have a market value in excess of the book cost shown in the Statement of Assets & Liabilities of £653k.

At the end of 2021, the total of cash and investments was £1.3m. The trustees consider that the charity should hold approximately two years' expenditure in general reserve; that is around £250k to £300k at current levels. In addition to this, the demographics of the Congregation's membership are such that financial pressures are likely to be experienced in the longer term. For this reason, the trustees have accumulated cash and investments as a form of Retirement Fund intended to provide for the charity's commitment to care for sisters in sickness and old age. After allowing for the general reserve, there was approximately £760k held for this purpose. With 10 Sisters in the UK Region, this equates to about £76k per sister. Given that providing care in a nursing home for one sister could cost upwards of £50k per annum, this is viewed by the trustees as very much a minimum sum required.

FUTURE PLANS

There are no immediate plans to change significantly the way that the charity operates.

MISSIONARY SISTERS - SERVANTS OF THE HOLY SPIRIT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Charities Act 2011 requires the trustees to prepare for each financial year financial statements which give a true and fair view of the charity's financial activities during the year and of its financial position at the year end. In preparing the financial statements the trustees are required to:

- observe the methods and principles in the Charity Commission guidelines for the preparation of accounts using the Receipts and Payments basis
- make judgements and estimates that are reasonable and prudent; and
- adopt the going concern basis unless it is inappropriate to presume that the charitable company will continue on that basis.

The trustees are responsible for ensuring proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Trust Deed and the disclosure regulations. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

Approved by the Trustees on 25th March 2022 and signed on their behalf by:

Joan Quirke
Trustee

INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF MISSIONARY SISTERS - SERVANTS OF THE HOLY SPIRIT

I report to the trustees on my examination of the accounts of the Missionary Sisters – Servants of the Holy Spirit Charitable Trust (the Trust) for the year ended 31 December 2021.

RESPONSIBILITIES AND BASIS OF THE REPORT

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the Charities Act 2011 ("the 2011 Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I confirm that **no** material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records.

I have **no** concerns and come across **no** other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Olayinka Tomori
ACA, DChA

Longmeade Consult Ltd
Regus House
Victory Way, Admiral's Park
Dartford
DA2 6QD

25th March 2022

MISSIONARY SISTERS - SERVANTS OF THE HOLY SPIRIT

RECEIPTS & PAYMENTS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 Total £	2020 Total £
RECEIPTS			
Pensions, stipends & salaries donated by Sisters		30,762	40,532
Donations and legacies		86,559	920
Mission Appeals – donations		-	11,089
Grant from overseas branches of the Congregation		13,688	14,053
Other income - gains on currency conversion		20	703
		<hr/>	<hr/>
		131,029	67,297
Investment income		14,608	14,596
Rental income		26,520	26,520
		<hr/>	<hr/>
		172,157	108,413
Withdrawals from investments		3,301	61,170
		<hr/>	<hr/>
Total receipts		<hr/> 175,458 <hr/>	<hr/> 169,583 <hr/>
PAYMENTS			
Charitable activities	3		
Household Expenses		25,937	23,412
Community and Charitable Expenses		42,775	32,923
Establishment Expenses		22,675	19,979
Charitable Support of the Congregation's Generalate and Missions		2,033	12,453
Administration Expenses		25,563	16,844
		<hr/>	<hr/>
		118,983	105,611
Additions to investments		-	-
		<hr/>	<hr/>
Total payments		<hr/> 118,983 <hr/>	<hr/> 105,611 <hr/>
Excess of (Payments over receipts)/ Receipts over Payments		<hr/> 56,475 <hr/>	<hr/> 63,972 <hr/>
Cash at Bank & In Hand			
Brought forward at 1 January		764,425	700,453
		<hr/>	<hr/>
Carried forward – at 31 December		<hr/> £820,900 <hr/>	<hr/> £764,425 <hr/>

Approved by the Trustees on 25th March 2022 and signed on their behalf by:

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Joan Quirke
Trustee

MISSIONARY SISTERS - SERVANTS OF THE HOLY SPIRIT

STATEMENT OF ASSETS & LIABILITIES

AS AT 31 DECEMBER 2021

	2021 Total £	2020 Total £		
CASH AT BANK & IN HAND				
Fixed Term Deposit	550,000	550,000		
Fixed Term Deposit - in respect of third party sums	88,521	88,521		
Deposit and Current Accounts	180,463	125,093		
Cash	1,916	811		
	<u>£820,900</u>	<u>£764,425</u>		
OTHER MONETARY ASSETS				
Sums to be reimbursed	<u>£14,498</u>	<u>£13,688</u>		
LIABILITIES				
Held on behalf of third parties	88,521	88,521		
Accruals	10,230	9,930		
	<u>£98,751</u>	<u>£98,451</u>		
INVESTMENT ASSETS				
	Quoted investments 2021 £	Quoted investments 2020 £		
Opening value	433,320	459,523		
Net additions/(withdrawals)	(3,301)	(3,096)		
Net revaluation gains/(losses)	49,079	(23,107)		
Closing value	<u>£479,098</u>	<u>£433,320</u>		
FIXED ASSETS				
	Land & Buildings £	Furniture & Equipment £	Motor Vehicles £	Total £
At Cost				
At 1 January 2021	652,808	97,591	32,554	782,953
Additions/(Disposals)	-	-	-	-
At 31 December 2021	<u>£652,808</u>	<u>£97,591</u>	<u>£32,554</u>	<u>£782,953</u>

MISSIONARY SISTERS - SERVANTS OF THE HOLY SPIRIT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. STATEMENT OF ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with the Charities Act 2011 and Charity Commission guidelines for the preparation of accounts using the Receipts and Payments basis.

Tangible Fixed Assets

Fixed asset additions below £1,500 are not categorised as capital but are included in payments in the year under an appropriate heading.

Fixed assets are shown in the Statement of Assets and Liabilities at original cost.

Investments

Quoted investments are valued at their closing middle market price on the final day of the financial year for inclusion in the Statement of Assets and Liabilities.

2. TRANSACTIONS WITH TRUSTEES

The trustees of the charity are members of the religious Congregation and as such have taken vows of poverty under which they renounce all personal rights to income and capital in favour of the charity. The living expenses of the trustees are therefore borne by the charity.

MISSIONARY SISTERS - SERVANTS OF THE HOLY SPIRIT

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

3. DETAILS OF EXPENDITURE	2021	2020
	£	£
Household Expenses		
Provisions	8,634	9,755
Fuel, light, heating and water rates	11,229	10,414
Household Supplies	6,074	3,243
	<u>25,937</u>	<u>23,412</u>
Community and Charitable Expenses		
Motor expenses	6,797	5,959
Sisters expenses	12,700	9,941
Education	4,865	199
On-going Formation	1,995	1,054
Chapel	1,084	1,195
Sisters' national Insurance contributions	780	762
Student Fund Expenses	14,498	13,813
Funeral costs	56	-
	<u>42,775</u>	<u>32,923</u>
Establishment Expenses		
Building repairs and maintenance	17,581	15,339
Insurance	2,666	2,324
Council Tax	2,428	2,316
	<u>22,675</u>	<u>19,979</u>
Charitable Support of the Congregation's Generalate and Missions (see Note 4)		
Solidarity Fund of the Congregation	1,783	1,739
Donations for overseas projects	250	10,703
	<u>2,033</u>	<u>12,442</u>
Mission appeal expenses	-	11
	<u>2,033</u>	<u>12,453</u>
Administration Expenses		
Investment management fees	3,177	3,020
Accountancy fees paid to Independent Examiner (Inc. VAT)	1,000	1,000
Independent examination	3,620	3,620
Accountancy services	<u>4,620</u>	<u>4,620</u>
Professional fees & subscriptions	7,391	100
Bank charges	453	347
Telephone	2,538	2,425
Gifts and donations	566	73
Apostolic work	2,773	2,048
Office and Support costs	4,045	3,711
Safeguarding	-	500
	<u>25,563</u>	<u>16,844</u>
	<u>£118,983</u>	<u>£105,611</u>

MISSIONARY SISTERS - SERVANTS OF THE HOLY SPIRIT

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

4.	CHARITABLE SUPPORT OF THE CONGREGATION'S GENERALATE AND MISSIONS	2021 £	2020 £
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Payments to overseas branches of the Congregation comprise:

Generalate in Italy	1,783	1,739
Ghana	150	2,423
India	-	3,250
Philippines	-	5,030
Indonesia	100	-
	<hr/>	<hr/>
	£2,033	£12,442
	<hr/>	<hr/>