

Charity registration number: 235703

The Little Way Association

Annual Report and Financial Statements
for the Year Ended 31 August 2021

MG AUDIT SERVICES LTD
Registered Auditors
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The Little Way Association

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The Little Way Association

Reference and Administrative Details

Trustees	Rev Daniel O'Riordan SDB Mr Dennis Charlick Mr Peter John Beynon
Senior Management Team	Miss Maria Grcar, President Mr Angelo Manorajah, Chief Financial Officer
Principal Office	Sacred Heart House 119 Cedars Road Clapham Common London SW4 0PR
Charity Registration Number	235703
Solicitors	Druces LLP Salisbury House London Wall London EC2M 5PS
Bankers	Allied Irish Bank Plc 10 Berkeley Square London W1J 6AA Barclays Bank Plc 7 St John's Hill Clapham Junction London SW11 Allied Irish Bank Plc 219 Crumlin Road Dublin 12
Auditor	MG AUDIT SERVICES LTD Registered Auditors 166 College Road Harrow Middlesex HA1 1BH

The Little Way Association

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 August 2021.

Introduction

The Little Way Association is governed by a trust deed dated 10th April 1964 and is registered on 5th August 1964 with the Charity Commission for England and Wales, Charity Registration Number 235703 and a prior constitution (amended in 1962). The accounts in this report cover all the activities carried out by the Association, being religious and charitable work and the upkeep of the Association's religious centres at Lourdes, Fatima, Knock and Walsingham. The legal and administrative information in the financial statements form part of the trustees' annual report.

Public benefit

The Trustees have consulted the guidance available by the Charity Commission for England and Wales on the Public Benefit requirement of the Charities Act 2011. The Trustees are confident that they have complied with their duty under section 4 of the Charities Act 2011 in that they have had due adherence to public benefit guidance published by the Commission. In furtherance of the trust's charitable purposes for the public benefit the trustees give details of their activities in the following:

Aims and objectives of the Little Way

- The Association is a lay Association established to promote devotion to St Therese of Lisieux and to help priests and missionaries in their work of making Christ known and loved.
- To endeavour to follow the little way of St Therese, emulating her love of God and all humanity, and imitating her childlike simplicity and perfect confidence in God our Father.
- To help the missionary work of the Roman Catholic Church in all parts of the world by funding the building of chapels, simple houses, schools and wells in areas of need; by supporting Roman Catholic priests with Mass Offerings, maintaining Religious sisters and Catechists; and by giving grants for food, medicines and other aid for hungry, sick and deprived people, internally displaced people, needy children and victims of wars and natural disasters.

Principal Activities

The Association's principal activity during the year continued to be the spiritual and financial support of Catholic missionaries undertaking religious and humanitarian work for needy and deprived people in Africa, Asia and Latin America. This activity is underpinned and inspired by a devotion to St Therese of Lisieux and a commitment to her spirituality.

The Little Way Association

Trustees' Report

The origins and development of the Association

The Little Way Association dates back to the middle of the 20th century, when a young Irish woman, Mary Doohan, left her family home in rural Ireland to live and work in London, following the end of the second world war. She was a devout Catholic and initially wanted to devote her life to nursing. However, in order to earn a living, she took an office job, continuing her spiritual, humanitarian and Church interests in her spare time. She made many contacts with like-minded Catholics in London and, when one of her brothers who was a Catholic missionary priest in the Philippines told her of his parish's urgent need to replace the roof of their church following a typhoon, Miss Doohan tried her hand at fundraising. She quickly discovered a great talent for this, gathering willing helpers from her parish and from the church associations of which she was a member. When the roof in the Philippines was successfully funded, Mary and her helpers widened their scope and continued to fundraise for a succession of projects in needy parishes in the missions. Word spread amongst British and Irish missionary priests and religious working overseas, and this led to an increasing number of requests for financial help.

It was not long before the volume of requests, the demands of fundraising, and the organisation of a large number of volunteers, became so great that Mary had to devote all of her time to her new vocation. She gave up her office job and, after fulfilling the legal requirements, The Little Way Association was set up as a registered charity. Mary was adamant that all the money given by donors for missionary projects must be sent to the projects in full, so she had to find another way of paying for the inevitable costs of administration.

Mary felt a guiding providence in her life. A generous supporter was inspired to give her the means to make an initial payment on a disused convent, with a chapel, in south London, to serve as the new Association's headquarters. The building was large enough to provide office space and also had outbuildings which Mary and her helpers converted into a hostel for priests and students temporarily in London. The income from the hostel provided the money needed to pay off the remaining debt on Sacred Heart House. A yearly raffle was organised to cover administration costs. This was replaced by the dedicated administration fund which still exists and for which regular appeals are made. Mary's determination that all donations for the missions were sent out to them without deduction is still scrupulously adhered to.

As the 20th century progressed, the number of requests from missionaries for grants continued to increase and, fortunately, the number of generous donors also grew. The volume of work and the need for continuity eventually led to the recruitment of paid staff to join her volunteers. A few helpers who had initially worked as volunteers in their spare time were able to become full time workers when offered a modest salary.

Little Way centres were opened in Walsingham, Lourdes, Fatima and Knock, to provide information on St Therese and on missionary needs, and in some cases to offer accommodation to pilgrims. These centres continue to be an important aspect of the Association's outreach.

Religious congregations, Myanmar

In her final years, Mary Doohan collaborated with Rt Rev Nicholas Mang Thang, Bishop of Hakha Diocese, Myanmar, to found and establish the Little Way Sisters of St Therese (LWST) and also the Little Way Missionary Priests of St Therese (LWMT), both religious congregations based in Myanmar and also working in neighbouring countries. Bishop Mang Thang subsequently became Archbishop of Mandalay, a post from which he has now retired.

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Trustees' Report

The Association supported the construction in 1995 of a building for the sisters in Kalaymyo and the LWST were established as a public association in 1997. In 2000, the Association supported the building of a mother-house and novitiate, also at Kalaymyo, and in 2004 the sisters' constitution and rule were approved.

For the sisters, the establishment of an LWST convent in the Philippines to serve as a base for participation in advanced training and the attainment of professional qualifications opened the doors to a wider range of apostolate for the Sisters. They now have many small convents in Myanmar, usually of four or five Sisters, that serve people in rural areas, providing education or medical care. Some convents have been dedicated to an exclusively contemplative way of life, too, especially in busy cities, providing a haven of prayer and Eucharistic Adoration in the hustle and bustle of urban life.

Perhaps the most consequential milestone for the Little Way priests was when the LWMT were chosen by the Catholic Bishops' Conference of Myanmar officially as their National Missionary Society. By that time, there were several young men who had achieved priestly ordination, and some 25 LWMT priests now work in Myanmar, Cambodia, the Philippines and Papua New Guinea.

The LWMT has been able to choose a Father General Superior, a Procurator General and six Priest-Counsellors, as the numbers are now viable for a degree of self-governance as a Congregation.

Fundraising and administration

The main fundraising activity is the mailing of a booklet and newsletter to supporters twice or three times a year. There are also advertisements in the Catholic press in Britain and Ireland. The Association's website promotes the cause online and enables online donations.

The hands-on, labour intensive methods of administration of the second half of the 20th century have been replaced by 21st century technology. Computerisation enables the small team of volunteers and paid staff to handle a large volume of work efficiently.

Mary Doohan died in 2008 and was succeeded by the vice president, Dr Norman Waldron, who died in 2012. He in turn was succeeded by the current president, Maria Grcar, who worked closely with the late Miss Doohan and the late Dr Waldron.

Organisation and Governance of the Association

The Association is governed by the trustees with the assistance of a small number of full and part time staff and a number of unpaid volunteers both in the UK and overseas. The Executive Committee, currently consisting of President, Vice-President, Treasurer and Secretary, are also officers of the Association under the terms of the constitution. The day to day running of the Association is directed by the President, who consults the executive Committee when appropriate. She liaises with the Trustees and attends their meetings, which usually take place at Sacred Heart House. The paid staff work in various administrative roles at Sacred Heart House. The activities carried out by the United Kingdom volunteers are administrative or clerical at Sacred Heart House, and include hospitality, encouraging prayer for the missions, and promoting the message of St Therese at the Association's Centre in Walsingham.

The Little Way Association

Trustees' Report

Grant making policy

Charitable purpose and objectives

The trustees apply the funds of The Little Way Association at their discretion and in accordance with the charitable purposes and objectives of the charity. The trustees have appointed an executive committee to consider the distribution of beneficial grants on its behalf and any decision whether to award a grant remains the responsibility of the executive committee.

Priorities for support

The number of projects that can be supported by the executive committee is necessarily limited by the amount of funds that are available for distribution each year. The priorities for support will be reviewed by the trustees and the executive committee from time to time and may be changed depending upon circumstances and the perceived effectiveness of the application of funds. Any change to these priorities must still fulfil the charitable purpose and objectives of the charity. The executive committee will consider any requests or known situations that are eligible for consideration:

- From any geographical area overseas
- From organisations

Each request or situation will be considered on its own merits. Where similar situations have been previously considered (whether successful or not) any due diligence undertaken to reach an earlier decision will be made available to the trustees.

The trustees or executive committee will carry out sufficient due diligence to ensure that the request or situation meets both the charitable purposes, and the priorities for support set out in this policy.

Applicant due diligence

The trustees or the executive committee will carry out sufficient due diligence on any potential beneficiary to ensure:

- The identity of the beneficiary
- That funds are applied in accordance with the charity's charitable purpose;
- That funds are not knowingly used for:
 - o Money laundering in accordance with the operative Money Laundering regulations
 - o Terrorist financing in accordance with the Terrorist Act 2000;
 - o Bribery in accordance with the 2010 Bribery Act.

The trustees or the executive committee will adopt a risk-rated approach to due diligence. Risk factors will include:

- the **size** of the grant
- the country of residence of the proposed recipient
- the geographical location in which the grant will be applied
- the nature of the relationship between the charity and the applicant

Grant size will be an important risk factor and, the larger the grant, the greater will be the likely level of due diligence undertaken.

Where the proposed beneficiary is well known to the trustees or executive committee and the relationship has been long standing and well established, the amount of due diligence undertaken is likely to be reduced.

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The results of any due diligence will not last indefinitely. In cases where beneficiaries are supported for a significant period of time, additional due diligence will be undertaken if there is a change of circumstances that might impact the beneficiary, or in any case, every year.

Administration

For smaller grants, requests may be made informally. Where specific needs or situations are known, grants may be made at the discretion of the trustees or executive committee without any form of request. For larger grants, trustees or the executive committee should be confident:

- Of the purpose of the proposed grant including an understanding of the work and the way in which the grant will be managed and applied;
- Of the person(s) responsible for the management of the grant and for overseeing the work;
- That all local applicable laws and working practices associated with the work are fully and properly applied;
- That suitable safeguarding policies are in place in cases where the applicant works with children or vulnerable adults.

For very large grants, in addition to the requirements set out above, trustees or the executive committee would expect a written report (on request) setting out the progress and achievements for the period covered and detailing any forthcoming changes to either the nature or the location of ongoing work.

With the agreement of the charity and the beneficiary, grants will be provided by means of an electronic banking transfer or a cheque. The charity's normal payment authorisation process will be applied to any payments.

Where the grant is for a specified project or purpose, and in situations where that project does not proceed or where any grant or part thereof remains unused, unused funds must be returned.

Where formal written applications have been received, or other records maintained, these will be stored and subsequently disposed of in accordance with the charity's policy on data protection and prevailing Data Protection legislation.

Decision making

The decision of the trustees or the executive committee on whether to award a grant is final. The trustees or the executive committee are not obliged to provide an explanation to applicants in the event that their application is not successful.

Review of the Year

Income

Our income for the financial year in question was £3,235,680. It can be categorised in this way:

	Amount £
Donations for specific purposes	826,689
General donations	2,408,991

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General donations allow us the freedom to use the funds when and where there is the greatest need, so we have been able to supplement every one of our project categories.

Our income can also be categorised in this way:

	Amount £
Non-legacy income, e.g., postal appeals, advertising, online	1,458,879
Legacies	1,776,801

Legacies are a fitting testimonial to our supporters' generous concern for people in need and will enable us to continue funding missionaries and their projects for a number of years.

Expenditure

Most of the requests for grants that we receive come from archbishops, bishops, priests and religious of the Catholic Church in Africa, Asia and Latin America. Grants are only made to projects that not only have the endorsement of the local Church hierarchy, but also which will be monitored and overseen by them.

We have an LWA national director in India who provides first-hand information on projects as well as supervising Little Way Groups, which are lay groups who study the spirituality of St Therese and engage in local welfare initiatives.

Our grant expenditure can be summarised as follows:

Fund	Amount £
Needs of missionaries and evangelisation	630,006
Hungry, sick, deprived and refugees [HSD]	486,126
Starving, abandoned and needy children	187,268
Mission chapels	484,125
Little Way Priests and Sisters of St Therese	347,090
Seminarians	255,560
Mass stipends	214,896
Water projects	139,044
Sanitation projects	23,170
Natural disasters	231,651

The [HSD] fund is for people in great poverty, who are unable to earn a living wage, who are sick but who cannot afford essential medicine, who have had to flee their homes because of warfare or intolerance, or who have become frail through age but have no family to support them. The covid epidemic meant an increased number of calls on this fund.

The children fund benefits orphanages, schools, and feeding programmes for the malnourished. This category also includes nurseries and care-homes for children who have lost both parents to the AIDS epidemic in developing countries, abandoned and street children.

The needs of missionaries and evangelisation fund assists with the financial costs of the missionary outreach of priests and religious sisters, to help with the training and maintenance of catechists, who play a vital role in large missionary parishes, and to provide facilities for the care for sick and retired missionaries.

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The water fund supports projects which provide safe, clean water to villages, schools, parish houses, and religious communities.

The sanitation fund helps to build toilets for schools and other buildings serving the community especially where children and vulnerable people were forced to use insanitary shacks, or even open ground, for their needs.

The chapels fund supports isolated villages or groups of Catholics who were trying to build a chapel for their community and who were too poor to buy some, or all of the materials needed. In many cases, the local people build the foundations and walls but come to us for the roofing, which can be the most expensive part of the project. Communities are thus provided with a dignified place for the celebration of Mass, which can also be used for devotions, catechesis, and other parish activities.

The seminarians fund helps with the maintenance costs of young men who wish to train for the priesthood but whose families are too poor to contribute.

The Mass stipends fund sends money to priests working in parishes which are unable to support them. The priests who receive the stipends offer the Mass for the donors' intentions. Mass offerings help priests in mission lands to meet basic needs such as food, clothing, and shelter. Also, the poor and deprived people often turn to their clergy for assistance.

As well as conveying our donors' individual intentions and stipends to mission priests, we have been able to ensure that we fulfil our promise to have Mass offered regularly for all our supporters, living and deceased, both in our chapel and around the world.

Covid-19

The year in question was ravaged by covid, with effects throughout the world's nations, rich and poor. Not only did people catch the disease, but regulations designed to stop the disease's spread had a devastating impact on economic activity. People could not go out to work and national economies were paralysed by, inter alia, a lack of foreign exchange. The Association continued its covid-related relief work (begun in the 2019-20 financial year), sending £199,625 in special aid for the disease's victims, their families and the countless others affected by the epidemic.

Natural Disasters

Pakistan Floods: Following closely on the heels of covid, when life for millions came to a standstill, it was especially hard for the peoples of Dera Gokh, who suffered torrential rains that lasted over two weeks. Their mud houses caved in, causing many injuries. Hundreds of families were made homeless. The Association helped to construct permanent homes for some of the homeless victims.

Haiti Earthquake and Storm Grace: Also in this reporting period, more than 130,000 families were left homeless when a powerful earthquake hit the south-western region of Haiti, killing many. Then, within two days of the earthquake, Tropical Storm Grace lashed the country, with drenching rains turning the streets to rivers, adding more misery to the already afflicted people. The Association sent funds to provide emergency aid, food, medicines, clean water, and shelter.

Colombia Hurricanes: Two hurricanes, Eta, and Iota, hit the San Andres archipelago, leaving more than 100,000 inhabitants homeless. Many churches suffered structural damage. The Association sent funds to re-build homes and churches.

Beirut: When the world's biggest non-nuclear explosion destroyed much of the Port of Beirut, leaving thousands injured, LWA provided food boxes, water and hygiene kits to families and victims of the blast.

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Trustees' Report

Ethos and trends

Since the Association's foundation, Catholic practice in Britain and Ireland has declined, making our future less than assured. We continue to receive notifications of our donors' deaths and, while such sad events may yield legacy income, it obviously indicates the permanent end of a donor-charity relationship.

As mentioned above under covid, the epidemic has hit the poor badly, and experts on human development acknowledge that covid has been a major setback for progress in alleviating destitution. Global events since the conclusion of the year upon which we are reporting have confirmed the importance of charities' reserves to meet new, unexpected needs. As covid appeared to be coming under control, so the world economy took a further turn for the worse. That, combined with international conflict, means that prices are rising, and some populations are displaced. In this uncertain world, the Association's reserves are being drawn upon to help the needy, and we continue to petition our loyal donors (themselves no doubt feeling the pinch) for assistance.

The Association is not just an overseas aid charity. It also exists to foster knowledge of, and devotion to, St Therese of Lisieux. Our publicity material contains many references to her and to her spirituality. As well as having Mass offered for our supporters, we encourage requests for St Therese's protection and intercession for our benefactors, staff and beneficiaries. We confidently entrust our future to our patroness and to God's providence.

Reserve Policy

It is the policy of the trustees to maintain reserves at a sufficient level to meet missionary needs and to provide help in the event of natural disasters and wars. The charity aims to achieve a level of reserves to approximately a minimum of twelve months of average expenditure. The charity has also kept sufficient liquidity in its long term commitment towards the continuing financial support for the upkeep of the Little Way Missionary Sisters of St Therese, seminarians and priests.

Trustees

The current trustees are listed on page 1. Appointment of trustees is governed by the Trust Deed; the Board of Trustees is authorised to appoint new trustees or to fill vacancies arising through the resignation or death of an existing trustee.

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Trustees' Report

Statement of Trustees' Responsibilities

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

The law applicable to charities 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 charity and of the incoming resources and application of resources of the charity 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 judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Risk assessment

In line with requirements for trustees to undertake a risk assessment exercise and report on the same in their annual report, the trustees have looked at their risks the Association currently faces in Britain and have reviewed the measures already in place, or needing to be put in place, to deal with them. Having assessed the major risks to which the Charity is exposed, the trustee believe that by monitoring reserve level, by ensuring controls over key financial systems, and examining the operational and business risk faced by the charity, they have established effective systems to mitigate those risks.

The annual report was approved by the trustees of the charity on 27/06/22 and signed on its behalf by:


Mr Peter John Beynon
Trustee

The Little Way Association

Independent Auditor's Report to the Members of The Little Way Association

Opinion

We have audited the financial statements of The Little Way Association (the 'charity') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

The Little Way Association

Independent Auditor's Report to the Members of The Little Way Association

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.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 10), the trustees 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

The Little Way Association

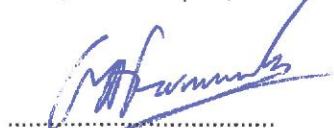
Independent Auditor's Report to the Members of The Little Way Association

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the trustees those matters we are required to state to trustees in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Gavin Fernandes FCA, CTA (Senior Statutory Auditor)
For and on behalf of MG AUDIT SERVICES LTD, Statutory Auditor

166 College Road
Harrow
Middlesex
HA1 1BH

Date: 28/6/22

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Statement of Financial Activities for the Year Ended 31 August 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	2	2,408,991	826,689	3,235,680
Other income	3	11,470	-	11,470
Investment income	4	14,427	-	14,427
Total income		<u>2,434,888</u>	<u>826,689</u>	<u>3,261,577</u>
Expenditure on:				
Raising funds	5	(51,900)	-	(51,900)
Charitable donations	6	-	(2,831,908)	(2,831,908)
Mass offerings	6	-	(214,896)	(214,896)
Upkeep of religious centres		(19,377)	-	(19,377)
Supports costs	7	(215,636)	-	(215,636)
Governance costs	8	(24,356)	-	(24,356)
Total expenditure		<u>(311,269)</u>	<u>(3,046,804)</u>	<u>(3,358,073)</u>
Gains/losses on investment assets		<u>839</u>	<u>-</u>	<u>839</u>
Net income/(expenditure)		2,124,458	(2,220,115)	(95,657)
Gross transfers between funds		<u>(2,228,798)</u>	<u>2,228,798</u>	<u>-</u>
Net movement in funds		(104,340)	8,683	(95,657)
Reconciliation of funds				
Total funds brought forward		<u>11,091,416</u>	<u>13,279</u>	<u>11,104,695</u>
Total funds carried forward	17	<u>10,987,076</u>	<u>21,962</u>	<u>11,009,038</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	2	1,144,377	665,545	1,809,922
Other income	3	25,660	-	25,660
Investment income	4	44,487	-	44,487
Total income		<u>1,214,524</u>	<u>665,545</u>	<u>1,880,069</u>
Expenditure on:				
Raising funds	5	(69,710)	-	(69,710)
Charitable donations	6	-	(2,291,611)	(2,291,611)
Mass offerings	6	-	(228,649)	(228,649)
Upkeep of religious centres		(17,498)	-	(17,498)
Support costs	7	(248,217)	-	(248,217)
Governance costs	8	(31,013)	-	(31,013)
Total expenditure		<u>(366,438)</u>	<u>(2,520,260)</u>	<u>(2,886,698)</u>

The Little Way Association

Statement of Financial Activities for the Year Ended 31 August 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Gains/losses on investment assets		(156)	-	(156)
Net income/(expenditure)		847,930	(1,854,715)	(1,006,785)
Gross transfers between funds		(1,757,728)	1,757,728	-
Net movement in funds		(909,798)	(96,987)	(1,006,785)
Reconciliation of funds				
Total funds brought forward		12,001,214	110,266	12,111,480
Total funds carried forward	17	11,091,416	13,279	11,104,695

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 17.

The Little Way Association
(Registration number: 235703)
Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	92,045	98,049
Investments	12	<u>1,001,621</u>	<u>1,000,782</u>
		<u>1,093,666</u>	<u>1,098,831</u>
Current assets			
Debtors	13	414,143	568,848
Cash at bank and in hand		<u>10,588,183</u>	<u>9,917,969</u>
		11,002,326	10,486,817
Creditors: Amounts falling due within one year	14	<u>(1,086,954)</u>	<u>(480,953)</u>
Net current assets		<u>9,915,372</u>	<u>10,005,864</u>
Net assets		<u>11,009,038</u>	<u>11,104,695</u>
Funds of the charity:			
Restricted funds		21,962	13,279
Unrestricted income funds			
Unrestricted funds		<u>10,987,076</u>	<u>11,091,416</u>
Total funds	17	<u>11,009,038</u>	<u>11,104,695</u>

The financial statements on pages 14 to 41 were approved by the trustees, and authorised for issue on 27/06/22 and signed on their behalf by:

Peter J. Beynon
Mr Peter John Beynon
Trustee

The Little Way Association

Cash Flow Statement for the Year Ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash expenditure		(95,657)	(1,006,785)
Adjustments to cash flows from non-cash items			
Depreciation		6,986	6,614
Investment income	4	(14,427)	(44,487)
Financial instrument net (gains) losses through statement of financial activities		(839)	156
		(103,937)	(1,044,502)
Working capital adjustments			
Decrease in debtors	13	154,705	718,317
Increase in creditors	14	608,491	161,118
Net cash flows from operating activities		659,259	(165,067)
Cash flows from investing activities			
Interest receivable and similar income	4	14,427	44,487
Purchase of tangible fixed assets	11	(982)	-
Net cash flows from investing activities		13,445	44,487
Net increase/(decrease) in cash and cash equivalents		672,704	(120,580)
Cash and cash equivalents at the beginning of the year		9,906,123	10,026,703
Cash and cash equivalents at the end of the year		10,578,827	9,906,123
Reconciliation of net cash flow to movement in net funds			
Increase/(decrease) in cash		672,704	(120,580)
Net funds at the beginning of the year		9,906,123	10,026,703
Net funds at the end of the year		10,578,827	9,906,123

All of the cash flows are derived from continuing operations during the above two periods.

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Little Way Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The charitable activities are entirely dependent on continuing grant aid and voluntary donations as well as trading revenues. As a consequence, the going concern basis is dependent on the future flow of these uncertain funding streams. The Trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. Other than these matters, the Trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations, are recognised when the Trust has been notified in writing of both the amount and settlement date.

Legacies are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. Where the charity has established entitlement to a legacy but there is uncertainty as to the amount of the payment, details of the legacy are disclosed as a contingent asset until the criteria for income recognition are met.

Investment income

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

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 Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

Fundraising expenditure comprises costs involved in inducing people to contribute financially to the charity's work. This includes advertising for donations; all expenditure on stationery, postage and telephones is allocated to fundraising expenditure.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs include all expenditures not directly related to charitable activity or fundraising. All overhead expenditures including office running costs (other than stationery, postage and telephones), and staff salaries are allocated to support costs.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Tangible fixed assets for use by the charity are stated at cost less depreciation.

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

Depreciation and amortisation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Asset class	Depreciation method and rate
Freehold buildings	2% p.a straight line
Fixtures and office equipment	20% p.a. reducing balance
Motor vehicles	50% p.a. straight line

Investments

Investments, other than program related investments, are included at market value at the balance sheet date. Realised gains or losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains or losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Foreign exchange

Transactions in foreign currencies are recorded at a standard rate per month. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the statement of financial activities.

Fund structure

All voluntary income is either credited to the appropriate fund in accordance with the wishes expressed by the donor or, if no wishes are specified, designated by the trustees as income for any of the charitable purposes of the Association or allocated for the general running expenses of the charity. Some voluntary income is expressly to cover costs of fundraising and administration and this is shown as restricted fund expenditure on the statement of financial activities.

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

Unrestricted fund:

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted fund:

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

The restricted funds comprise many different funds which fall into three main categories:

- general funds which are applied for the general purpose for which they were set up.
- appeals funds by country; these funds are applied to projects in the particular country.
- funds in respect of individual projects.

General mission funds represent donations received for spiritual and evangelical projects, ie. the support of priests, Sisters and Brothers in their missionary work.

Hungry, sick and deprived: Funds given under this heading can be applied to refugees, victims of famine and general natural disasters, lepers, medical requirements, old people and generally the most deprived members of society.

Children: These funds are applied to malnourished children and the support of orphanages, schools, abandoned babies and street children.

Chapel building and repairs: Materials are provided with these funds for the building and repair of small missionary chapels.

Other general funds comprise those for catechists, seminarians, dispensaries, houses for poor people, schools, wells and water supplies.

Individual country funds are those given for use in certain countries without specific reference to the project or the recipient, but usually these funds result in part from media focus on various parts of the world, and also our advertisements appealing for aid for eg. Sudan.

The summarised movements on the funds disclosed in note 17.

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

2 Income from donations and legacies

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	General £	£	£	£
Donations and legacies;				
Donations	659,826	799,053	1,458,879	1,202,484
Legacies	1,749,165	27,636	1,776,801	607,438
	<u>2,408,991</u>	<u>826,689</u>	<u>3,235,680</u>	<u>1,809,922</u>

3 Income from other trading activities

	Note	Total 2021 £	Total 2020 £
Other income from other trading activities		11,470	25,660
		<u>11,470</u>	<u>25,660</u>

4 Investment income

	Note	Total 2021 £	Total 2020 £
Interest receivable and similar income;			
Interest receivable on bank deposits		14,427	44,487
		<u>14,427</u>	<u>44,487</u>

5 Expenditure on raising funds

	Note	2021 £	2020 £
Stationery, printing and postage		23,707	23,471
Advertising		28,193	46,239
		<u>51,900</u>	<u>69,710</u>

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

6 Charitable donations

The charitable donations were paid to many different Missionary Societies, Dioceses and individual priests, Sisters and Brothers, to be used in carrying out missionary and other charitable work in many countries. Listed below are amounts paid to Missionary Societies, Dioceses and individual priests, Sisters and Brothers.

	Note	2021 £	2020 £
ADCS-PACO		-	10,000
ALCP/OSS		13,817	14,319
Angelo Province Society		9,688	5,140
Ansanol Burdwan Seva Kendra		-	4,314
Apostles of Jesus		4,000	-
Apostolic Vicariate of Harar		3,022	-
Apostolic Vicariate of Isiolo		2,591	-
Apostolic Vicariate of Yurimaguas		6,078	-
Archbishop of Ayacucho		-	7,610
Archbishop of Yangon		5,851	-
Archdiocese of Blantyre		4,270	-
Archdiocese of Lilongwe		13,159	-
Archdiocese of Mandalay		347,090	391,330
Archdiocese of Mwanza		25,453	-
Arco Associacao Beneficente		10,604	19,988
Arquidiocesis de Guayaquil		-	5,405
Arua Diocese Project Fund		4,276	-
Arusha Archdiocesan Integrated Development		12,931	-
Arzobispado de Ayacucho		7,117	-
Association Cice Entraide		-	17,718
Association Solidarite Internationale Sante Education		4,288	-
Assumptio Adveniat		9,862	-
Assumption Sisters AIDs Program		5,727	-
Aumonerie Catholique de Prison Madagascar		-	8,571
Australian Marist Solidarity Ltd		-	4,500
Bannakaroli Brothers		-	3,000
Benedictine Sisters of Divine Providence		-	7,000
Bethlehem Project Foundation		8,112	-
Bikira Maria Mamma Yetu Wa Huruma		-	6,000
Bishop of Mannar		-	10,000
Brothers of Jesus the Good Shepherd		-	5,000
Brothers of St. Joseph		-	5,000
Bugombwa Catholic Parish Dev. Fund		5,300	-
Caritas - Valvuthayam Mannar		5,000	-
Caritas Pakistan Multan		15,262	-

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

	Note	2021 £	2020 £
Casa de Los Pobres		7,069	15,617
Casa Generalizia della Societa del Divin Salvatore		-	5,400
Catholic Archdiocese Tabora		-	9,140
Catholic Church - Swaziland		-	3,600
Catholic Church Lae		6,050	47,847
Catholic Church Lodwar Napetet		25,250	-
Catholic Diocese of Baruiapur		10,000	-
Catholic Diocese of Bo		-	7,750
Catholic Diocese of Damongo		-	4,516
Catholic Diocese of Eldoret		5,412	-
Catholic Diocese of Livingstone		19,724	-
Catholic Diocese of Neewi		-	5,000
Catholic Diocese of Rourkela		-	2,675
Catholic Diocese of Rulenge		-	5,000
Catholic Diocese of Yendi		25,000	20,971
Catholic Health Association of Andhra Pradesh		-	3,000
CBE Don Bosco Anbu Illam Social Service Society		6,000	-
Centre for Education & Empowerment of the Marginalised		4,000	-
Chengalputtu Rural Development Society		4,000	-
Christ the King Chogoria Catholic Parish		6,000	-
Claret Bhavan Minor Seminary of the Claretian Congregation		7,350	13,000
Claretian Missionaries - Mission Procure		-	5,000
Claudine Society for Developmental Action		4,000	-
Comboni Missionary Sisters		-	6,750
Communaute du Chemin Neuf		8,000	-
Communaute Oblates de L'Assomption		-	4,314
Company of the Daughters of Charity of St. Vincent de Paul		-	7,831
Congregacao Missionarios Sao Francisco de Sales		10,652	-
Congregacion Hermanas de Nazaret		14,576	15,442
Congregation des Miss. de Seheut		-	39,114
Congregation des Missionnaires de Scheut A.S.B.L.		9,306	-
Congregation des Petits Freres de Sainte Therese		34,885	27,804
Congregation des Soeurs du Sacre-Coeur-Solidarite		-	40,066
Congregation of the Daughters of the Cross of Liege		-	6,850
Congregation of the Holy Chost		-	6,986
Consolata Fathers		13,000	14,477
Consolata Missionaries		-	47,570
Daughter of the Sacred Heart Society		9,691	-
Daughters of Charity		-	6,856
Daughters of Divine Charity		-	9,000
Daughters of Divine Love		15,670	-
De L'Association du Saint Esprit et du Saint		8,540	6,986

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

	Note	2021 £	2020 £
Dharamjaigarh Ursuline Charitable Society		8,730	-
Dharmapuri Sacred Heart Diocesan Trust		10,000	3,500
Dindigul Catholic Diocesan Society		10,000	-
Dioceses of Tunduru Masasi		-	2,000
Diocese de Dolisie		3,859	-
Diocese de Kasongo		-	7,854
Diocese de Matadi		-	14,141
Diocese D'Eseka		-	3,997
Diocese Maroua Mokolo		-	10,174
Diocese of Alleppey		19,855	38,600
Diocese of Bongaigaon		5,680	-
Diocese of Chingleput Society		12,576	15,450
Diocese of Chinhoyi		4,000	-
Diocese of Chipata		13,657	-
Diocese of Eluru		-	22,000
Diocese of Guntur Society		7,718	-
Diocese of Hwang		3,918	-
Diocese of Imphal		4,459	-
Diocese of Jaffna		-	6,000
Diocese of Kalay		-	57,967
Diocese of Karonga		4,982	-
Diocese of Kottar		-	4,000
Diocese of Mahenge		14,555	-
Diocese of Marthandam		28,000	-
Diocese of Mbeya		13,840	3,485
Diocese of Mbulu		5,690	5,327
Diocese of Morogoro		4,318	-
Diocese of Moroto		-	6,800
Diocese of Moshi		-	2,730
Diocese of Musoma - Matumaini		7,772	-
Diocese of Nellore		-	2,400
Diocese of Neyyattinkara		10,000	-
Diocese of Njombe		15,281	-
Diocese of Oeiras		4,000	-
Diocese of Pyay		-	5,344
Diocese of Singida		4,187	-
Diocese of Sivagangai		-	12,000
Diocese of Solwezi-Project		-	4,008
Diocese of Thuckalay		12,241	-
Diocese of Vijayawada		-	10,000
Diocese Tete		-	5,490
Dioceses de Chulucanas		-	7,721

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

	Note	2021 £	2020 £
Diocesis de Ipiales		-	11,962
Diocesis de Lurin		-	12,858
Diocesis de San Jacinto		25,055	-
Diocesis-Obispado de Abancay		-	7,854
Divine Providence Sisters		6,475	-
Divine Providence Sisters (ECS)		-	6,900
Divine Word Missionaries		-	8,835
Dominican Sisters		10,000	9,500
Dominican Sisters Regional Account		10,000	-
Don Bosco Trust		4,541	-
ECC - Capuchin Sisters' Pastoral & Social Activities		9,408	-
ECS - Apostolic Vicariate of Soddo		-	8,200
ECS - Maids of the Poor		4,100	-
ECS Apostolic Vicariate of Nekemte		-	5,000
ECS-General Vice Province		4,900	-
Esh-Cassino Parish		3,000	-
Eveche de Natitingou		-	4,400
Father of the Holy Cross		-	34,310
First Councillor Sisters of Destitute St Joseph		-	10,000
Foundation of Minor Seminary		35,321	-
Franciscan Missionaries of Hope		10,728	-
Franciscan Missionary Sisters for Africa		7,104	15,359
Franciscan Missionary Sisters of Christ - ECS		6,500	-
Franciscan Sisters of St. Anna		-	7,000
Franciscan Sisters of St. Joseph		4,000	15,300
Franciscan Sisters of the Immaculate Heart of Mary		-	12,500
Franjevaka Teologija u Sarajevu Samostan SV. Pavala		-	18,212
Fransalian Society Tamil Nadu & Pondicherry		3,300	-
Good News Charitable Trust		10,000	-
Guardian Angle Nursery School		-	4,000
Hangop Kabataan Foundation		-	5,000
Hawassa Catholic Vicariate		24,190	-
Hermanas de la Presentacion		-	5,498
Hoima Catholic Diocese Projects		10,000	-
Holy Family Sisters of Bordeaux		6,500	-
IBN -e-Mariam Dominican Order		-	11,929
Immaculate Heart of Mary Social Services		-	5,100
Immaculate Heart of Mary Society Generalate		-	5,000
Immaculate Heart of Saint Mary Society		-	5,959
Institut des Soeurs de Saint Vincent de Paul		4,000	-
Institution Dispensaire Rcar Ambohitrarivo		-	6,500
Istituto Religiose di Maria Immacolata		-	4,832

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

	Note	2021 £	2020 £
Istituto Religioso Missionario da Consolata IRMC		3,750	-
Jesuit Province Society		24,803	-
JMJ Social Service Society		3,840	-
Jyothir Vikasa		-	3,600
Kadem TB & Leprosy Clinic		-	15,200
Kanyakumari Social Service Society		5,000	-
Karonga Diocese Projects		-	5,700
Kasina Spiritual Formation Centre		4,000	-
KKCJ Kenya Regional Central Fund		-	5,000
Klasztor Zakonu Braci Mniejszych		-	20,000
Klasztor Zakonu Braci Mniejszych Kapucynow		8,621	-
Kotido Diocese		3,490	-
Kottar Social Service Society		8,605	-
La Salle Brothers Pakistan		5,844	-
Little Sisters of St. Francis		21,382	19,943
Loreto Institute		16,495	-
Mahenge Catholic Diocese		-	5,000
Maison Generalice Filles de la Char		5,173	-
Marengoni Vocational Training Community College		8,576	-
Marrietta Community Centre		4,000	4,000
Masista Wa Maria Mtakatifu Malkia Wa Afrika		6,362	-
Masista Wa Upendo Wa Mt. Fransisko		-	12,293
Mill Hill Missionaries		10,775	4,230
Misioneros Combonianos del Corazon de Jesus		4,982	-
Missionari Oblati di Maria Immacolata		14,798	-
Missionaries of Charity		10,000	-
Missionaries of Jesus and Mary Canalghombwe Singida		4,029	-
Missionaries of St. Francis De Sales		4,000	-
Missionary Community of St. Paul		24,235	-
Missionary Congregation of the Evang> Sisters of Mary		-	34,282
Missionary Sisters of Mary Help of Christians		-	4,000
Missionary Society of St. Columban		26,641	-
Missionary Community of St. Paul - Women's Community		-	28,000
Missionary Sisters for the Poorest of the Poor Yendi		30,000	-
Missionary Sisters of the Cross		4,350	-
Missionnaires de St Francois de Sales		15,000	-
Missionary Sisters of St. Paul		-	7,854
Missionwerken Oblaten VZW		-	7,854
Missionary Community of St. Paul the Apostle		17,250	17,000
Mitra Diocesana de Santo Amaro		18,993	-
MMI Fathers		4,288	-
Montfort Brothers of St. Gabriel		17,241	-

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

	Note	2021 £	2020 £
Montfort Fathers		3,996	-
Montfortanen		-	15,000
MSP Brothers		-	6,283
Muhoroni Catholic Mission		2,410	-
Mymenigh Catholic Diocese Trust		7,152	-
Neyyattinkara Integral Development Society		6,000	20,000
Nonciature Apostolique		169,212	-
Nunziatura Apostolica		-	8,640
Nunziatura Apostolica Haiti		-	11,781
Obispado de Tacna y Moquegua		12,347	-
Oblates of Mary Immaculate		-	4,100
OLSH Educational Fund		-	7,000
Order of St. Augustine Eldoret		-	13,400
Pallotine Sisters		6,240	-
Parokia Katoliki Makunganya		-	3,500
Passionist Fathers		12,330	-
Passionist Fathers of St. Charles		6,000	-
Passionist Sisters of St. Paul Children's Home		4,000	-
Pilar Seminary Society		20,000	60,000
Pondicherry Multipurpose Social Service Society		7,000	-
PRCDTR Filipino Chaplaincy		-	5,000
Precious Blood Missionaries		5,000	-
Prelatura de Ayaviri		11,836	-
Prelatura de Sicuani		10,902	-
Province of Our Mother of Good Counsel		25,126	23,162
Provinzialat Schweizer Kapuziner		-	11,781
Pudukkottai Multipurpose Social Service Society		4,680	-
R C Diocese of Palayamkottai		-	11,382
Roman Catholic Bishop of Jaffna		5,850	-
Roman Catholic Diocese of Eluru		16,250	-
Roman Catholic Diocese of Mutare Project		8,612	-
Rosminian Fathers		135,157	-
Rourkela Social Service Society		17,840	-
Rulenge Diocese		11,132	-
Sacred Heart Sisters (Mayo)		7,430	-
Sagar Diocesan Service Society		-	10,000
Salesian Fathers		-	21,712
SCIM Brothers		6,425	10,250
Seminario Mayor La Providencia		-	11,962
Siervas del Plan de Dios		10,738	7,854
Sisters of Charity of Jesus and Mary		4,319	-
Sisters of Mary Immaculate Isiolo		8,000	-

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

	Note	2021 £	2020 £
Sisters of Mary Mother of God		5,000	-
Sisters of Mary of Kakamega		6,089	14,870
Sisters of Nigrizia		10,970	12,943
Sisters of Our Lady Queen of Africa		16,888	-
Sisters of Our Lady Queen of the Apostles		-	6,428
Sisters of St. Francis Xavier		10,132	-
Sisters of St. Joseph		8,621	-
Sisters of St. Joseph of Saint-Marc		3,900	-
Sisters of the Blessed Virgin		5,000	-
Sisters of the Immaculate Heart of Mary		-	5,000
Sisters of the Most Precious Blood		5,700	-
Sisters Saint Therese Barsaloi		24,138	-
Sivagangai Multipurpose Social Services Society		6,660	-
SMA Fathers		-	22,648
Social Community of Faith		6,000	-
Society for Family Integrity & Development		3,700	-
Society of African Missions		5,000	-
Society of Bethlehemites Kovur		3,000	-
Society of Jesus Kenya		49,739	-
SOFIA		13,757	-
Soroti Catholic Diocese		11,077	9,165
Spiritan Apostolic Fund		15,000	-
St Agnes of Chipole		3,866	-
St Joseph Catholic School		4,000	-
St. Charles Lwanga Health Centre		25,862	-
St. Joseph's Hospice		-	7,650
St. Martin de Porres Brothers		-	7,973
St. Mary's Educational Social Dev. Society		3,800	-
St. Michael and Noah Parish		12,680	-
Sumbangwa Diocese		6,500	9,960
Thanjavur Multipurpose Social Service Society		4,000	3,994
The Archdiocese of Hyderabad Society		-	5,000
The Catholic Archdiocese of Tabora		7,600	-
The Catholic Diocese of Same Procura		10,870	-
The Coimbatore Don Bosco Society		15,000	-
The Congregation of the Holy Ghost & the Immaculate Heart of Mary		25,363	-
The Diocese of Nellore Society		3,000	-
The Discalced Carmelite Multipurpose Social Service Society		2,159	-
The Fathers of the Holy Cross		60,372	-
The Hyderabad Archdiocese Social Service		2,900	-
The Indian Missionary Society		23,500	16,000

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

	Note	2021 £	2020 £
The Kumbakonam Diocese Society		5,000	-
The Living Rosary Association		4,383	-
The Pious Workers Rural Catechists		7,282	17,087
The R C Diocese of Madurai		-	3,000
The Redemptorists		15,984	27,493
The Roman Catholic Archdiocese of Calcutta		24,000	-
The Sisters of the Infant Jesus		6,910	-
The Society of Regular Tertiary Franciscan Sisters		3,600	-
The Society of the Fathers of Holy Cross		10,020	-
The Sons of Divine Providence		-	28,000
The Spiritans		16,900	99,417
The Srikakulam Diocese Society		-	4,000
The Trinitarians. Inc.		-	6,755
The Verona Fathers Kampala		3,448	-
Ursuline Sisters St. Ursula's Dispensary		-	8,660
Vanimo Diocese Services		24,644	-
Vicariat Apostolique d'Alexandrie		5,000	-
Vicariat Apostolique des Latins		127,070	30,000
Vicariato Apostolico de San Andres Y Providencia		21,351	-
Vincentian Fathers		9,614	29,000
Vincentian Order (Vinzentiner Internationaler Solidaritat E.V.)		12,987	-
Visitation Sisters of Don Bosco		-	10,000
VZW Fracarita Belgium		-	20,000
Welcome Home Foundation Inc		3,980	4,600
Masses		214,896	228,649
Others		19,272	18,752
		<u>3,046,804</u>	<u>2,520,260</u>

7 Support costs

	Note	2021 £	2020 £
Staff costs		136,239	129,030
Depreciation		6,986	6,614
Premises costs		16,993	33,827
Other administrative expenses		19,226	29,851
Foreign currency (gains) losses		36,192	48,895
		<u>215,636</u>	<u>248,217</u>

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

8 Governance costs

	Note	2021 £	2020 £
Financial statements audit fee		4,025	3,250
Accounting fee paid to auditor		4,340	6,660
Other fee paid to auditor		-	600
Legal and professional costs		<u>15,991</u>	<u>20,503</u>
		<u>24,356</u>	<u>31,013</u>

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Wages and salaries	114,093	112,563
Social security costs	10,710	5,738
Pension costs	<u>11,436</u>	<u>10,729</u>
	<u>136,239</u>	<u>129,030</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Monthly average number of employees	<u>6</u>	<u>6</u>

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 September 2020	326,268	26,645	-	352,913
Additions	<u>-</u>	<u>402</u>	<u>580</u>	<u>982</u>
At 31 August 2021	<u>326,268</u>	<u>27,047</u>	<u>580</u>	<u>353,895</u>
Depreciation				
At 1 September 2020	228,571	26,293	-	254,864
Charge for the year	<u>6,526</u>	<u>170</u>	<u>290</u>	<u>6,986</u>
At 31 August 2021	<u>235,097</u>	<u>26,463</u>	<u>290</u>	<u>261,850</u>
Net book value				
At 31 August 2021	<u>91,171</u>	<u>584</u>	<u>290</u>	<u>92,045</u>
At 31 August 2020	<u>97,697</u>	<u>352</u>	<u>-</u>	<u>98,049</u>

12 Investments

	Listed investments £	Unlisted investments £	Total £
Cost or Valuation			
At 1 September 2020	782	1,000,000	1,000,782
Revaluation	<u>839</u>	<u>-</u>	<u>839</u>
At 31 August 2021	<u>1,621</u>	<u>1,000,000</u>	<u>1,001,621</u>
Net book value			
At 31 August 2021	<u>1,621</u>	<u>1,000,000</u>	<u>1,001,621</u>
At 31 August 2020	<u>782</u>	<u>1,000,000</u>	<u>1,000,782</u>

13 Debtors

	2021 £	2020 £
Gift Aid Debtors	104,465	48,328
Legacies Receivable	303,813	515,782
Other debtors	<u>5,865</u>	<u>4,738</u>
	<u>414,143</u>	<u>568,848</u>

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	9,356	11,846
Donations payable	1,053,284	440,295
Other creditors	21,968	27,552
Accruals	2,346	1,260
	<u>1,086,954</u>	<u>480,953</u>

15 Taxation

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

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

16 Pension scheme

Scottish Voluntary Sector Pension Scheme

Actuarial valuation at 30 September 2020
Final results



15 September 2021

Dear Maria

We are writing to you to share the good news that the Trustee and Employer Committee (EC) have satisfactorily **concluded the 2020 actuarial valuation** for the Scottish Voluntary Sector Pension Scheme (the Scheme). Please feel free to share this update with your colleagues who may also have an interest in updated funding information for the Scheme.

This update provides the headline results and information. A further communication will be issued to you setting out your organisation's own contribution details in due course. TPT will be hosting an online Employer Forum on 30 September to present the valuation results and answer any questions you may have. If you haven't already registered, details are available below.

What is a valuation?

A valuation is a three yearly check on the funding progress of the Scheme, in which we compare the value of members' benefits (the liabilities) against the value of the assets.

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

Where a deficit is identified as part of the valuation process, the Trustee must put in place a recovery plan. This sets out the contributions payable by employers to remove the deficit over time.

The valuation also informs decisions on the Scheme's investment strategy. More details are available in our [valuation five-minute guide](#).

Valuation outcome

The results of the valuation on the Technical Provisions (also referred to as 'ongoing funding') basis – which assumes the Scheme continues in its current format and employers continue to provide funding through contributions – are set out below, along with comparative results from the 2017 valuation.

	Funding level	Deficit (£m)
30 September 2017	82%	25.9
30 September 2020	96%	6.67

The Scheme's funding level and deficit has seen a positive improvement since the 2017 valuation. The main reasons for the change are:

- the payment of deficit contributions over the period;
- the significant protection provided by the Scheme's hedging strategy which has protected the Scheme from falling gilt yields and minimised the impact on funding; and
- a change to how the 'orphan liabilities' are valued for those employers that have withdrawn from the Scheme to align with the Technical Provisions funding basis rather than the Buy-out basis.

These items have been partially offset by a fall in government bond yields, which drive the rate used to value future expected benefit payments, the effect of the government's recent RPI reforms and an improvement to member commutation factors. The combined result is an increase in the value of the Scheme liabilities.

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

Recovery plan and deficit contributions

Where a deficit is identified as part of the valuation process, the Trustee must set a recovery plan to fund the deficit. Employers have been making payments under a recovery plan to fund the £25.9m deficit identified at the 2017 valuation. These were set at £1.54m p.a. from 1 April 2019 (Increasing at 3% p.a.).

At the 2020 valuation, it is very pleasing to report that the **Scheme's deficit has reduced to £6.67m.**

The Trustee, taking advice from the Actuary, and following consultation with and the support of the EC, will now implement a new recovery plan. **Under the new plan, the total deficit contributions due from employers will reduce from 1 April 2022 and each employer's share of the new amount will continue to be based on its own percentage share of the Scheme's liabilities.**

The deficit contributions will be c.£1.4m p.a from 1 April 2022, increasing at 3% p.a. at each subsequent 1 April. The recovery plan end date based on the lower deficit contributions is 31 July 2024. This replaces the existing end date of 30 September 2027. This could mean an end to deficit contribution payments before the impact of the next valuation at 30 September 2023 is known. However, the Trustee will monitor progress and keep employers updated if it is expected that there will be further deficit payments required following the 2023 valuation.

Your deficit and expense contribution

We will be writing to you separately to provide details of the deficit contributions due from 1 April 2022. At this stage, Scheme expenses are still under review and it will be later in the year before we are able to confirm expense costs.

Deficit contributions will be allocated in the same way as at the 2017 valuation, on a percentage 'share of liability' basis, based on each employer's percentage share of the Scheme's liabilities. For example, if the benefits for an employer's membership represent 1% of the Scheme's liabilities, then the employer would pay 1% of the total deficit contributions due under the recovery plan.

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

Employers should note that any change in their membership profile since the 2017 valuation will impact on their new percentage share of the total liabilities. This could mean that the amount an employer is required to pay could be more or less than before, however, initial calculations show that the majority of employers should see a reduction in deficit contributions.

However, if you are concerned that your organisation is not able to afford the full level of deficit contributions, details of our affordability appeals process will be provided. For additional information please see the **further information document**.

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

17 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gain(loss) £	Balance at 31 August 2021 £
General						
General Fund	11,091,416	2,434,888	(311,269)	(2,228,798)	839	10,987,076
Restricted funds						
Catechists	-	4,778	(25,993)	21,215	-	-
Hungry, Sick, Deprived & Refugees (HSD)	-	166,147	(486,126)	319,979	-	-
(LWA) Needs of Missionaries & Evangelisation	-	10,507	(604,012)	593,505	-	-
Little Way Admin income	-	41,668	-	(41,668)	-	-
Little Way Priests (LWP) and Sisters (LWS)	-	37,108	(347,090)	309,982	-	-
Maintenance of Sacred Heart House (SHH)	-	25,458	(3,496)	-	-	21,962
Mission Chapels Buildings & Roof repairs	-	98,003	(484,125)	386,122	-	-
Natural Disasters	-	15,010	(231,651)	216,641	-	-
Other General Funds	13,279	10,232	(44,372)	20,861	-	-
Staving, Abandoned & Needy Children	-	154,282	(187,268)	32,986	-	-
Sanitation Projects	-	11,593	(23,170)	11,577	-	-
Seminarians	-	30,174	(255,561)	225,387	-	-
Water Project - Well & Water	-	43,696	(139,044)	95,348	-	-
Mass Offerings	-	178,033	(214,896)	36,863	-	-
Total restricted funds	<u>13,279</u>	<u>826,689</u>	<u>(3,046,804)</u>	<u>2,228,798</u>	<u>-</u>	<u>21,962</u>
Total funds	<u>11,104,695</u>	<u>3,261,577</u>	<u>(3,358,073)</u>	<u>-</u>	<u>839</u>	<u>11,009,038</u>

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gain(loss) £	Balance at 31 August 2020 £
Unrestricted funds						
General						
General Fund	12,001,214	1,214,524	(366,438)	(1,757,728)	(156)	11,091,416
Restricted funds						
General Mission Fund	-	8,534	(382,137)	373,603	-	-
Hungry, Sick, Deprived & Refugees (HSD)	42,883	138,159	(628,471)	447,429	-	-
Individual Country Fund	-	48,091	(102,574)	54,483	-	-
Little Way Priests (LWP) and Sisters (LWS)	-	25,958	(457,985)	432,027	-	-
Mission Chapels Buildings & Roof repairs	-	-	(291,832)	291,832	-	-
Other General Funds	31,886	157,637	(176,244)	-	-	13,279
Staving, Abandoned & Needy Children	-	157,984	(252,369)	94,385	-	-
Mass Offerings	35,498	129,182	(228,649)	63,969	-	-
Total restricted funds	<u>110,267</u>	<u>665,545</u>	<u>(2,520,261)</u>	<u>1,757,728</u>	<u>-</u>	<u>13,279</u>
Total funds	<u>12,111,481</u>	<u>1,880,069</u>	<u>(2,886,699)</u>	<u>-</u>	<u>(156)</u>	<u>11,104,695</u>

18 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds at 31 August 2021
	General £	£	£
Tangible fixed assets	92,045	-	92,045
Investments	1,001,621	-	1,001,621
Current assets	10,980,364	21,962	11,002,326
Current liabilities	(1,086,955)	-	(1,086,955)
Total net assets	<u>10,987,075</u>	<u>21,962</u>	<u>11,009,037</u>

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

	Unrestricted funds		Total funds at 31 August 2020
	General £	Restricted funds £	£
Tangible fixed assets	98,049	-	98,049
Investments	1,000,782	-	1,000,782
Current assets	10,473,538	13,279	10,486,817
Current liabilities	(480,953)	-	(480,953)
Total net assets	<u>11,091,416</u>	<u>13,279</u>	<u>11,104,695</u>

19 Analysis of net funds

	At 1 September 2020 £	Cash flow £	At 31 August 2021 £
Cash at bank and in hand	9,917,969	670,214	10,588,183
Bank overdraft	(11,846)	2,490	(9,356)
	<u>9,906,123</u>	<u>672,704</u>	<u>10,578,827</u>
Net debt	<u>9,906,123</u>	<u>672,704</u>	<u>10,578,827</u>

	At 1 September 2019 £	Cash flow £	At 31 August 2020 £
Cash at bank and in hand	10,036,600	(118,631)	9,917,969
Bank overdraft	(9,897)	(1,949)	(11,846)
	<u>10,026,703</u>	<u>(120,580)</u>	<u>(9,906,123)</u>
Net debt	<u>10,026,703</u>	<u>(120,580)</u>	<u>(9,906,123)</u>

The Little Way Association

Notes to the Financial Statements for the Year Ended 31 August 2021

20 Volunteers

The activities carried out by the UK volunteers are administrative or clerical in nature at Sacred Heart House, and the Little Way Association promotes the message of St Therese and encourages prayer for the missions at its Theresian Centre in Walsingham. This is equivalent to an average of 80 volunteer hours per week.

21 Contingent assets

There are funds held in a Discretionary Trust according to the Will of the late Miss Elizabeth Wyndham Adeane (died on the 12th of December 2008) which will be distributed to the beneficiaries, one of which is the Little Way Association. The conditions and details for the distribution are as follows:

- a) For not more than 1 year from her death to apply the capital of the Trust Fund for the benefit of such of her Beneficiaries as her Trustees think fit
- b) To apply the income of the Trust Fund for the benefit of such her Beneficiaries as her Trustees think fit or (for not more than 21 years from my death) to accumulate the whole or any part of it
- c) Within 80 years of her death to end these trusts by distributing the Trust Fund among such of her Beneficiaries as her Trustees think fit
- d) To exercise their discretionary powers over capital or income when and how they think fit without having to make payments to or for the benefit of all her Beneficiaries or to ensure equality among those who have benefitted.

So far, £114,524.77 has been received and recognised in the accounts but it is impractical to make any financial disclosures in the accounts regarding the rest of the funds related to this legacy.

Also, the solicitor firm who is dealing with this case is Sprake & Kingsley. File reference: FJD.DP.ADE001/006 Tel: 01986892721