

**Salesians
of Don
Bosco
UK**

**Consolidated Annual Report and
Accounts**

31 December 2019

Charity Registration Numbers
233779 (England and Wales)
SC039294 (Scotland)

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Reference and administrative details of the charity, its trustees and advisers
31 December 2019

Trustees	Rev James Gerrard Briody SDB Rev James Robert Gardner SDB Rev John Mervyn Williams SDB Rev Anthony Francis Fernandes SDB Rev Martin Gerard Poulsom SDB Rev Saju John Mullasseril SDB
Custodian trustee	SDB Trustees Limited
Registered office	Salesian Provincial Office Thornleigh House Sharples Park Bolton BL1 6PQ
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Website	www.salesians.org.uk
Charity Registration Numbers	
England and Wales	233779
Scotland	SC039294
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Royal Bank of Scotland plc St Ann Square Branch St Ann Street PO Box 320 Manchester M60 2SS

Reference and administrative details of the charity, its trustees and advisers
31 December 2019

Investment managers	Rathbones Investment Management Limited 8 Finsbury Circus London EC2M 7AZ
	Brewin Dolphin Limited 12 Smithfield Street London EC1A 9LA
	Investec Wealth & Investment Limited 2 Gresham Street London EC2V 7QN
Solicitors	Addleshaw Goddard LLP One St Peter's Square Manchester M2 3DE

Trustee's report 31 December 2019

The trustees present their report together with the accounts of the Salesians of Don Bosco UK and its subsidiary, Salesian College Farnborough Limited, for the year ended 31 December 2019.

The accounts have been prepared in accordance with the accounting policies set out on pages 52 to 59 of the attached accounts and comply with the charity's governing document, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

Introduction

The object of the charity is to apply the capital or income of the charity for such charitable purposes as shall advance the religious, educational and other charitable work of the British Province of the Salesians of Don Bosco ('the Congregation'). If at any time the Congregation shall cease to carry on religious or other charitable work within the Province, then the capital and income is to be applied for such other lawful charitable purposes connected with the advancement of the Roman Catholic religion as the trustees shall determine.

The accounts accompanying this report are the accounts of the charitable trust which holds the assets of the British Province of the Salesians of Don Bosco.

Mission

St John Bosco (1815 – 1888), a Roman Catholic priest (Don Bosco), was a tireless worker on behalf of young people in Turin, Italy, especially the poor, the homeless and the uneducated. Through a range of educational, religious and other activities he helped them to become 'good Christians and honest citizens'. The religious order that he founded (the Salesians of Don Bosco) with 14,500 members continues his work in 133 countries. In 2009 the Province celebrated the 150th anniversary of the founding of the Salesian Congregation by St John Bosco, in 2012 celebrated 125 years since the first Salesians came to England to a parish and school mission in Battersea, and in 2015 celebrated the bi-centenary of the birth of John Bosco.



The aims of the charity are to deliver the mission of the British Province of the Salesians of Don Bosco as enshrined in the Constitutions of the Congregation. Key elements of this mission, in quotations from the Constitutions, are as follows:

- ◆ To be in the Church signs and bearers of the love of God for young people, especially those who are poor. We are evangelizers of the young. (constitutions 2 & 6)
- ◆ The needs of the young and of working-class areas, the desire to work with the Church and in her name, inspire and shape our concrete pastoral activity so as to bring about a more just world and one of greater brotherhood in Christ. (constitution 7)

Mission (continued)

- ◆ As educators we work together with our young people to bring all their talents and aptitudes to full maturity. Making the concern of Don Bosco our own, we encounter the young at their present stage of freedom. We then accompany them so that they may develop solid convictions and gradually assume responsibility for the delicate process of their growth as human beings and as men and women of faith, ready to take their place in the Church and in the Christian transformation of social life. (constitutions 27, 32, & 38)
- ◆ We cooperate with all who are trying to build a society more worthy of the dignity of all. The advancement to which we dedicate ourselves in the spirit of the Gospel makes tangible the love of Christ which makes men and women free, and is a sign that the Kingdom of God is among us. (constitution 33)
- ◆ For us evangelizing and catechizing are the fundamental characteristics of our mission. Like Don Bosco, we are all called to be educators to the faith at every opportunity. Our highest knowledge therefore is to know Jesus Christ, and our greatest delight is to reveal to all people the unfathomable riches of his mystery. We walk side by side with the young so as to lead them to the risen lord, and so discover in him and in his Gospel the deepest meaning of their own existence, and thus grow into new men and women. (constitution 34)

Policies

The policies adopted in order to fulfil our mission have been developed over the 130 years since the Salesian Congregation started work in the UK. They include:

- ◆ Working in educational establishments.
- ◆ Working in parishes.
- ◆ An out-reach policy which covers a wide variety of works (youth centres, youth work, social activities, etc.).
- ◆ Maintaining and developing a residential retreat centre where young people can experience community living, leadership training, personal and spiritual formation and reflect on their life situations and roles, and enjoy fresh air and good fellowship.
- ◆ Continuing to support financially the English speaking Salesian West Africa Province formed in 2004, including in a particular way Liberia which had been a part of the British Province until that year. Work in Liberia seeks to rebuild the nation after civil war and the more recent ravages of the Ebola virus through the provision of schools, training centres and care for orphans, street children and ex-child soldiers, alongside parish ministry and catechetical programmes.

Objectives, activities and relevant policies

Activities and specific objectives

The main purpose for which the Salesian Congregation was founded is the Christian education and pastoral and practical care of young people, especially those in most need of help and support. The specific ongoing activities which are in place to achieve these objectives in this Province are detailed below.

Parish, social and pastoral work

We have responsibility for seven parishes with eleven Salesians involved in parish ministry in Battersea, Chertsey and Farnborough in the South East, Bollington and Bootle in the North West, and Cowley (Oxford) in the Midlands. After a review of our work and the availability of Salesian personnel, we withdrew from two Easterhouse (Glasgow) parishes in the summer of 2015 and from Newent (Gloucestershire) in 2017. In the summer of 2016, in response to a request from the Archbishop of Southwark, we took over responsibility for the Battersea Park parish of Our Lady of Mount Carmel and St Joseph. This is the neighbouring parish to our long established Sacred Heart Parish in Battersea. The two parishes are run by a single team of two Salesian priests, two local deacons and lay helpers. A number of our parishes include areas with high levels of social deprivation.

In April 2019 it was decided to withdraw from the Cowley parish by summer 2020 after 100 years of Salesian ministry in the parish. It had not proved possible to increase the number of resident Salesians beyond the two current members and create a viable community.

The Bosco Society (based in Bootle) is a residential rehabilitation project for young men with drugs' misuse problems. The pioneering project was started some years ago by Father John Booth and is now a separate charity with a professional staff. The Salesian ethos is maintained through a Salesian chaplain.

Education

There are five Salesian secondary schools in England. Three are voluntary aided. Two of these are under Salesian trusteeship (Bolton and Bootle) and since September 2011 one (Battersea) is under joint trusteeship with the Southwark Archdiocese. The Salesian School at Chertsey, a Salesian foundation, previously a voluntary aided school under the trusteeship of the Diocese of Arundel and Brighton, became a founder member of the Xavier Catholic Education Trust on 1 September 2016.

Objectives, activities and relevant policies (continued)

Education (continued)

The Salesian College at Farnborough, an independent school since 1902, was established as a separate charitable company 'Salesian College Farnborough Limited' from 1 September 2009. The results of Salesian College Farnborough Limited are included in the consolidated financial statements of the Salesians of Don Bosco UK. The principal object of this charity as enshrined in the Memorandum of Association is 'The advancement of the religious and other charitable work of the Salesians of Don Bosco UK at Salesian College Farnborough'. The schools in Battersea, Chertsey, Bolton and Bootle are coeducational comprehensives serving their local areas. In all five schools there are a total of about 4,500 pupils. Six members of the Province work full time as teachers or school chaplains and in Bolton and Bootle young Polish Salesians in formation work full time on a voluntary basis in chaplaincy and classroom support. Across our schools, especially Battersea and Bolton, Salesians from the local community provide chaplaincy assistance, reading support, and lead clubs and sporting activities. The Headteachers of the five schools meet yearly to discuss matters of mutual concern. Several Salesians are Governors in our secondary schools, one as Chair. In our parishes we are closely involved with primary schools, pastorally and as Governors.

The Provincial on behalf of the trustees appoints all the Foundation Governors at Bootle and Bolton, half the Foundation Governors at the new St John Bosco College in Battersea and nominates half the Governors at Chertsey for appointment by the Xavier Catholic Education Trust. At the independent Salesian College in Farnborough, the Provincial also appoints the majority of the school's trustees and company directors.

Youth Work

The Province runs a youth retreat centre at Savio House, Bollington, near Macclesfield. Here short residential courses and retreats are provided for schools, mainly from Greater Manchester, Cheshire, Wirral and Merseyside. Most of the young people are from school Years 10 and 11, but some are younger, and there are a few Sixth Form groups. Young volunteers, working and living in the community alongside Salesians and salaried staff, provide a major part of the input to these retreats and courses. There are also day groups from schools and from parishes. Some 2,000 young people pass through each year. At weekends there are adult groups of various kinds.



Objectives, activities and relevant policies (continued)

Youth Work (continued)

Other forms of non-formal youth work in the Province and abroad are directed from the Salesian Youth Ministry Office based at Savio House during 2019 and relocating to Bolton for 2020 to link up with Social Communications, Publications and the central Province administration. Activities include parish youth ministry, training courses and activities for young youth leaders, summer activities and safeguarding training.

Overseas activities

There are a number of our Salesian priests working abroad including: Father Francis Preston in Kenya, Father Denis Higgins in Zimbabwe, Father Peter Newbery in Hong Kong, Father John Coleman and Father Eddie O'Neill in South Africa, and Father Lawrence Essery in Malta.

Social Media Communications and Publications

Don Bosco Publications publishes and distributes a range of books on Salesian approaches to youth ministry, education and spirituality. The Office for Social Media and Communications uses digital multimedia channels of communication to inform, animate and evangelise from a Salesian perspective, with a focus on Salesian youth ministry. These are based at the Bolton community overseen by Father Bob Gardner, trustee and Vice Provincial. They are an important way of spreading the Salesian charism, supporting and informing others working in education and youth and parish ministry. Don Bosco Publications also produce books to help parents of young children to present and explain the Christian faith. Don Bosco Today is published three times a year and widely distributed. There is also an annual Salesian Calendar.

Mission Office

The Mission Office, based in Bolton, seeks to promote the missionary dimension of our Salesian charism by encouraging missionary awareness and raising funds for the missions, especially West Africa as our Province initiated Salesian work in Liberia in 1979. One of the ways in which this is achieved is by mission appeals in parishes across the country.

Volunteers

In addition to the work of the volunteers at Savio House, a great deal of volunteering takes place across the Province. Volunteers contribute in many ways to parish life, facilitating the life of the parish community (music, liturgy, welcome, Eucharistic ministry) and supporting the parish priest by visiting the housebound and the bereaved, preparing candidates for the Sacraments, running youth clubs, etc. With seven parishes served by members of the Congregation, the annual number of hours volunteered is of the order of 7,000.

In our schools, the areas of activities supported by volunteers range from "out of hours" activities (such as youth clubs) to acting as members of the governing body. Excluding the amount of out of hours support provided by paid staff at the five schools, the number of hours per year provided by volunteers under this heading is of the order of 800 or more.

Objectives, activities and relevant policies (continued)

Volunteers (continued)

The Youth Ministry Team, through its BOVA (Bosco Volunteer Action) sub-group, promotes



volunteering abroad, finding placements, providing training and follow up.

There are volunteers involved in various support groups in the Province, such as the Finance, Investment and Property Committee. Lay members are also part of the Community Support team which reviews the support being provided

for elderly confreres. This might amount in any given year to 400 hours. Taking the Savio House volunteers' contributions as being of the order of 9,000 hours, the annual total across the Province is in excess of 17,000 hours.

Investment policy

The charity's investments are managed by three firms: Rathbone Investment Management Limited, Brewin Dolphin Limited and Investec Wealth & Investment Limited. These managers have delegated authority to invest as they deem appropriate within the charity's stated policy guidelines which exclude certain areas of investment unacceptable to the trustees. The objectives set by the trustees are that the charity's investments are to produce a mutually agreed annual level of income (£1,244,641 received in 2019) and to protect the underlying capital value of the investments in the medium to long term. Quarterly meetings are held with the investment managers to review performance.

Public benefit

In formulating the charity's aims and in planning the work of the members of the Congregation, the trustees have had regard to the general guidance published by the Charity Commission on public benefit.

Achievements and performance

Review of activities

The following paragraphs review the significant activities undertaken by the charity during the year with results and outcomes in each of the charity's principal activities to further its charitable purposes for the public benefit.

Achievements and performance (continued)

Schools

Brief reports on the five Salesian schools in the Province follow.

St John Bosco College (SJBC) is a co-educational 11-18 comprehensive school in Battersea, London. It is at the heart of 'Salesian Battersea' being next to the new Salesian community house and close to the Salesian parish church of the Sacred Heart, where Salesian work began in England in 1887. The school was established in 2011 on the closure of the Salesian College and occupies a new building completed in October 2015 on the site of the former Salesian College, which had occupied the site since 1895. Although a relatively young school it is established on firm foundations. The school serves a diverse multicultural community of pupils. 55% speak English as a second language, 52% have been eligible for free school meals, 21% have Special Needs and 45% qualify for the pupil premium.



St John Bosco College was judged to be 'Good' in the Ofsted inspection of May 2017 and an 'Outstanding' Catholic School in the Diocesan Section 48 Inspection in May 2019. In 2019 the Progress 8 score in Year 11 was positive at 0.62 which compared to schools nationally was 'well above average' and according to the Department for Education placed St John Bosco College sixth nationally in terms of performance when compared to similar schools. The Progress 8 score for disadvantaged pupils was plus 1.1. At A level 46.3% of grades were A* to C. A second special unit for autistic children who also have mental health needs was opened in October 2018.

Achievements and performance (continued)

Schools (continued)

Thornleigh Salesian College in Bolton is an oversubscribed co-educational 11-18 comprehensive school of over 1,500 pupils with an enviable reputation for excellence within the local community of Bolton and the Diocese of Salford. A key strength of the school identified in its latest Outstanding Section 48 Diocesan Inspection was the 'genuine care, love and respect for all in the college community, resulting in relationships that play a significant and visible part of the college's success'. The extra-curricular programme on offer to the students is very extensive. Everything from sport to music, art to dance, drama to computing attracts hundreds of students throughout a week. Ofsted at the November 2019 inspection confirmed that Thornleigh was a good school commenting that: 'Pupils say that they feel safe and that they like coming to school' and that 'teachers have high expectations of pupils', that 'pupils behave very well during lessons' and 'show the utmost respect for staff'.

The most recent Diocesan Section 48 inspection judged Thornleigh to be an Outstanding



Catholic School where the 'identity and ethos of the school is inspired by the life of Saint John Bosco. Examination results have been consistently above average. In 2019 the Progress 8 score was 0.11 and at A level 46% of grades were A* to B. In the summer of 2019 Mrs Alison Burrowes retired after ten years of outstanding headship and Mrs Andrea O'Callaghan, previously Deputy Head, was appointed as Thornleigh's new headteacher.

Achievements and performance (continued)

Schools (continued)

Savio Salesian College, Bootle is a co-educational 11-16 comprehensive school judged in its 2018 Section 48 Diocesan Inspection as 'good in its provision of Catholic Education' with 'outstanding features'. The 2019 Ofsted inspection reported that 'this is a very caring school where staff show genuine concern for the welfare and personal development of their pupils' with a 'strong culture of safeguarding throughout the school'. However the current overall Ofsted judgement is that the school does not provide an adequate education for its pupils and the Salesian Trustees are working along with the Liverpool Archdiocese and the Sefton Local Authority to seek to remedy the situation. The area of South Sefton presents particular challenges for secondary education with all four secondary schools serving the area judged by Ofsted to be either inadequate or in need of improvement. In 2019 the Progress 8 score was -0.86.



The Salesian College, Farnborough is an independent 11-18 Roman Catholic grammar school for boys aged 11 to 16 with a co-educational sixth form. The high quality, effectiveness and benefit of the education provided by the school have been consistently confirmed by reports of the Independent Schools Inspectorate. The most recent Inspection Report concludes that the College is 'excellent' in every one of the eight areas of inspection. The Report states that teachers know their pupils extremely well and engage their interest so that they display very positive attitudes to learning and make strong progress individually and collectively across a wide range of intellectual, sporting and cultural activities.



Achievements and performance (continued)

Schools (continued)

The school excels in sport and a very wide range of extra-curricular activities and opportunities are available to the pupils. Each year almost every member of the lower sixth (Year 12) takes part in the week long Handicapped Children's Pilgrimage Trust (HCPT) pilgrimage to Lourdes during Easter week. In 2019 98% of pupils gained at least 8 GCSE grades at 9 to 4 or A* to C and at A level 92% of grades were A* to C.

The Salesian School, Chertsey, a founder member of the diocesan Xavier Catholic Education Trust, is an oversubscribed co-educational 11-18 comprehensive school of nearly 1,600 pupils including 400 Sixth Formers. It has a long-standing reputation for excellence having been judged by Ofsted since 2013 as outstanding in all categories with the Section 48 Diocesan Inspections rating it an outstanding Catholic school. As a Teaching School and base for School-centred Initial



Teacher it has a strong record of successfully training teachers and providing excellent professional development opportunities. During 2019 the school celebrated 100 years since its initial foundation by the Salesians and it retains a strong Salesian identity with Salesian teachers, chaplains and governors. The school was also awarded the World Class Schools Quality Mark (WCSQM) at an Awards Ceremony hosted by Cambridge University. One of only 17 schools to achieve this award in 2019. Academically it is highly successful. In 2019 the Progress 8 score was 0.92 and at A level 91% of grades were A* to C.

Achievements and performance (continued)

Schools (continued)



All five Salesian schools have an ethos and approach to education based on the insights and approach of St John Bosco. The basic principle of his system was a deep understanding and love for young people and their problems. His motto was 'it is not enough for every child to be loved, they must know that they are loved'. This school ethos can be summed up by RUAH: Respect, Understanding, Affection and Humour. These four principles underpin every aspect of school life and together spell out the Hebrew word for 'breath of life' or 'spirit'. In 2018 the pupils of St John Bosco College in Battersea articulated these values in a badge and logo designed by the

pupils.

Parish Ministry

The Salesians of Don Bosco have responsibility for seven parishes in England and, in addition, provide a parish priest for one more. Salesians working in parishes are supported by a parishes team subcommittee of the Province's Youth Ministry Team and meet for an annual residential conference which focuses on the needs of parish clergy and the challenges of parish ministry. The religious and priestly ministry of the Salesians in these parishes brings considerable benefits to their Catholic communities, providing for their pastoral and spiritual needs by means of sacramental ministry, catechetical education for young people and adults, and through community gatherings and social outreach programmes.

Whilst each Salesian parish has a different history and social context, the broader aims of parish ministry are common to each:

- Providing a joyful community dimension to the daily celebration of the Church's liturgy.
- Providing age appropriate catechetical instruction in the Roman Catholic faith for young people and adults.



Achievements and performance (continued)

Parish Ministry (continued)

- Visiting those who are sick, elderly or housebound, comforting the dying, supporting the bereaved and honouring with Christian burial those who have died.
- Supporting family life, especially at times of stress and conflict.
- Maintaining a close collaboration and involvement in the local Catholic schools.
- Promoting social and racial harmony and cohesion in the local community.



Each Salesian parish seeks to promote, support and celebrate the importance of young people in its community recognising that they already have a significant part to play in the life of the Catholic community. The aim is to accompany and guide these young people towards adulthood, working alongside the other significant partnerships of the home and the school,

enabling them to become responsible members of society, committed to contributing to the common good of all.

Battersea Mission

The years 2011 to 2019 have seen a significant renewal of the Salesian mission in Battersea where the first group of Salesians sent by St John Bosco and led by Father Edward McKiernan, arrived in November 1887.

The trustees have re-arranged their assets in buildings and land in Battersea in order to renew and re-invigorate their work in the locality. This has included:

- The construction of a new comprehensive voluntary aided school in partnership with the Archdiocese of Southwark funded by judicious disposal of Salesian and Diocesan land.
- The construction of a new community house and residential youth facility funded largely by the sale of smaller and less appropriate properties.
- The development of the parish of Sacred Heart using funds from the Stacpoole Trust available through the sale of the original parish primary school.
- Accepting responsibility for the neighbouring parish of Our Lady of Mount Carmel and St Joseph.

Achievements and performance (continued)

Battersea Mission (continued)

The community numbered 13 Salesians during 2019 and that included those working in the schools and parishes as well as Salesian students in formation who were engaged in local projects as well as in their professional studies. The vision of the community was expressed in the phrase "Building new Bridges in Battersea". The aim therefore was to engage in broader roles in the local community at the service of young people.

The aim has been to help to embed the work of parishes and schools more effectively into the locality and into the wider Salesian network as a national presence in Central London. The Salesians have tried to understand more fully the situation of



young people in Battersea and the resources available to support them. The community has intentionally set out to engage with those in the local community who are engaged with young people, to build new bridges. As a result, the community has engaged practically in the work of the Caius Centre, The Katherine Low Settlement and the Anglican Parish of St Mary's working with young people and immigrants in those settings.



The new Salesian community house in Battersea has 20 ensuite rooms for Salesians and Salesian visitors and a separate space for welcoming up to 24 young people, with their adult staff members, for residential experiences. The individual community rooms have been well used for Salesians attending meetings and for visiting Salesian students from abroad. The house has also two other meeting spaces which

have been made available to the local community and the local diocese. The large 'common room' in the youth facility and the beautiful house chapel have made possible the provision of retreats and reflection days for a wide variety of groups from the local parishes to confirmation groups. The chapel looks out onto a small but peaceful garden, which enhances the reflective space for retreats.

Achievements and performance (continued)

Savio House Youth Retreat Centre

This Salesian Trustees' report includes the following presentation of the work of Savio House.

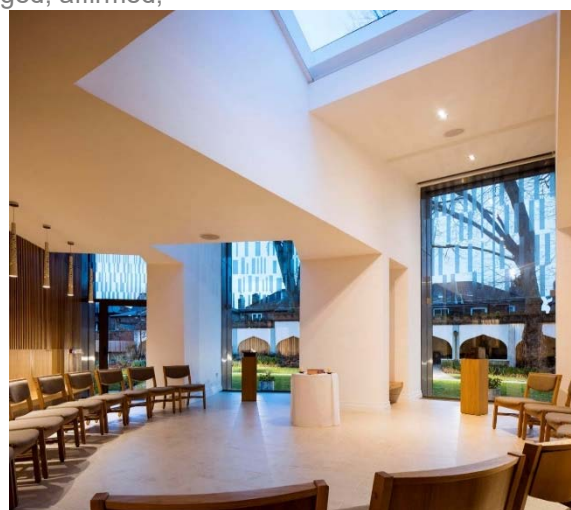


Savio House, Bollington, is our residential youth retreat centre set in the foothills of the Pennines, close to the Peak District National Park. In this beautiful location Savio House offers a unique retreat experience for young people coming from schools across the north of England; from Preston to Birmingham, from Doncaster to Liverpool. The resident community of Salesians and young lay

volunteers is dedicated to offering an inspiring, challenging and often life changing 3-day retreat experience for young people, summed up in the logo tag line: 'A place to be ...'

A place to be:

- with friends, on retreat, away from the pressures of home or school,
- to be challenged, inspired, encouraged, affirmed,
- to be more the person God created,
- to be a volunteer retreat team member,
- to be relaxed, on holiday, prayerful and reflective,
- to be searching for meaning, understanding, belonging and acceptance,
- where the potential and possibilities are almost limitless.



In 2019 the Savio Team worked with 2,500 young people, as we do every year. Based on the oratory model of Don Bosco, we welcome young people from many different backgrounds and situations, helping them to feel at home with us and experience a secure sense of belonging. This is a really important element of the retreat and has to be achieved in the first few hours of our encounter if we are to make the most of the great opportunity of the following days.

Through reflecting and sharing the stories of their lives, through our affirmation session and other activities we help the young people to learn a little more of themselves, their God-given gifts and talents, and their great potential for good; something Don Bosco was always keen to emphasise.

Achievements and performance (continued)

Savio House Youth Retreat Centre (continued)

The middle day of our retreat experience focusses around the two great sacraments of reconciliation and Eucharist, central to Don Bosco's experience and Salesian spirituality. Through careful preparation in the morning the young people can have a very meaningful celebration of the sacrament of reconciliation and their active participation in the evening Eucharist is enhanced by dance, drama, art and music, making the liturgy more accessible and meaningful to many 'unchurched' young people.



In good Salesian style, in and through all of this, is a joyful atmosphere of games and fun, music and laughter, and moments of free time and recreation spent together, building up relationships among the young people and building up trust between them and their staff and the retreat team. It is the quality of these new, short and intense relationships, based on friendship and trust, that allow the work of the retreat to have a positive impact on the lives of the young people.

But no sooner are the young people with us and we have just managed to connect with them and learn their names – and remember their names – and they are gone. The retreat experience is a very short and intense one, demanding a great deal of energy and resilience, confidence and compassion from the retreat team. We are blessed at Savio House each year by the presence, generosity, hard work and witness of a team of young Salesian volunteers. Like the young people we welcome and minister to, the volunteer team comes from mixed and varied backgrounds and experiences both in the UK and from other European countries; last year including Hungary and the Czech Republic. They are able to share their own experience of faith, of searching for meaning, of questioning and struggling with growing up with the young people, and to listen to the stories and experience of the young people with great understanding and empathy; this is young people ministering to young people, again a Salesian characteristic of Don Bosco's oratory experience. We are a mixed gender, mixed age (18 – 74 years), multiracial and multicultural community.

Achievements and performance (continued)

Savio House Youth Retreat Centre (continued)

The fact that we can live and work together as a community is a great blessing and also a powerful witness to the young people who often experience a breakdown of relationships and very fragmented situations in their lives. And at a deeper level, our community experience reflects a little of the universality of the Church and the great richness and diversity of the Christian community.



While most of our time and work is focussed on the young people who come on retreat to Savio House it is not the whole story. We have strong and growing links with St Gregory's Parish, Bollington, supporting Father Tony Fernandes SDB in his parish ministry. And in 2019 Savio House was the home of the SDB Province Youth Ministry Office and the animation work of Sue Mc Donald. This brings in the wider group of Salesian volunteers and animators, gives opportunities for the Savio House retreat team to reach out to other projects and activities, fills Savio House with groups of young people for summer holidays and projects, including youth leadership programmes and training. In turn and in time, this activity attracts new volunteers for Savio House and the Salesian volunteer network.

This was Ryan's experience, Salesian volunteer at Savio House, 2016 -2018:

My Savio Experience

I first came to Savio House on a 3 day retreat with my school, All Saints Sheffield, when I was in Year 10. I had an amazing experience and decided to come back again in Year 11. Whilst on retreat, I really enjoyed interacting with the team, some of whom I knew from school, and felt like I would love to be a volunteer. It wasn't until I came on the first ever Rise summer camp in 2015 that I felt called to be a volunteer at Savio. Rise is a summer camp based on leadership, communication and youth work, all with a varied mix of outdoor activities. So after that summer, I applied to be a volunteer, completed my look-see week and was accepted!

Achievements and performance (continued)

Savio House Youth Retreat Centre (continued)

In September 2016 I moved into Savio House and began learning the retreats and about Salesian spirituality. During my first year as a volunteer I had so many incredible experiences that went alongside the general retreat experience at Savio. We also worked with the wider Salesian volunteers at different events like 'Make Some Noise' and Flame. I was fortunate enough to speak on stage at Flame in Wembley Arena about my experience of visiting refugee camps in Lebanon with Cafod. Not only that, during my first year at Savio House I became a Catholic and then went to the Holy Land on pilgrimage with some amazing people from the Salesian Youth Ministry Network.

At Savio, we not only give the young people an experience and a chance to connect with God, but Savio allows us as volunteers to reflect on our own relationship with God. I've always had a relatively good relationship with God, but quite early on into the year I felt that I needed to change and so I decided to become Catholic. Having had an amazing experience at World Youth Day in Krakow and feeling part of something universal I felt that this was what God wanted for me. It was incredible to have the support from my family, Salesian community and friends during this journey in faith and becoming a Catholic has been one of the best experiences of my life.

My second year at Savio was even better than I expected. I decided to return as I felt that I hadn't gotten everything out of Savio and that I had more to give; something that proved to be true. I developed my faith, friendships and creativity as well as trying new things and taking on more responsibilities. Each week until Easter I also had some chaplaincy experience at Loreto 6th Form College Manchester and lead the 2018 Rise summer camp. Savio really helped me to find who I am and to grow in my faith, as well as helping and supporting me in my work with young people and general life skills. I could never have imagined everything I got to experience at Savio and it was a truly remarkable and life-changing experience.

Ryan's experience and story emphasises the 'internal' mission and ministry of Savio House to the resident volunteers, all generous young people themselves journeying in faith. They are an inspiration and a challenge to all of us to continue our own journey of faith!

The Salesian Province and Trustees support the mission of Savio House



Achievements and performance (continued)

Savio House Youth Retreat Centre (continued)

each year and in 2019 the main financial support from the Trustees was increased to £240 000, as well as other contributions for specific costs. This support is necessary to fund the gap between income from young people and the rising costs of maintenance and the provision of the retreats, in order to keep the price of the retreat experience for each young person at an affordable level.

Most of our schools return each year with new groups of young people or some young people who come back for another retreat experience, and we receive many positive comments from both staff and students

The young people have had a great time at Savio House. They loved every minute and said a number of times how much they enjoyed the sessions and what they have been able to talk about... the whole team have been fantastic; their energy and enthusiasm have been wonderful. Kate, Chaplain at All Hallows, Penwortham, Preston

Thank you all for a lovely retreat and for your love and care these past few days. I know that the students have really enjoyed the retreat and would like to stay longer! Bernie, Chaplain at All Saints Catholic High, Sheffield.



Achievements and performance (continued)

Savio House Youth Retreat Centre (continued)

Went to stay with my school at Savio House and had the best time. The team are so nice and really fun. It is a very religious place and we got to sing hymns and prepare bits for the mass which was more fun than it sounds. The mass was very lively and surprisingly fun. There are lots of really fun things to do there and its very peaceful and cosy. I would definitely recommend going. You will not regret it. Young person writing a google recommendation

Youth Ministry

The Province's youth ministry department continues to develop outside the context of our schools and parishes coordinated and promoted by Sue McDonald, the Salesians' youth ministry animator, working during 2020 from the youth ministry office at Savio House. Her first-hand report follows.

The province's youth ministry department alongside the parishes and in collaboration with the



school's department trains, develops, coordinates and facilitates all youth ministry with the assistance of a reliable group of young lay Salesian animators. This year we have, as usual, continued to grow in the mission and we were involved in a few new ventures as well. At the opening of the year the youth ministry department closed the long preparation process and headed to Panama. In January the British

province joined with the Austrian province to travel to World Youth Day in Panama. During this experience our provinces worked with a Salesian Community attached to the Cathedral in Panama and undertook the painting of the exterior walls and putting up a grand mural. It was an unforgettable experience and we really were able to make a difference whilst building relationships with people who are in the same mission for the young on the other side of the world.



March 2019 saw the fourth production of FLAME our bi-annual event in Wembley for 10,000 Catholics organised by Catholic Youth Ministry Federation for England and Wales. Salesians

Achievements and performance (continued)

Youth Ministry (continued)

were once again prominent in the planning, delivering and participating of it. We had 500 young people from across our schools and parishes attending this year. We are always recognisable by our scarves showing people that Salesians are present. The theme for this year was '**#significance**'.

Instead of holding our usual formation meeting for the young animators in March we joined the formation team and attended a conference given by Father Louis Grech, a Salesian with

"Don Bosco believed that it was easy to become holy and considered joy as a sure sign of a life of grace. Don Bosco's spirituality of joy and optimism and his attractive path to holiness was a breath of fresh air during his time" (Father L Grech SDB)

a doctorate on youth accompaniment. The youth ministry team and volunteers reflected on how we can improve our active listening skills in our mission and had the opportunity to share our thoughts with the wider Salesian family. This conference is part of our ongoing formation following the synod of bishops on youth.

We held our Easter Retreat as usual in Savio House providing quiet time in which to reflect upon their lives and to share with like-minded young adults this holiest of times in our calendar year. In May, a Salesian in formation and I attended a two-week course for those in Salesian youth ministry leadership from around the world.

This opened up the possibility to share the process and vision of youth ministry in Britain and gave us the platform to share



cultures and experiences of young people educated by the Salesians. Meeting and listening to Salesians from Calcutta, Darjeeling, Mexico, etc in small groups of 8 was a humbling experience and there are ongoing relationships sharing ideas and celebrating together through social media.



During the May half term the youth ministry department provided a pilgrimage for Salesian schoolteachers and chaplains to the Holy Land. On our first day there, one of the headteachers came up to me and said, "thank you for bringing me here". This was a most moving time of reflection for us as a group of educators bringing our mission to the Lord as it were, directly, sitting where Jesus sat maybe

Achievements and performance (continued)

Youth Ministry (continued)

to think of the young people brought to us to form and love. During this pilgrimage we had the opportunity to visit other places of education in Israel, the Salesian Seminary, Ratisbonne, the Salesian college in Bethlehem and the FMA school in Nazareth. These visits showed solidarity with our Salesians and admiration for the work they do.

In June we held a youth event with the same theme as World Youth Day for those who were unable to attend Panama. For this event Salesians worked collaboratively with Leeds, Shrewsbury, Salford and Birmingham dioceses. The Salesian youth department provided the animators for the event and training for those on the serving team. Although it rained the whole time the atmosphere was very good. The religious set up a tent named the 'listening hub' to just listen to the young in line with the final document from the Synod of Bishops on youth (Part One "HE WALKED WITH THEM" Chapter 1 'A Listening Church').

"Thank you for inviting me to serve, I loved the weekend even chasing tents! It has awakened me, and I feel refreshed, glad I made the effort" (A C Volunteer)

In early July a youth ministry team embarked on a new venture to Lebanon. We arrived in Beirut and were taken high above the clouds to a Salesian project in El Houssoun.



The mission we worked on there was with young refugees from Iraq and Syria. We did not speak the same language but connections were made on the football field and using old fashioned games with string, chalk and a ball. It was not a long project but the rector and youth ministry delegate spoke to us on the final evening and said *"You have done what many others will not...you came – and it's a start – thank you"*.

Once schools closed for summer, the programme became a little more recognisable. We held our 'Phoenix' summer holiday camps for vulnerable young people and their relevant school staff at Savio House for 30 young people. We began a new parish project for young people in Bollington. RISE, our leadership programme for young people aged 15+, was in its fourth year and we had once again 15 young people aged 15-17 years old which was at capacity. Our new summer project was held in Liverpool for asylum seekers aged 14-17. This was in collaboration with a school that has 50% intake of asylum seekers/refugees. The project was successful in that we only did local activities – beach, bowling etc and the young people said it helped them to safely see the local area and where they might choose to go again with their

Achievements and performance (continued)

Youth Ministry (continued)

family. It was a rewarding project for the animators involved and the school said that upon return a few of the participants began a new programme for other students that might feel excluded, offering help with language. At the end of summer, we assisted Battersea with their third year of summer project which is now ready to go forward self-led after three years of formation with youth ministry. All those who led a project came together to reflect on their practice and looked at risk assessments and scenarios to enable them to lead both their team and the young well.

The department also began to train experienced leaders to run a national pilgrimage to the sacred Salesian places in 2020. This has meant a lot of reading and research for them and an experience over the summer in Turin and Mornese, where our works began led by Salesians and Salesian Sisters.

The youth ministry vision team has been working throughout the year reviewing the formation process for our animators and early 2020 we will be launching a new programme for 16 – 25year olds. We remain on the board of the national Catholic Youth Ministry Federation (CYMfed) and the European Don Bosco Youth Net (DBYN) as part of youth ministry.



Working in partnership with others continues to be a priority for us and we take up opportunities for links, we are presently working on an event for November 2020, encounter with the Liverpool Diocese. We also continue to meet three times a year with the Salesian Sisters youth ministry team to share our vision and listen to each other.

Achievements and performance (continued)

Youth Ministry (continued)

The latter part of the year involved closing the youth ministry office base at Savio House and re locating in the new year to the provincial house in Bolton. Youth Ministry will be operating from Bolton from January 2020. This year seems to have been full of new experiences for young people and those who guide them. Thank you very much for the ongoing support of the Provincial Council and in particular the delegate Father Bob Gardner. I want to say as I have before that our mission is embraced by many talented and generous young animators who are an invaluable witness to our young people.

Volunteers

During 2019 seven young adults were residential voluntary workers at the Savio House Youth Retreat Centre, Bollington, engaged as full-time members of the team delivering the Centre's programmes for young people. They worked with four Salesians of Don Bosco, a retreat team leader and other employed staff and lived as members of the Salesian community for the year ending in July 2019. Another five commenced in September 2019. They were given initial training and induction by Savio House staff and Sue McDonald to prepare them for their voluntary work as team members including matters such as team building, community living, youth work skills, the Salesian approach to young people, health and safety, personal financial management, and safeguarding matters.

All volunteers were also supported through personal mentoring. The young adult volunteers mature considerably during their year or more of service at Savio House developing personal self-confidence, inter-personal skills, and a range of leadership qualities and organisational competences. Many are confirmed in their professional life choices and go on to train in youth work, teaching, school chaplaincy or related professions.



Achievements and performance (continued)

Volunteers (continued)



International volunteering at Salesian centres throughout the world is organised through BOVA (Bosco Volunteer Action) a sub-group of the Youth Ministry Team.

All placements are evaluated before the sending of volunteers, usually by prior visits. The extent of Salesian work for young people in 133 countries provides considerable scope for making arrangements for suitable volunteer placements.

All international volunteers are prepared through training weekends involving past volunteers. Our volunteers come from a range of ages (18+) and backgrounds, each volunteer is placed by matching their skills and experience to the needs of Salesian communities around the world. International volunteers bring benefits to others but often experience life changing benefits themselves. Debriefing sessions are arranged for all returners and opportunities for further involvement in activities related to the promotion of the needs of developing countries.



Care of our Elderly Confreres

The charity provides for the needs of the members of the Salesians of Don Bosco, all of whom have given their lives to the Congregation and have no personal assets as they have covenanted any earnings or pensions to the charity. The two communities of Bolton and Farnborough have specially built houses designed to accommodate the elderly members of the Congregation from the British Province, and a Support Group has been established to advise on the care provided. The two houses employ appropriate professional staff and continue to provide a high standard of care for their Salesian residents.

Achievements and performance (continued)

Charitable donations to the developing world

The Salesians of Don Bosco UK sends £7,500 every month to the English speaking Salesian West African Province to support their work in Liberia, Nigeria, Sierra Leone and Ghana which in recent years has focused on caring for Ebola crisis orphans, street children, ex-child soldiers and young people at risk of trafficking alongside schools, training centres and parish ministry. In addition, the presence of the Salesians of Don Bosco in 133 nations, including many locations in the developing world, enables the Salesians of Don Bosco UK to channel funds to support disaster relief and specific works for the relief of poverty, and the education and training of the young in some of the poorest and most deprived areas of the world. During 2019 £212,555 was sent out following £108,592 in 2018 and £87,915 in 2017. In addition, in 2019 a legacy of £300,188 was passed to the Irish Province.

The 2019 donations included £91,056 to the 'Breads' project for street children in Bangalore, £40,000 to the Ashalayam centre for street children in Calcutta, £21,562 to Columbia (including a £20,000 donation from the Little Way Association), £18,750 to the Don Bosco Technical Training Centre at Jhansi in New Delhi Province, £17,266 to African countries, £16,250 to Albania, a further £5,166 to various Indian projects, and £1,780 to Salesian work with Palestinians in Bethlehem. All donations received are sent on in line with the donors' intentions, gift aid is reclaimed where possible, and no charge is made for the administration involved in processing these funds. In all cases these donations are sent to Salesians working directly at the locations intended by the donors and no money is lost in unnecessary payments or charges. In this way the Salesians of Don Bosco UK provides a significant service to both the donors who are confident that their money will reach its destination and to the recipients of the funding.

Formation and training

During the year, formation and training opportunities were arranged for Salesians and for the benefit of lay people working with the Salesians of Don Bosco in the delivery of the Salesian mission. On 2 October 2019, Salesians and lay employees engaged in any form of administration in the Province had a day of training and updating on financial, insurance, employment, property and related issues, delivered by the provincial office team.

Senior leaders, teaching, chaplaincy and support staff spent a day on the other side of the classroom on Saturday 2 February at the 2019 Salesian Schools Network Conference. Around 135 delegates from Salesian schools and the six schools who are members of our Fellowship group met at John Henry Newman Catholic College, Birmingham, to focus on the theme of listening, inspired by the recent Synod on Young People, the Faith and Vocational Discernment. This was followed by two seminars north and south, on 16 and 17 March for Salesians and our lay co-workers, led by Father Louis Grech SDB, on accompanying young people in Don Bosco's way and supporting and nurturing them spiritually.

There were three training weekends for those engaged in the youth ministry projects that are co-ordinated through the Youth Ministry Office. Head teachers from the Salesian schools met in June to consider key elements of Salesian educational practice, and with a number of senior staff and governors spent three days in Turin in July 2019 on a study tour visiting the

Achievements and performance (continued)

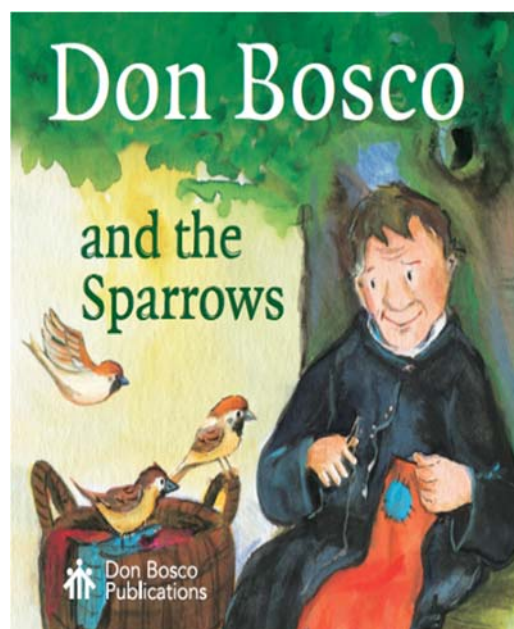
Formation and training (continued)

foundational locations of the Salesians of Don Bosco and deepening their understanding of Salesian education and spirituality. The school chaplaincy network met on 9/10 June and the annual meeting for Salesian parish clergy was from 14 to 16 October. In September 2019 Sue McDonald and others led a three-week induction, training and formation programme for new volunteers at Savio House with particular attention to youth work skills, safeguarding and inclusive behaviour. They also learnt about retreat formats and Salesian spirituality. Young Salesians in formation gathered every three months for a weekend of on-going formation in matters related to their own personal development as Salesians and their understanding of the Salesian charism and its practical application to youth ministry. Salesian priests within five years of ordination, including several from other provinces, met for three days of sharing and on-going formation from 22 July.

Don Bosco Publications and Salesian Link (the Office of Social Media and Communications)

The work of Don Bosco Publications is to promote Salesian perspectives on youth ministry, Catholic education and spirituality through published works, the thrice yearly Don Bosco Today (magazine) and the Salesian Calendar. The work of Salesian Link is to use digital and multimedia channels to inform, educate, animate and evangelise.

*A good book can enter
homes where no
priest may ever go.
(Don Bosco)*



St John Bosco was an innovative user of the means of communication of his time to promote his work for young people and to catechise and evangelise in response to the needs of his day. Salesian Link continues to communicate a gospel-based Salesian Spirituality that responds to the needs and aspirations of the young people of today through the devices and media platforms in common use. It is also the regular means of communication and news within the Province and the wider Salesian Family. Father Bob Gardner SDB, Vice-Provincial, has overall responsibility for both Salesian Link and Don Bosco Publications, assisted by a full-time employee at Salesian Link and one full time and one part time employee at Don Bosco Publications.

Achievements and performance (continued)

Don Bosco Publications and Salesian Link (the Office of Social Media and Communications) (continued)

Seven new books were published in 2019: **'Preparing for Marriage'** by Arturo Cattaneo; **'Accompanying Youth in a Quest for Meaning'** by Father Louis Grech SDB; **'The Roots of the Spirituality of St John Bosco'** by Father Giuseppe Buccellato SDB; **'Corraggio!! Don Bosco's Dream Continues'** by Guri Suzuki; **'Don Bosco and the Sparrows'** by Bettina Herrmann and Sybille Wittmann; **'Noah's Ark'** by Susanne Brandt and Klaus-Uwe Nommensen, and **'God is the Father of Jesus'** by Bruno Ferrero. One book was re-printed in 2019: **'The Salesian School of Life'** by Father David O'Malley SDB. Continuing our 'Pocketbook Series' – low cost and easily available – We



published six pocketbooks in 2019: **'Don Bosco's Devotion to Mary Help of Christians'**, **'A Valiant Mother - Mamma Margaret'**, **'Schoolboy Apostle - St Dominic Savio'**, and **'Zepherin the Last Cura'** all by Philip J Pascucci SDB; **'John Henry Newman - An English Saint'** by Sarah Seddon, and **'As the Crow Flies - and other poems'** by Adam Ditchburn.

Contact with the Worldwide Salesian Congregation

The British Province of the Salesians of Don Bosco is part of the Congregation's North European Region. During 2019 Father Gerry Briody, Provincial, attended annual and additional meetings of the region and within the last year members of the Province responsible for youth ministry, formation, publications, and social communications have attended regional meetings.

The international Salesian News agency based in Rome sends out daily news items in English (and five other languages), keeping the Province informed of Salesian works and initiatives across the world. These often include first-hand accounts of Salesian involvement in major news items such as the work and presence of Salesians in Aleppo and Damascus and work with refugees in Africa and war-torn countries.

Salesians from Africa, India, Poland, Malta, Slovakia, China and Vietnam were resident in the Province during 2019 engaged in ministry or pursuing English language courses or postgraduate studies.

Achievements and performance (continued)

Stacpoole Trust

The Stacpoole Trust established by a Trust Deed of 1875 holds the property of our Battersea parish church. The trustees are Salesians of Don Bosco appointed by the Roman Catholic Archbishop of Southwark. The Stacpoole Trust became a registered charity with a revised governance document on 10 August 2018: Registered Charity Number 1137378.

Safeguarding

The Catholic Safeguarding Advisory Service with new structures for the Safeguarding of Children and Vulnerable Adults within the Catholic Church in England and Wales came into operation on 1 July 2008. The Province held two training and information days (north and south) in October and November 2017 to update all the confreres on safeguarding policy and procedures, with all those attending receiving a copy of the revised and updated Province safeguarding policy, guidelines, and practice. Similar meetings have been held every few years since 1995. All Salesians engaged in ministry in the Province have received clearance through the Disclosure and Barring Service or its predecessor the Criminal Records Bureau or from their home country's statutory and church authorities if they have just arrived from abroad. The Salesians of Don Bosco have as their safeguarding commission the Safeguarding Commission for Orders in Education (SCOE). Salesians working in schools or parishes and those who are school governors will receive annual safeguarding updating and training provided by schools, Local Authorities or Dioceses.

Property

A rarely used playing field provided by the Salesian Trustees for the use of the Salesian School in Chertsey was sold for development in September 2019 for £6.6 million with the sale arrangements including the provision of a replacement playing field nearer the main site of the school. £5.75 million of the proceeds was added to our investment portfolios with the aim of increasing our income from investments.

Financial review

Results for the year

During 2019 total income amounted to £18,433,544 (2018 – £11,253,962). Of the income, a total of £8,665,344 (2018 – £8,246,885) related to the fees receivable and other income of the Salesian College Farnborough and the Retreat Centre and the Youth Centre. £1,868,771 (2018 – £1,726,171) was received by way of voluntary income, of which £1,167,027 (2018-£998,901) was from legacies and donations and £701,744 (2018 – £727,270) from salaries and pensions covenanted to the charity by the members of the Congregation. Investment income and interest receivable totalled £1,304,737 (2018 – £1,204,817). £6,504,097 of 2019 income came from the net sale proceeds received from the sale of school playing fields in Chertsey (see Note 5 to the accounts).

Financial Review (continued)

Results for the year (continued)

Expenditure totalled £11,924,003 compared to £11,186,923 in 2018. The total expenditure of the Salesian College, Farnborough amounted to £7,656,641 (2018 – £7,241,184) with staff costs representing a very significant proportion of this and amounting to £4,453,215 (2018 – £4,204,761). Expenditure incurred in maintaining and supporting the members of the Congregation so that, unless sick and elderly, they can engage in pastoral work and ministry amounted to £2,426,412 (2018 – £2,498,632). Expenditure on raising funds, including the fees paid to the charity's investment managers and costs in respect of rental income amounted in total to £163,816 (2018 – £138,509).

Net income before investment gains, therefore, was £6,509,541 (2018 – £67,039). Investment gains of £3,159,006 arose (2018 – losses of £1,576,650) resulting in a net surplus and a net increase in funds for the year of £9,668,547 (2018 – decrease in funds £1,509,611). The trustees continue to take a long term view and believe that their investment policy remains appropriate.

COVID-19

The current worldwide effects of the spread of COVID-19 have been wide-ranging globally with long term damage likely to both the economy of the UK and most countries across the globe. The pandemic and the British government's lockdown requirements from mid-March 2020 have had a significant impact on the communities and works of the Province. The Provincial Office in Bolton has offered ongoing guidance and advice to all locations as to how to respond to the unfolding and regularly updated government lockdown guidelines and requirements, especially in relation to employment and personnel issues.

The two communities for elderly Salesians in Farnborough and Bolton have managed to operate under strict lockdown to outsiders because of the continuing presence of housekeeping and care staff who have been able to come into work. In the other communities, housekeeping staff not able to work from home have come in to work where it has been possible and reasonable to do so, but in many cases on reduced hours. Fifteen domestic employees have been furloughed and the majority of other domestic staff have had to self-isolate at least for periods of time. All are retained on full pay. Administrative and professional employees who are able to work from home have done so, effectively and efficiently. All employees have received regular personal updates from the Provincial Office in relation to developing government employment guidelines.

The Savio House Youth Retreat Centre had to close all its residential and other activities from early March 2020 and all the resident retreat team members, employed and volunteers, were sent home, but without loss of pay or allowances. All deposits or payments from schools for cancelled retreats have been returned to the schools. The resident Salesian community has remained on site. It is accepted that residential bookings for the autumn 2020 may be significantly reduced and it has not yet been possible to recruit a volunteer retreat team for 2020/21. The Savio House Retreat Centre will probably lose the majority of its 2020 income from the provision of retreats, though there will be some savings by not having to provide meals and accommodation. The income in 2019 was £180,387.

Financial Review (continued)

COVID-19 (continued)

The Youth Office has had to cancel all summer camps and activities as well as all planned Youth Ministry meetings and gatherings. Significant Province conferences have also had to be cancelled. The cancellation of meetings has not however prevented the Youth Ministry department from being very active making regular use of livestreaming and social media outlets to animate groups, conduct on-line seminars, and keep regular contact with the wider Salesian youth ministry family, including livestreaming all the Holy Week and Easter Services from the Salesian community in Bolton.

Following government guidelines, all seven Salesian parishes have closed their churches with no public masses or services taking place since March. A number of parishes have been able to livestream a Sunday mass as have several of the Salesian Communities. The discovery of the potential of livestreaming events and church services has been a significant benefit of the Covid 19 lockdown.

Since the national school closure from Friday 20 March, Salesian College (Farnborough) has replaced classroom teaching with a comprehensive remote teaching and learning programme following the existing College timetable. This utilises the iPad and Microsoft Teams as the principal learning platforms, the deployment of which was completed for the final two Year Groups of the main school from September 2019.

The College has had to identify funds to support parents who are facing financial challenges due to the COVID-19 outbreak. These funds will be supplemented by any cost savings that may be identified alongside utilisation, where possible, of the Coronavirus Job Retention Scheme. In addition, the College has frozen tuition fees and lunch charges for academic year 2020/21 at the level of 2019/20. At present recruitment and retention of pupils has not been significantly affected although some concern remains regarding the number of pupils transitioning from Year 11 into the Sixth Form.

All of our secondary schools have closed whilst remaining open for vulnerable children and the children of key workers and providing detailed work programmes for pupils on-line. The Salesian College in Farnborough, our one independent school, relies on fee income, which it has successfully secured despite operating under the current constraints.

One of the Charity's main regular source of annual income is from investments (£1,244,641 in 2019). The Covid 19 pandemic has had a significant impact on stock market values. For example, the FTSE 100 at the end of May 2020 had fallen by approximately 18% since the beginning of 2020. There have been similar falls in stock markets across the world. The market value of the Province's investment portfolios fell by between 10% and 12% in the same period. Significant reductions in dividends from our equity investments are expected. This is already evident in our portfolios with income £100K lower in the period to the end of May compared to the same period in 2019. The Charity's investment managers are currently predicting a 15% to 20% fall in income from investments in the next twelve months to 31 May 2021.

Financial Review (continued)

COVID-19 (continued)

Normal Province and community income by way of pensions and salaries will not be affected by the pandemic, some community expenditure may reduce and the government's financial support for the salaries of furloughed staff will be accessed, but such savings and funds are unlikely to cover the probable loss of central Province investment income and loss of income at Savio House.

Whilst there will undoubtedly be challenges ahead, the trustees do not expect material concerns to arise over the charity's financial position in the short or medium term and believe it to be a going concern.

Reserves policy and financial position

Reserves policy

The reader will discern from the foregoing that the charity carries out a diverse range of activities and is responsible also for care and support of confreres whose average age is increasing and whose needs are changing. The trustees have examined the need for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed.

The trustees consider that, given the nature of the charity's work and its commitments, the level of free reserves should be relatively high. Free reserves should be approximately equal to 18 months' expenditure.

The trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources due to timing differences in income flows, adequate working capital to cover care costs, and will allow the charity to cope and respond to Covid-19 and other unforeseen emergencies whilst specific action plans are implemented. In particular, it will help the charity respond to the significant fluctuations in world stock markets as a result of the Covid-19 pandemic and other economic concerns.

Financial position

The group's balance sheet shows total reserves of £65,518,589 (2018 – £55,850,042). Included in total funds is an amount of £1,053,100 (2018 – £808,977) which is restricted. These monies have either been raised for, and their use restricted to specific purposes, or they comprise donations subject to donor imposed conditions. Full details of these restricted funds can be found in note 23 to the accounts, together with an analysis of movements in the year.

The trustees have designated or set side £35,183,822 for specific purposes:

- £15 million comprises the ministry of the members of the Congregation and their support and retirement fund. This consists of monies which the trustees have set aside in order to support the confreres in the future and, in particular, to provide for the confreres who need support due to illness or frailty and as they grow older. This latter category of support may include additional help or the need for specialist assistance in care homes. Over the

Financial Review (continued)

Reserves policy and financial position (continued)

Financial position (continued)

coming years, it is anticipated that such support will be required for an increasing number at an increasing cost which will need to be met by the charity as none of the confreres have resources of their own. The amount set aside has been reassessed as at 31 December 2019 to ensure provision has been made based on the current age of the confreres, their expected remaining lives as derived from life expectancy tables used by actuaries, the estimated cost of care for older people in the United Kingdom, and the estimated return on investment assets. These calculations suggest that a reserve of £15 million is required and so the Trustees, following professional advice, have increased this designated reserve to £15 million.

- The Savio House support fund of £10 million. This fund is represented by investments set aside to generate income to be applied towards assisting with funding the operating deficits at Savio House Retreat Centre. Income generated by the investments representing the fund is added to the fund each year and withdrawn if needed to meet any shortfall in income. During the year, all income generated was released as the deficit exceeded £280,000. It is anticipated that the deficit for the year ending 31 December 2020 will rise considerably due to operations being suspended because of Covid-19. The trustees have therefore increased this reserve to £10 million as the budgeted shortfall is expected to be at least £400,000.
- The youth ministry fund of £5 million. One of the key missions of the Congregation and hence of the charity is to minister to the needs of the young to bring all their talents and aptitudes to full maturity. Whilst the work of Savio House in part assists in the achievement of the mission, the charity reaches out to the young in many other ways and seeks always to develop further its work on the education and pastoral and practical care of young people, especially those in most need of such care and support. The £5 million designated by the trustees will enable such work and its development to continue and flourish in the years ahead through the Youth Ministry Team, the Office for Social Media and Communications, via the charity's connections to the schools founded by the Congregation and through a myriad of other means.
- The Salesian College of Farnborough Fund represents the accumulated funds and net assets of the Salesian College, Farnborough Limited and had a balance of £5,183,822 (2018 – £4,673,240) as at 31 December 2019.

The tangible fixed assets fund totals £21,231,251 (2018 – £20,660,633) and is represented by those tangible fixed assets not financed out of restricted funds or designated funds.

Financial Review (continued)

Reserves policy and financial position (continued)

Financial position (continued)

Funds available to support the work of the confreres in the future, in particular the support of the Congregation's missionary and youth care work, are shown as general funds on the balance sheet and amount to £8,050,416 (2018 – £5,707,192). This figure needs to be considered in the light of annual expenditure, the increasing age profile of the confreres and the need for the charity to continue to support the work of the Congregation, both in this country and overseas. It needs also to be seen in the context of the current Covid-19 pandemic and the financial challenges that brings as described above. The trustees are of the opinion that the free reserves are adequate but not excessive.

Investments

As at 31 December 2019 the investments held amounted to £36,514,707 (2018 - £27,248,645) and are managed by professional investment managers. The Finance, Investment and Property committee meet the fund managers on a rotational basis so that each is seen twice a year. A detailed investment policy is provided that sets out the ethical considerations the trustees wish to follow. Monthly reports are provided to the Finance, Investment and Property committee.

Since the year end, global stock markets have fallen as a response to the Covid-19 pandemic. Between 1 January 2020 and July 2020 the market value of the charity's investments have fallen by approximately 8%. The trustees will continue to monitor the position but the charity is a long term investor and will await the anticipated medium term market recovery.

In addition to listed investments, the charity and group retain two investment properties in London with a combined value of £2,325,000 (2018 - £2,325,000).

Since the year end, it is probable that the Covid-19 pandemic will have impacted on the valuation of the investment properties. The amount of any such impact is not able to be quantified with any certainty but it is believed that any decrease in value would not exceed 10%. The trustees have no intention of disposing of the properties in the short to medium term.

Custodian Funds

As at 31 December 2019 the charity held funds on behalf of members of other religious orders with a value of £338,232 (2018 – £35,880). As these funds are not controlled by the charity, these assets are not included in the accounts. The funds held by the charity as custodian are segregated clearly from those belonging to the charity itself and are principally held in US dollar accounts.

Governance, structure and management

Governance

In terms of Canon Law, the Salesian Congregation is governed at an international level by the Rector Major and his General Council in Rome. They are elected every six years at a General Chapter which is a meeting of representatives of all provinces of the Congregation. The person responsible for the leadership of the British Province in fulfilment of its mission is the Provincial, helped by his Council.

The Provincial is appointed by the Rector Major with the consent of his Council after consultation with the members of the Province and serves a six year term in office. The Provincial Council has five members who are appointed by the Rector Major in the same way and serve for three years. The Provincial and his councillors can be reappointed.

Members of the Provincial Council are chosen for their personal qualities, their understanding and experience of the ministries of the confreres throughout Great Britain and to secure a good skills mix among them. In terms of Civil Law, the charity is an unincorporated trust governed by a Scheme of the Charity Commissioners dated 1 August 2003 (which replaced the trust deed of 7 March 1964) and is a charity registered in England and Wales - Charity Registration No. 233779, and in Scotland – Scottish Charity No. SCO 39294.

The trustees of the charity are the Provincial and the five members of the Provincial Council. As all trustees are members of the Congregation they have a detailed knowledge of the work of the charity and of its structure. The training of the Provincial Council in their role as trustees is facilitated by the Provincial Economist who uses the material provided by the Charity Commission, major conferences, the Association of Provincial Bursars and the literature available from major firms of solicitors and accountants specialising in charity practice and procedures.

The names of the trustees who served during the year and those who were in office at the date on which this annual report and accounts was approved are set out as part of the reference and administrative details on page 1 of this annual report. Brief biographical details of each of the trustees are given below.

Rev James Gerard Briody was appointed Provincial in August 2016. He has twenty-two years' experience as a secondary school teacher including ten years as a comprehensive school Headteacher at Savio Salesian College in Bootle. In addition, he has many years' experience of less formal youth ministry and parish catechetical programmes.

Rev James Robert Gardner has been a trustee and Vice-Provincial since September 1st 2015. He previously served as a trustee from 2004 to 2010 with responsibility for Youth Ministry. After ordination in 1991 he spent twelve years in Easterhouse, Glasgow, where he worked in youth projects, a job creation scheme for unemployed young adults, as chaplain for three years to a Further Education College, and was for five years a member of the 'Children's Panel'. In 2000 he completed his postgraduate in Management Studies at Glasgow Caledonian University. He was a trustee of a Children's mental health charity for two years. After six years working in Youth Ministry, he was appointed to lead Social Media and Communications in the Province and in 2016 to be responsible for Publications.

Governance, structure and management (continued)

Governance (continued)

The Provincial Economist is **Rev John Mervyn Williams**. He has been a trustee and the Provincial Economist since August 2002. He had twenty-eight years' experience as a secondary school teacher including four years as Head of Department, five years as Head of Sixth Form and over seventeen years as Headteacher of a 1,550 pupil comprehensive school, Thornleigh Salesian College, Bolton. He was a member of the Province Finance, Investment and Property Committee for six years prior to his appointment as Provincial Economist. He has the responsibility of managing the business of the charity on behalf of the trustees and works full time at the Provincial Office in Bolton.

Rev Anthony Francis Fernandes has been a trustee since 1 September 2015. Soon after his ordination in 1977, in India, he was appointed as administrator of the new Salesian Formation House, after which he was sent to Tanzania where he worked as Director of the Archdiocesan Youth Centre until 1986. He was then sent to Kenya to serve as the Provincial Economist of the East African Province for nine years and was then appointed as Director of the Technical School in Tanzania. He then served as Shrine Director in Nairobi for nine years until 2005. In 2008 he joined the British Province and was Rector of the Salesian Community at Savio House Youth Retreat Centre, Bollington from 2014 to 2016. He currently remains in the community responsible for the Salesian parish in Bollington.

Rev Martin Gerard Poulson has been a trustee since 1 September 2016. He was Lecturer in Systematic Theology at Heythrop College, University of London, from 2006 and Head of Theology from September 2015. He is currently Senior Lecturer in Systematic Theology at Roehampton University. He has experience of three years' full-time parish ministry and over twenty years' experience of youth ministry and work with young adults, including running residential retreats, leadership training for youth ministers and various forms of music ministry, and ecumenical work. He is active in advocacy in the area of Justice, Peace and the Integrity of Creation. He has been a member of the Province Formation Commission since 2012 and took over responsibility for the initial and on-going formation of the Salesians of the British Province from September 2016.

Rev Saju John Mullasseril has been a trustee since September 2018. He joined the British Province in 2011 after service at the Salesian headquarters in Rome in the area of IT support and then a masters degree at the Institute of Education in London. He is currently full-time chaplain at St John Bosco College in Battersea.

Trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the accounts in accordance with applicable law and the required Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

Governance, structure and management (continued)

Trustees' responsibilities (continued)

The law applicable to charities in England and Wales and in Scotland requires trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and application of resources of the charity for that period. In preparing these accounts, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees, led by the Provincial are ultimately responsible for the policies, activities and assets of the charity. They meet each month for one and a half days to discuss Province business, receive reports, and make decisions. There are two longer meetings in March and September to allow for reflection, evaluation and strategic planning. Each year the Provincial makes a formal personal visit to each community in the Province to ensure that the work of the Congregation is being carried forward in the best possible manner.

Provincial Chapter

A Provincial Chapter is held every three years, most recently in April 2019 and March 2016. The Provincial Council (the charity trustees), leaders of all the communities, representatives of all communities and elected members from the Province attend as voting members and all Salesians in the Province can fully participate in the discussions as non-voting members.

Governance, structure and management (continued)

Provincial Chapter (continued)

The Chapter provides an opportunity to review how we are carrying out our mission as outlined in our Constitutions, decisions of the General Chapter [held in Rome every six years, the most recent, General Chapter 27 (GC27) from February to April 2014], and our own Province Plan, and to make decisions about the future.



The April 2019 Provincial Chapter was in preparation for a General Chapter in Spring 2020 and had the theme 'What kind of Salesians for the youth of today?' The focus was on the priority of our mission with and for young people and how working with lay people committed to our Salesian mission, a number of whom joined us at the Chapter along with young people, we can best respond to their needs. Preparation for the Chapter had included consultation with young people and our committed co-workers.

Key management responsibilities and personnel

In canon law overall responsibility for the management of the works of the British Salesian Province rests with the Rev James Gerrard Briody, Provincial, a responsibility exercised in his absence by the Vice Provincial currently the Rev James Robert Gardner. In civil law, as an unincorporated charitable trust, the Provincial and his Council carry joint responsibility as trustees for the works of the Salesians of Don Bosco UK. In practice the business of the charity is managed on behalf of the trustees on an operational basis by the Rev John Mervyn Williams, Provincial Economist and trustee, working full time from the central Provincial Office located at Thornleigh House, Bolton.

He is assisted by a small team of employed professional staff with expertise in finance and other key areas of charity management, including human resources, health & safety, risk management, property maintenance, project management, vehicle leasing and insurance provision.

Governance, structure and management (continued)

Key management responsibilities and personnel (continued)

The key management personnel in charge of directing and controlling, running and operating the charity on a day to day basis are the trustees including the Provincial Economist. All trustees, including the Provincial Economist, are members of the Congregation and whilst their living and personal expenses are borne by the charity, they receive no remuneration or reimbursement of expenses in connection with their duties as trustees.

External legal, property and financial consultants are engaged to advise and inform the trustees' decision making as required. The Provincial and his Council are supported by a number of committees as they exercise their responsibilities as charity trustees.

The Finance, Investment and Property Committee meets every six weeks to receive reports on the major current issues and to make recommendations about these to the Provincial Council. This Committee meets quarterly with the charity's investment managers and receives annual reports on (inter alia) insurance cover and provision, the vehicle leasing scheme, the staff pension scheme, health and safety implementation, and the risk assessment process.

Other teams are in place to deal with Formation, the Promotion of Vocations, Youth Ministry, Community Support with a particular focus on care for the elderly Salesians, Social Communications and various projects. Lay people as well as Salesians serve on a number of these teams. The Salesians of Don Bosco are also members of the Safeguarding Commission for Orders in Education (SCOE).

Local Salesian communities are led by the Rectors and domestic bursar responsibilities are covered by community members or employed staff, with guidance and support from the Provincial Office especially in relation to employed personnel matters, health & safety and property.

In respect to Salesian College, Farnborough, the charity's subsidiary, the key management personnel comprise the Governors of the College (i.e. the trustees and directors of the charitable company) together with the senior management team comprising the Headteacher, the Deputy Headteachers, the Assistant Headteachers and the Bursar & Clerk to the Governing Body. The remuneration of the key management personnel at the College is set by the Governors, with the policy objective of ensuring that the personnel are provided with appropriate incentives to encourage enhanced performance and are rewarded in a fair and reasonable manner. The appropriateness and relevance of the remuneration policy is reviewed annually including reference to comparisons with other schools to ensure that the College remains sensitive to the broader issues of pay and employment conditions elsewhere.

The College aims to recruit, subject to experience, at the lower to medium point within a salary scale providing scope for progression and reward for excellence. Delivery of the College's charitable vision and purpose is primarily dependent on its key management personnel and staff costs are the largest single element of its charitable expenditure.

Governance, structure and management (continued)

Employees

The charity strives to be an equal opportunities employer and applies objective criteria to assess merit. It aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, ethnic or national origin, gender, marital status, sexual orientation or disability. Selection criteria and procedures are reviewed regularly to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees are given equal opportunities and, where appropriate and possible, special training to enable them to progress both within and outside the organisation. The charity is committed to a programme of action to make this policy effective, and brings it to the attention of all employees.

In January 2018 the Salesian Trustees agreed to change the pension provision for all their employees from the two providers Scottish Widows and NOW:Pensions to Royal London as sole provider. This change was explained to all employees at briefing sessions conducted by Torevell & Partners who also provide pre-retirement advice when it is requested. The Royal London provision meets all employer auto-enrolment requirements of the Pensions Act 2008.

Risk management

The trustees review the major risks facing the charity through their Finance, Investment and Property Committee which provides a detailed report to the trustees. In addition to the key risks associated with Covid-19 (see above), the key principal risks and the steps taken to mitigate these risks are as follows:

Financial viability and security in order to ensure sufficient income for the delivery and continuity of the charity's ongoing works and community presences. The central Provincial Office employs a qualified accountant as Finance Manager to manage, monitor and oversee all charity expenditure and income for all accounts and locations, along with proper regulatory compliance, with guidance from the external Province Accountant as needed. The Province investment portfolios are under the discretionary management of three firms experienced in the management of charity funds and commissioned to deliver an agreed level of annual income whilst preserving the capital value of the investments. The trustees' Finance, Investment and Property Committee meeting every six weeks monitors overall Province income and expenditure and prepares the annual budget for approval by the Salesian Trustees. External auditors scrutinise all financial procedures and compliance matters.

At the current time, the finances and investments are being monitored especially closely given the Covid-19 pandemic and its potential impact on investment markets and the economy more generally.

Governance, structure and management (continued)

Risk Management (continued)

Recruitment, retention and the proper management of staff and voluntary workers to ensure necessary levels of household, care and administrative personnel within communities, and with reducing numbers of professed Salesians the personnel necessary to ensure the effectiveness of the works of the Province. The proper personnel management of all the trustees' employed staff and voluntary workers is under the general oversight of the Provincial Office Manager as are all recruitment procedures to help ensure good practice and compliance with employment legislation. Personnel policies are regularly updated with associated guidance. External professional advice on all employment matters is available to the Provincial Office. The Savio House Youth Retreat Centre is dependent on the annual recruitment of young voluntary residential workers. As failure to recruit is the major risk a well-established process is in place through targeted alerts, notices and established links to seek to ensure the engagement of voluntary residential workers each year.

Reputational, safeguarding and insurance risks. The trustees seek through regular contact with all centres and works, through meetings with rectors of all communities, through annual meetings with all administrators and through regular administrative guidance to ensure good practice in all aspects of the charity's work. Comprehensive insurance cover is in place to protect property, employment, safeguarding and all other liabilities carried by the charity trustees including terrorism cover for the London properties. Historical allegations of failures in due care for the charity's beneficiaries have the potential to bring the charity into disrepute. On the occurrence of any such allegations professional, legal and insurance advice guides the actions of the trustees and a press spokesperson has been engaged to speak on behalf of the charity. Any new safeguarding issues are referred to the Safeguarding Commission for Orders in Education (SCOE).

Health and Safety and the proper management of associated risks. Detailed guidance on legislative requirements and good on-site local practice is overseen by the Provincial Office Manager in her role as Health and Safety Coordinator. She visits communities on a regular basis to conduct Health and Safety audits and reviews. The charity contracts with the PIB Risk Management Service (part of DE Ford, insurance brokers for the charity) for the services of a Risk Manager who is a Chartered Health and Safety Practitioner with the Chartered Institute of Occupational Health and Safety (IOSH) and on the Occupational Safety and Health Consultants Register (OSCHR). The Risk Manager makes regular site visits.

Governance, structure and management (continued)

Risk Management (continued)

All new employees and voluntary workers are instructed as to workplace and on-site Health and Safety policies and practice and regular training and updating sessions are arranged for staff with compulsory attendance. The Province Health & Safety Coordinator submits a detailed annual report to the charity trustees reporting in the first instance to their Finance, Investment and Property Committee. The report, with an annual action plan, is a comprehensive overview of all Health and Safety matters across the Province including occupational health issues.

The quality of the provision of education in the charity's schools. Four secondary schools are active in delivering the charity's educational mission under the sole trusteeship of the Salesians of Don Bosco or under partnership arrangements with the local diocese. Key risks to the schools are loss of numbers, falling standards, loss of reputation, loss of a Salesian ethos, insufficient funding and failure to recruit high quality staff. In all four schools the Salesian trustees, through appointment or nomination of governors, seek to ensure that the composition of the governing bodies is such that the necessary skills are present to monitor standards, support, challenge and recruit high quality staff, promote the educational charism of St John Bosco and fully meet all statutory and legislative requirements. Salesian advisors assist with all Headship appointments.

The **General Data Protection Regulations (GDPR)** came into full effect on 25 May 2018 and the charity has worked to manage the risk of non-compliance through a detailed audit of data held and current practice, along with staff training co-ordinated by the Provincial Office Manager as the designated person. Clear Province policies and privacy statements have been formulated and all communities and works received GDPR compliant guidance as to the gathering, processing and storage of personal data, with no more than essential data held at local level.

In respect to **Salesian College, Farnborough**, the College's governors have assessed the major risks to which the College is exposed including those arising because of Covid-19, and believe them to be those in connection with specific operational areas and the finances. Examples include loss of numbers, falling standards, loss of reputation, loss of Salesian ethos and loss of or failure to recruit high quality staff. The governors believe that by monitoring borrowing and reserve levels, by ensuring controls exist over key financial systems, and by examining the operational business risks faced by the College, they have established effective systems to mitigate those risks.

The key controls used by the College include: formal written policies; clear authorisation and approval levels; vetting procedures as required by law for the protection of the vulnerable; established organisational structures and lines of reporting; formal agendas for all committee and Governing Body activity; detailed terms of reference for all committees; and comprehensive planning, budgeting and management accounting.

Governance, structure and management (continued)

Risk management (continued)

The Provincial Chapter convened every three years and the on-going 3 year Provincial Plan also seek to identify any risks that the charity will have to face. The trustees are satisfied that the necessary controls are in place to cope with these risks, within the constraints of their mission objectives.

Approved by the trustees and signed on their behalf by:

J.G. Briody

Trustee

Approved by the trustees on: 24 July 2020

Independent auditor's report to the trustees of Salesians of Don Bosco UK

Opinion

We have audited the accounts of Salesians of Don Bosco UK (the 'parent charity') and of Salesians of Don Bosco UK and its subsidiary (the 'group') for the year ended 31 December 2019 which comprise the group and parent charity statement of financial activities, the group and parent balance sheets, the consolidated statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2019 and of the group's and the parent charity's income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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 accounts is not appropriate; or
- ◆ the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the group's or the parent 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 accounts are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Consolidated Annual Report and Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- ◆ the information given in the trustees' report is inconsistent in any material respect with the accounts; or
- ◆ sufficient and proper accounting records have not been kept by the parent charity; or
- ◆ the parent charity accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act, and in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

10 August 2020

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

Consolidated (ie group) statement of financial activities Year to 31 December 2019

	Notes	Un-restricted funds £	Restricted funds £	Total funds 2019 £	Un-restricted funds £	Restricted funds £	Total funds 2018 £
Income							
Donations and legacies	1	911,275	957,496	1,868,771	1,419,632	306,539	1,726,171
Other trading activities	2	82,817	—	82,817	66,011	—	66,011
Investment income and interest receivable	3	1,304,737	—	1,304,737	1,204,817	—	1,204,817
Income from charitable activities	4	8,665,289	55	8,665,344	8,246,490	395	8,246,885
Other income:							
. Net proceeds from sale of school playing fields	5	6,504,097	—	6,504,097	—	—	—
. Miscellaneous		7,778	—	7,778	10,078	—	10,078
Total income		17,475,993	957,551	18,433,544	10,947,028	306,934	11,253,962
Expenditure							
Raising funds							
. Costs of generating voluntary income	6	3,000	—	3,000	9,000	—	9,000
. Investment management costs		145,243	—	145,243	118,436	—	118,436
. Rental property expenses		4,624	—	4,624	3,435	—	3,435
. Interest payable		10,949	—	10,949	7,638	—	7,638
Charitable activities							
. Donations and support of overseas missions	7	35,082	712,888	747,970	5,460	380,677	386,137
. Salesian College Farnborough	8	7,656,101	540	7,656,641	7,241,184	—	7,241,184
. Savio House Retreat Centre, Bollington	9	576,457	—	576,457	606,690	—	606,690
. Support of education	20	—	—	—	—	—	—
. Ministry of the members of the Congregation and their support	10	2,426,412	—	2,426,412	2,498,632	—	2,498,632
. Publicity and promotion	11	348,277	—	348,277	310,455	—	310,455
Other expenditure		4,430	—	4,430	5,316	—	5,316
Total expenditure		11,210,575	713,428	11,924,003	10,806,246	380,677	11,186,923
Net income (expenditure) before net gains (losses) on investments		6,265,418	244,123	6,509,541	140,782	(73,743)	67,039
Net gains (losses) on investments	18	3,159,006	—	3,159,006	(1,576,650)	—	(1,576,650)
Net income (expenditure)	14	9,424,424	244,123	9,668,547	(1,435,868)	(73,743)	(1,509,611)
Transfers between funds	23	—	—	—	315,436	(315,436)	—
Net movement in funds		9,424,424	244,123	9,668,547	(1,120,432)	(389,179)	(1,509,611)
Funds reconciliation:							
Balances brought forward at 1 January 2019		55,041,065	808,977	55,850,042	56,161,497	1,198,156	57,359,653
Balances carried forward at 31 December 2019		64,465,489	1,053,100	65,518,589	55,041,065	808,977	55,850,042

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

All recognised gains and losses are included in the above statement of financial activities.

Charity statement of financial activities Year to 31 December 2019

	Notes	Un-restricted funds £	Restricted funds £	Total funds 2019 £	Un-restricted funds £	Restricted funds £	Total funds 2018 £
Income							
Donations and legacies	1	926,758	957,496	1,884,254	1,435,115	306,539	1,741,654
Other trading activities	2	82,817	—	82,817	66,011	—	66,011
Investment income and interest receivable	3	1,596,996	—	1,596,996	1,500,682	—	1,500,682
Income from charitable activities	4	245,703	—	245,703	221,271	—	221,271
Other income:							
. Net proceeds from sale of school playing fields	5	6,504,097	—	6,504,097	—	—	—
Total income		9,356,371	957,496	10,313,867	3,223,157	306,539	3,529,696
Expenditure							
Raising funds							
. Costs of generating voluntary income	6	3,000	—	3,000	9,000	—	9,000
. Investment management costs		145,243	—	145,243	118,436	—	118,436
. Rental property expenses		4,624	—	4,624	3,435	—	3,435
. Interest payable		10,949	—	10,949	7,638	—	7,638
Charitable activities							
. Donations and support of overseas missions	7	35,082	712,888	747,970	5,460	380,677	386,137
. Salesian College Farnborough	8	47,061	—	47,061	47,061	—	47,061
. Savio House Retreat Centre, Bollington	9	576,457	—	576,457	606,690	—	606,690
. Support of education	20	—	—	—	—	—	—
. Ministry of the members of the Congregation and their support	10	2,426,412	—	2,426,412	2,498,632	—	2,498,632
. Publicity and promotion	11	348,277	—	348,277	310,455	—	310,455
Other expenditure		4,430	—	4,430	5,316	—	5,316
Total expenditure		3,601,535	712,888	4,314,423	3,612,123	380,677	3,992,800
Net income (expenditure) before net gains (losses) on investments		5,754,836	244,608	5,999,444	(388,966)	(74,138)	(463,104)
Net gains (losses) on investments	18	3,159,006	—	3,159,006	(1,576,650)	—	(1,576,650)
Net income (expenditure)	14	8,913,842	244,608	9,158,450	(1,965,616)	(74,138)	(2,039,754)
Transfers between funds	23	—	—	—	315,436	(315,436)	—
Net movement in funds		8,913,842	244,608	9,158,450	(1,650,180)	(389,574)	(2,039,754)
Funds reconciliation:							
Balances brought forward at 1 January 2019		50,367,825	790,984	51,158,809	52,018,005	1,180,558	53,198,563
Balances carried forward at 31 December 2019		59,281,667	1,035,592	60,317,259	50,367,825	790,984	51,158,809

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

All recognised gains and losses are included in the above statement of financial activities.

Balance sheets 31 December 2019

	Notes	Group		Charity	
		2019 £	2018 £	2019 £	2018 £
Fixed assets					
Tangible assets	17	26,468,588	26,156,079	21,231,251	20,660,633
Investments	18	38,839,707	29,573,645	38,039,707	29,573,645
		65,308,295	55,729,724	59,270,958	50,234,278
Current assets					
Stocks		85,771	81,525	85,771	81,525
Debtors receivable after more than one year	19	11,520	11,520	11,520	11,520
Debtors receivable within one year	20	464,744	569,857	249,375	599,734
Cash at bank and in hand		2,284,976	2,308,844	1,011,501	831,574
		2,847,011	2,971,746	1,358,167	1,524,353
Creditors: amounts falling due within one year	21	(1,894,179)	(1,938,959)	(311,866)	(599,822)
Net current assets		952,832	1,032,787	1,046,301	924,531
Total assets less current liabilities		66,261,127	56,762,511	60,317,259	51,158,809
Creditors: amounts falling due after one year	22	(742,538)	(912,469)	—	—
Total net assets		65,518,589	55,850,042	60,317,259	51,158,809
The funds of the charity					
Income funds:					
Restricted funds	23	1,053,100	808,977	1,035,592	790,984
Unrestricted funds					
.. Designated funds	24				
.. Ministry of the members of the Congregation and their support and retirement fund		15,000,000	12,000,000	15,000,000	12,000,000
.. Savio House support fund		10,000,000	7,000,000	10,000,000	7,000,000
.. Youth ministry fund		5,000,000	5,000,000	5,000,000	5,000,000
.. Salesian College Farnborough fund		5,183,822	4,673,240	—	—
		35,183,822	28,673,240	30,000,000	24,000,000
.. Tangible fixed assets fund	25	21,231,251	20,660,633	21,231,251	20,660,633
.. General funds		8,050,416	5,707,192	8,050,416	5,707,192
	26	65,518,589	55,850,042	60,317,259	51,158,809

Approved by the trustees
and signed on their behalf by:

J.G. Briody

Trustee

Approved on: 24 July 2020

Consolidated statement of cash flows Year to 31 December 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	A	6,200,828	(208,926)
Cash flows from investing activities:			
Investment income and interest received		1,304,737	1,204,817
Proceeds from the disposal of land		—	—
Purchase of tangible fixed assets		(1,125,497)	(302,908)
Proceeds from the disposal of investments		3,023,938	3,876,511
Purchase of investments		(7,807,157)	(3,255,646)
Net cash (used in) provided by investing activities		(4,603,979)	1,522,774
Cash flows from financing activities:			
Repayments of borrowing		(299,191)	(329,581)
Net cash (used in) provided by financing activities		(299,191)	(329,581)
Change in cash and cash equivalents in the year		1,297,658	984,267
Cash and cash equivalents at 1 January 2019	B	3,028,552	2,044,285
Cash and cash equivalents at 31 December 2019	B	4,326,210	3,028,552

Notes to the consolidated statement of cash flows for the year to 31 December 2019.

A Reconciliation of net movement in funds to net cash provided by (used in) operating activities

	2019 £	2018 £
Net movement in funds (as per the statement of financial activities)	9,668,547	(1,509,611)
Adjustments for:		
Depreciation charge	812,988	890,102
(Gains) losses on investments	(3,159,006)	1,576,650
Investment income and interest receivable	(1,304,737)	(1,204,817)
Increase in stock	(4,246)	(6,715)
Decrease (increase) in debtors	105,113	(116,572)
Increase in creditors	82,169	162,037
Net cash provided by (used in) operating activities	6,200,828	(208,926)

B Analysis of cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	2,284,976	2,308,844
Cash held by investment managers	2,041,234	719,708
Total cash and cash equivalents	4,326,210	3,028,552

Principal accounting policies 31 December 2019

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

Basis of preparation

These accounts have been prepared for the year to 31 December 2019 with comparative information provided in respect to the year to 31 December 2018.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ the useful economic lives attributed to tangible fixed assets used to determine the annual depreciation charge;
- ◆ the valuation of the charity's investment properties which has been estimated by the trustees based on advice received regarding property values in the local area;
- ◆ the estimation of legacy income to there was entitlement at the year end;
- ◆ the provision against doubtful and bad debts in respect to school tuition fees and related charges and in respect to retreat centre charges;
- ◆ the allocation of Provincial Office overheads and governance costs between charitable expenditure categories;
- ◆ estimates in respect to accrued expenditure;
- ◆ the assumptions adopted by the trustees in determining the value of any designations required from the charity's general unrestricted funds; and
- ◆ the estimation of future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts and have considered carefully the impact of Covid-19 on the charity's finances – both for the short term and medium term.

The group and charity's income will be impacted in a number of areas. The Savio House Youth Retreat Centre has had to close all its residential and other activities since March 2020 and income will be affected. Similarly, the Youth Office has had to cancel all summer camps and activities and curtail other work. All seven parishes administered through the charity have had to close their churches. Whilst all of these activities will generate less income in 2020, it is anticipated that the associated costs will also be reduced because of the furloughing of staff in certain areas and because of the saving of direct costs.

One of the Charity's main regular source of annual income is from investments (£1,244,641 in 2019). The Covid 19 pandemic has had a significant impact on stock market values. For example, the FTSE 100 at the end of May 2020 had fallen by approximately 18% since the beginning of 2020. There have been similar falls in stock markets across the world. The market value of the Province's investment portfolios fell by between 10% and 12% in the same period. Significant reductions in dividends from our equity investments are expected. This is already evident in our portfolios with income £100K lower in the period to the end of May compared to the same period in 2019. The Charity's investment managers are currently predicting a 15% to 20% fall in income from investments in the next twelve months to 31 May 2021.

Since the national school closure from Friday 20 March, Salesian College (Farnborough) has replaced classroom teaching with a comprehensive remote teaching and learning programme following the existing College timetable. The College has had to identify funds to support parents who are facing financial challenges due to the COVID-19 outbreak. These funds will be supplemented by any cost savings that may be identified alongside utilisation, where possible, of the Coronavirus Job Retention Scheme. In addition, the College has frozen tuition fees and lunch charges for academic year 2020/21 at the level of 2019/20. At present recruitment and retention of pupils has not been significantly affected although some concern remains regarding the number of pupils transitioning from Year 11 into the Sixth Form.

Whilst there will undoubtedly be challenges ahead because of the pandemic and its financial impact as summarised above, the trustees do not expect material concerns to arise over the charity's financial position in the short or medium term. The charity and group have sufficient general and designated funds, and sufficient liquidity in the form of cash and listed investments, to enable them to weather the crisis and the trustees believe both the charity and the group are a going concern.

The trustees are of the opinion that the charity and group will have sufficient resources to meet their liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above.

Basis of consolidation

The group accounts consolidate the accounts of the charity and of its subsidiary undertakings (see notes 26 and 27) drawn up to 31 December 2019. The results of the subsidiaries are consolidated on a line by line basis.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, legacies, school tuition fees and related charges, retreat centre income, investment income, interest receivable, the surplus on disposal of tangible fixed assets and miscellaneous income.

Donations, including salaries and pensions of individual religious received under Gift Aid or deed of covenant, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

Income recognition (continued)

Fees receivable in respect to Salesian College, Farnborough and retreat centre community and youth work are recognised to the extent that it is probable that the economic benefits will flow to the group and charity and the revenue can be reliably measured. It is measured at the fair value of the consideration received or receivable, excluding discounts and rebates. In particular, Salesian College, Farnborough fees receivable represent gross tuition fees and related charges before deduction of bursaries in respect to enrolled pupils. Retreat Centre community and youth work income represents fees receivable for the provision of retreats and similar activities.

Investment income comprises dividends and interest receivable. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest payable on investment assets is recognised on an accruals basis.

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

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure includes any attributable VAT which cannot be recovered.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- a. Expenditure on raising funds includes expenditure incurred in generating voluntary income, the fees paid to investment managers in connection with the management of the charity's listed investments, the costs in connection with the rental and upkeep of the charity's investment properties and interest payable on loan finance.
- b. Expenditure on charitable activities includes expenditure on the charity's primary charitable purposes as described in the trustees' report and include:
 - ♦ The making of grants and donations. In the main, grants and donations are made to support the Congregation's overseas missions. Other donations are made only in cases where the trustees consider there is real need following a review of the details of each particular case. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the year end.

Expenditure recognition (continued)

- ◆ Expenditure incurred in providing education at The Salesian College, Farnborough.
- ◆ Expenditure incurred in operating the Savio House Retreat Centre, Bollington.
- ◆ Expenditure on the support of education generally.
- ◆ Expenditure on the support of the work of the Province of the Society of the Salesians of Don Bosco. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty, and the general provision of education by supporting Salesians who teach in state schools and which aim to preserve the Salesians ethos. In addition, the charity provides for the needs of the elderly and sick members of the Congregation.
- ◆ Expenditure in connection with the “promotion of the work” of the Salesians of Don Bosco.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Support and governance costs

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

Governance costs comprises the costs directly attributable to the governance of the charity including audit costs and the necessary legal procedures for compliance with statutory requirements.

Support costs including governance costs are allocated out to the activities they are supporting on the basis described in note 12.

Tangible fixed assets

Land and buildings

The freehold land and buildings legally owned by the charity and occupied rent free on behalf of the trustees or the governing bodies of Catholic voluntary-aided and similar schools, which are separate charities and publicly funded, are valued at £nil. The trustees consider that no meaningful value can be attributed to these assets, since they are not used directly by the charity, do not generate income and cannot be disposed of in the open market or put to alternative use while such occupation, which may be indefinite, continues.

In the event of the Congregation ceasing its ministry in a parish, the trustees would consider themselves obliged to allow assets owned by the charity but used specifically for that parish and for no other purpose to continue to be used indefinitely and rent free to meet the needs of the parish for a church and/or related accommodation. As a result such properties are excluded from the accounts.

Tangible fixed assets (continued)

Land and buildings (continued)

The valuation of major non-residential properties owned by the charity as at 31 December 1997 is based on one third of their insurance value as at 31 December 1991 and is now regarded as deemed cost under the transitional provisions of FRS 102.

Additions to major non-residential properties on or after 1 January 1998 are included at cost. Depreciation on such freehold buildings is calculated on a straight line basis at 1% per annum. The trustees regularly assess the state of repair and value of these properties and believe that the nature of the properties, their age and the use to which they are put mean that a 100 year depreciation period is justifiable and appropriate.

The valuation of residential properties occupied by the confreres is based on the Council Tax valuation of the buildings as at 31 December 1997 inflated by 25% to provide an estimate of their existing use basis as at that date. Under the transitional provisions of FRS 102 this valuation is now deemed to be cost. Additions to residential properties on or after 1 January 1998 are included at cost. Depreciation on such freehold buildings is calculated on a straight line basis at 2% per annum. Freehold buildings in the course of construction are not depreciated until brought into use.

Other assets

Prior to 1 January 1997 all capital expenditure (other than land and buildings) was written off as incurred. At that date the trustees entered the current cost of assets not previously shown in the balance sheet where this was available and the estimated market value as at that date where original cost was not available. Subsequent acquisitions or improvements are capitalised at cost.

Expenditure below £5,000 (Salesian College Farnborough - £100) is not capitalised.

Depreciation is calculated by the straight-line method to write off the cost/value, less anticipated residual value, over the expected useful lives of assets as follows:

♦ Leasehold property improvements	40 years
♦ Domestic equipment	4 years
♦ Motor vehicles	4 years
♦ Computers	3 years

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing middle market price.

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

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

The valuation of investment properties (not occupied by Salesians), which are rented out to non-Salesians, is based on current open market valuation. These properties are not depreciated.

Realised and unrealised gains (or losses) are reflected in the statement of financial activities in the year in which they occur.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund structure

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

The tangible fixed assets fund represents the net book value of those tangible fixed assets which are not financed out of restricted funds or included in the Salesian College Farnborough fund.

The designated funds are monies set aside out of general funds and designated for specific purposes, although the trustees may ultimately use such funds for other purposes.

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

Leased assets

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

Pension costs

Contributions in respect of the defined benefit scheme represent contributions to the Teachers Pensions Agency and are recognised in the statement of financial activities so as to spread the cost of pensions over employees' working lives.

Contributions in respect of defined contribution schemes are charged to the statement of financial activities in the year in which they are payable to the schemes.

Services provided by members of the Congregation

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

1 Donations and legacies

Group and charity	Un-restricted funds £	Restricted funds £	Total funds 2019 £	Un-restricted funds £	Restricted funds £	Total funds 2018 £
Salaries and pensions of individual religious received under Gift Aid or deed of covenant	717,227	—	717,227	742,753	—	742,753
Legacies	4,089	643,073	647,162	475,943	66,562	542,505
Mass offerings, stole fees and clergy offerings	76,654	—	76,654	99,165	—	99,165
Other donations	128,788	314,423	443,211	117,254	239,977	357,231
Charity total	926,758	957,496	1,884,254	1,435,115	306,539	1,741,654
Less: Farnborough salaries	(15,483)	—	(15,483)	(15,483)	—	(15,483)
Group total	911,275	957,496	1,868,771	1,419,632	306,539	1,726,171

The figure of £717,227 (2018 – £742,753) for salaries and pensions of individual religious is made up of £241,659 (2018 – £220,937) earned by members of the Congregation, both working and semi-retired, working in schools, seminaries and in Roman Catholic dioceses and £475,568 (2018 – £521,816) from members' pension entitlements.

2 Other trading activities

Group and charity	Un-restricted funds £	Restricted funds £	Total funds 2019 £	Un-restricted funds £	Restricted funds £	Total funds 2018 £
Publication sales	49,078	—	49,078	45,663	—	45,663
Other receipts	33,739	—	33,739	20,348	—	20,348
Total	82,817	—	82,817	66,011	—	66,011

3 Investment income and interest receivable

Group and charity	Un-restricted funds £	Restricted funds £	Total funds 2019 £	Un-restricted funds £	Restricted funds £	Total funds 2018 £
Listed on UK Stock Exchange						
. UK fixed interest	190,402	—	190,402	177,271	—	177,271
. UK equities	1,052,817	—	1,052,817	980,612	—	980,612
. Other investment income	1,422	—	1,422	1,443	—	1,443
	1,244,641	—	1,244,641	1,159,326	—	1,159,326
Income from investment property						
. Rent	37,997	—	37,997	35,645	—	35,645
Interest receivable						
. Bank interest	19,227	—	19,227	9,586	—	9,586
. Cash held by investment managers	2,872	—	2,872	260	—	260
	22,099	—	22,099	9,846	—	9,846
Group total	1,304,737	—	1,304,737	1,204,817	—	1,204,817
Less: Interest received by Salesian College Farnborough Limited	(9,228)	—	(9,228)	(7,212)	—	(7,212)
Add: Interest paid from Salesian College Farnborough Limited	7,114	—	7,114	8,704	—	8,704
Add: Rents paid from Salesian College Farnborough Limited	294,373	—	294,373	294,373	—	294,373
Charity total	1,596,996	—	1,596,996	1,500,682	—	1,500,682

4 Income from charitable activities

Group	Un-restricted funds £	Restricted funds £	Total funds 2019 £	Un-restricted funds £	Restricted funds £	Total funds 2018 £
Salesian College Farnborough fees and related charges	8,419,586	55	8,419,641	8,025,219	395	8,025,614
Retreat centre community and youth work income	245,703	—	245,703	221,271	—	221,271
Total	8,665,289	55	8,665,344	8,246,490	395	8,246,885
Charity	Un-restricted funds £	Restricted funds £	Total funds 2019 £	Un-restricted funds £	Restricted funds £	Total funds 2018 £
Retreat centre community and youth work income	245,703	—	245,703	221,271	—	221,271

5 Net proceeds from sale of school playing fields

Group and charity	Un-restricted funds £	Restricted funds £	Total funds 2019 £	Un-restricted funds £	Restricted funds £	Total funds 2018 £
Net proceeds before overage	6,216,592	—	6,216,592	—	—	—
Overage receipt (see below)	287,505	—	287,505	—	—	—
Group and charity total	6,504,097	—	6,504,097	—	—	—

During the year, the group and charity completed the sale of a school playing field at Chertsey, Surrey, to a developer. One of the conditions of sale was that the developer source and acquire on behalf of the charity an alternative playing field. On completion of the sale an overage payment was due based on the increase in the Land Registry House Prices Index between the date of the sale agreement and the date of achieving planning permission.

6 Raising funds

Group and charity	Un-restricted funds £	Restricted funds £	Total funds 2019 £	Un-restricted funds £	Restricted funds £	Total funds 2018 £
Administration and travel costs	3,000	—	3,000	9,000	—	9,000

7 Donations and support of overseas missions

Group and charity	Un-restricted funds £	Restricted funds £	Total funds 2019 £	Un-restricted funds £	Restricted funds £	Total funds 2018 £
Missionary work of the Congregation abroad	—	712,888	712,888	—	380,677	380,677
Donations to other organisations (see below)	35,082	—	35,082	5,460	—	5,460
	35,082	712,888	747,970	5,460	380,677	386,137

7 Donations and support of overseas missions

During the year grants and donations over £1,000 made to other organisations comprised:

Group and charity	Un-restricted funds £	Restricted funds £	Total funds 2019 £	Un-restricted funds £	Restricted funds £	Total funds 2018 £
Catholic Youth Ministry Federation	10,000	—	10,000	—	—	—
Salesian Mission Africa	7,500	—	7,500	—	—	—
Centre for Research and Development in Catholic Education	5,000	—	5,000	—	—	—
Kanelm Youth Trust	3,000	—	3,000	—	—	—
Cornerstone	1,000	—	1,000	—	—	—
Children's Holiday Fund	1,500	—	1,500	1,500	—	1,500
Million Minutes	1,000	—	1,000	—	—	—
Northern Scripture Festival	—	—	—	1,000	—	1,000
Other donations under £1,000	4,412	—	4,412	2,960	—	2,960
Donations to individuals	1,670	—	1,670	—	—	—
	35,082	—	35,082	5,460	—	5,460

During 2019 there was one donation made to an individual (2018 – none).

8 Salesian College Farnborough

Group	Un-restricted funds £	Restricted funds £	Total funds 2019 £	Un-restricted funds £	Restricted funds £	Total funds 2018 £
Teaching costs	3,526,548	—	3,526,548	3,341,330	—	3,341,330
Finance costs	23,555	—	23,555	33,487	—	33,487
Premises	1,112,196	—	1,112,196	1,063,237	—	1,063,237
Administration of the College	2,379,437	540	2,379,977	2,261,637	—	2,261,637
Marketing and publicity	55,817	—	55,817	38,056	—	38,056
Bursaries granted	558,548	—	558,548	503,437	—	503,437
	7,656,101	540	7,656,641	7,241,184	—	7,241,184

Charity	Un-restricted funds £	Restricted funds £	Total funds 2019 £	Un-restricted funds £	Restricted funds £	Total funds 2018 £
Premises	47,061	—	47,061	47,061	—	47,061

9 Savio House Retreat Centre, Bollington

Group and charity	Un-restricted funds £	Restricted funds £	Total funds 2019 £	Un-restricted funds £	Restricted funds £	Total funds 2018 £
Staff costs	197,581	—	197,581	187,656	—	187,656
Premises	180,332	—	180,332	175,511	—	175,511
Operational costs	77,202	—	77,202	77,668	—	77,668
Administration of the retreat centre	121,342	—	121,342	165,855	—	165,855
Group and charity total	576,457	—	576,457	606,690	—	606,690

10 Ministry of the members of the Congregation and their support

Expenditure incurred in maintaining and supporting members of the Congregation, so that they can engage in pastoral work and ministry, enables the members to carry out the charitable work of the charity in the areas of the advancement of the Roman Catholic faith, the advancement of education and the relief of poverty. Such expenditure comprises:

Group and charity	Un-restricted funds £	Restricted funds £	Total funds 2019 £	Un-restricted funds £	Restricted funds £	Total funds 2018 £
Staff costs	452,632	—	452,632	487,898	—	487,898
Members' living and personal expenses	746,138	—	746,138	788,557	—	788,557
Premises	810,197	—	810,197	822,175	—	822,175
Education, training and spiritual renewal	122,993	—	122,993	98,595	—	98,595
Allocation of Provincial office overheads (note 13)	294,452	—	294,452	301,407	—	301,407
Group and charity total	2,426,412	—	2,426,412	2,498,632	—	2,498,632

11 Publicity and promotion: costs of goods sold and other costs

Group and charity	Un-restricted funds £	Restricted funds £	Total funds 2019 £	Un-restricted funds £	Restricted funds £	Total funds 2018 £
Publication and other costs	348,277	—	348,277	310,455	—	310,455

12 Governance costs

Group and charity	Un-restricted funds £	Restricted funds £	Total funds 2019 £	Un-restricted funds £	Restricted funds £	Total funds 2018 £
Auditor's remuneration	21,750	—	21,750	24,000	—	24,000

13 Allocation of Provincial Office overheads

Group and charity	Savio House Retreat Centre, Bollington £	Support of members of the Congre- gation and their ministry £	Publicity and promotion £	Total 2019 £	Basis of apportion- ment
Staff costs	24,187	72,561	13,821	110,569	Per full-time equivalent employees
Office running costs	14,113	42,340	8,065	64,518	
Administration	8,630	25,891	4,932	39,453	
Travelling expenses	3,084	9,252	1,762	14,098	
Professional fees	25,720	77,160	14,697	117,577	
Vehicle leasing	6,539	19,616	3,736	29,891	
Irrecoverable VAT	11,120	33,359	6,354	50,833	
Governance costs (note 12)	4,758	14,273	2,719	21,750	
Group and charity total	98,151	294,452	56,086	448,689	

Group and charity	Savio House Retreat Centre, Bollington £	Support of members of the Congre- gation and their ministry £	Publicity and promotion £	Total 2018 £	Basis of apportion- ment
Staff costs	40,253	105,660	20,126	166,039	Per full-time equivalent employees
Office running costs	11,604	30,461	5,802	47,867	
Administration	6,516	17,105	3,258	26,879	
Travelling expenses	5,072	13,315	2,536	20,923	
Professional fees	27,738	72,812	13,869	114,419	
Vehicle leasing	7,982	20,953	3,991	32,926	
Irrecoverable VAT	9,839	25,828	4,920	40,587	
Governance costs (note 12)	5,818	15,273	2,909	24,000	
Group and charity total	114,821	301,407	57,411	473,640	

13

14 Net income (expenditure)

This is stated after charging:

	Group Total 2019 £	Group Total 2018 £	Charity Total 2019 £	Charity Total 2018 £
Staff costs (note 15)	5,336,739	5,160,560	883,524	955,798
Auditor's and component auditor's remuneration				
. Statutory audit – group accounts	17,100	16,000	17,100	16,000
. Salesian College Farnborough	20,970	18,610	4,650	8,000
Depreciation	812,988	890,102	409,422	397,624
Operating lease rentals	91,441	87,828	91,441	87,828

15 Staff costs and trustees' remuneration

Group	2019 £	2018 £
Staff costs during the year were as follows:		
Wages and salaries	4,322,859	4,236,852
Social security costs	426,141	424,639
Other pension costs	587,739	499,069
	5,336,739	5,160,560

Group	2019 £	2018 £
Staff costs per function were as follows:		
Publicity and promotion	76,747	73,191
Youth work	45,994	41,015
Salesian College Farnborough	4,453,215	4,204,761
Savio House Retreat Centre, Bollington	197,581	187,656
Support of the members of the Congregation and their ministry	452,633	487,898
Support (note 13)	110,569	166,039
	5,336,739	5,160,560

Charity	2019 £	2018 £
Staff costs during the year were as follows:		
Wages and salaries	779,276	846,533
Social security costs	69,206	75,164
Other pension costs	35,042	34,102
	883,524	955,799

Charity	2019 £	2018 £
Staff costs per function were as follows:		
Publicity and promotion	76,747	73,191
Youth work	45,994	41,015
Savio House Retreat Centre, Bollington	197,581	187,656
Support of the members of the Congregation and their ministry	452,633	487,898
Support (note 13)	110,569	166,039
	883,524	955,799

The number of employees receiving annual remuneration in excess of £60,000 per annum was as follows:

Group and charity	2019	2018
£60,000 to £69,999	—	1
£70,000 to £79,999	2	2
£80,000 to £89,999	1	—
£90,000 to £99,999	1	2

15 Staff costs and trustees' remuneration

No contributions have been made to defined contribution pension schemes for the above employees (2018: none). Three of the above employees (2018: three) are accruing benefits under a defined benefit pension scheme.

The average number of employees during the year was as follows:

	Group		Charity	
	2019	2018	2019	2018
Publications and promotion	4	5	4	5
Provision of education	99	97	—	—
Retreat Centre	8	8	8	8
Support of the members of the Congregation	29	28	29	28
	140	138	41	41

As members of the Congregation, the trustees' living and personal expenses during the year were borne by the charity and they received no remuneration or any reimbursement of expenses in connection with their duties as trustees during the year (2018 – £nil).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees, including the Provincial Economer, and the key management personnel of Salesian College, Farnborough, comprising the Governors of the College, together with the senior management team, comprising the Headmaster, the Deputy Headteachers, the Assistant Headteachers and the Bursar & Clerk to the Governing Body.

The total remuneration (including taxable benefits but excluding employer's pension contributions) of the key management personnel for the year was £403,469 (2018 – £547,486).

16 Taxation

The Salesians of Don Bosco UK is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities. The charity is registered for VAT and is partially exempt.

17 Tangible fixed assets

Group	Freehold land and buildings £	Computers and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2019	30,355,032	2,290,879	142,507	32,788,418
Additions	1,057,677	65,912	1,908	1,125,497
At 31 December 2019	<u>31,412,709</u>	<u>2,356,791</u>	<u>144,415</u>	<u>33,913,915</u>
At cost	22,157,356	2,356,791	144,415	24,658,562
At deemed cost	9,255,353	—	—	9,255,353
	<u>31,412,709</u>	<u>2,356,791</u>	<u>144,415</u>	<u>33,913,915</u>
Depreciation				
At 1 January 2019	4,729,781	1,763,831	138,727	6,632,339
Charge for year	603,341	205,669	3,978	812,988
At 31 December 2019	<u>5,333,122</u>	<u>1,969,500</u>	<u>142,705</u>	<u>7,445,327</u>
Net book values				
At 31 December 2019	<u>26,079,587</u>	<u>387,291</u>	<u>1,710</u>	<u>26,468,588</u>
At 31 December 2018	<u>25,625,251</u>	<u>527,048</u>	<u>3,780</u>	<u>26,156,079</u>

Charity	Freehold land and buildings £
Cost or valuation	
At 1 January 2019	24,559,225
Additions	980,040
At 31 December 2019	<u>25,539,265</u>
At cost	16,283,912
At deemed cost	9,255,353
	<u>25,539,265</u>
Depreciation	
At 1 January 2019	3,898,592
Charge for year	409,422
At 31 December 2019	<u>4,308,014</u>
Net book values	
At 31 December 2019	<u>21,231,251</u>
At 31 December 2018	<u>20,660,633</u>

Capital commitments

As at 31 December 2019 the group and charity had no capital commitments (2018 - £100,000 authorised but not contracted for in respect to work to be carried out on the kitchens at Thornleigh House, Bolton).

18 Investments

At 31 December 2019 investments comprised:

Group and charity	2019 £	2018 £
Freehold investment property (see a. below)	2,325,000	2,325,000
Listed investments and cash held for re-investment (see b. below)		
. Investec Wealth & Investment Limited	8,931,809	6,470,076
. Brewin Dolphin Limited	8,743,305	6,236,262
. Rathbone Investment Management Limited (charity)	18,039,593	14,542,307
. Rathbone Investment Management Limited (Salesian College Farnborough Limited))	800,000	—
	36,514,707	27,248,645
Group total	38,839,707	29,573,645
Less: Rathbone Investment Management Limited (Salesian College Farnborough Limited)	(800,000)	—
Charity total	38,039,707	29,573,645

Movements on each category of investment are summarised below:

a. Freehold investment property

Group and charity	2019 £	2018 £
Market value at 1 January 2019	2,325,000	1,600,000
Unrealised gains on revaluation	—	725,000
Market value at 31 December 2019	2,325,000	2,325,000

The investment properties were last revalued in 2018 by the trustees with professional assistance and, in some cases, by taking advantage of knowledge of the local property market following recent disposals of similar property. The trustees are of the opinion that at 31 December 2019 there had been no material change in the value of the properties since the valuation.

Post balance sheet event

Since the year end, it is probable that the Covid-19 pandemic will have impacted on the valuation of the investment properties. The amount of any such impact is not able to be quantified with any certainty but it is believed that any decrease in value would not exceed 10%. The trustees have no intention of disposing of the properties in the short to medium term.

18 Investments (continued)

b. Listed investments

Group and charity	2019 £	2018 £
Listed investments (Investec Wealth & Investment Limited)		
Market value at 1 January 2019	6,267,353	6,917,895
Additions at cost	2,171,797	934,301
Disposals at opening book value (realised gains of £43,161)	(501,841)	(1,121,442)
Net unrealised investment (losses) gains	706,347	(463,401)
Market value at 31 December 2019	8,643,656	6,267,353
Cash held in short term deposits and by investment managers	288,153	202,723
	8,931,809	6,470,076
Cost of listed investments at 31 December 2019	7,659,953	5,969,847

Group and charity	2019 £	2018 £
Listed investments (Brewin Dolphin Limited)		
Market value at 1 January 2019	6,130,084	6,733,924
Additions at cost	1,877,803	1,344,491
Disposals at opening book value (realised gains of £121,412)	(1,154,309)	(1,383,991)
Net unrealised investment (losses) gains	667,480	(564,340)
Market value at 31 December 2019	7,521,058	6,130,084
Cash held in short term deposits and by investment managers	1,222,247	106,178
	8,743,305	6,236,262
Cost of listed investments at 31 December 2019	6,603,812	5,963,605

Group and charity	2019 £	2018 £
Listed investments (Rathbones Investment Management Limited (charity))		
Market value at 1 January 2019	14,131,500	15,814,712
Additions	2,960,011	961,854
Disposals at opening book value (realised losses of £104,237)	(1,098,978)	(1,373,758)
Net unrealised investment (losses) gains	1,516,226	(1,271,308)
Market value at 31 December 2019	17,508,759	14,131,500
Cash held in short term deposits and by investment managers	530,834	410,807
	18,039,593	14,542,307
Cost of listed investments at 31 December 2019	13,013,497	11,179,503

18 Investments (continued)

b. Listed investments (continued)

Group	2019 £	2018 £
Listed investments (Rathbones Investment Management Limited (Salesian College Farnborough Limited))		
Market value at 1 January 2019	—	—
Additions	639,732	—
Net unrealised investment gains	—	—
Market value at 31 December 2019	639,732	—
Cash held in short term deposits and by investment managers	160,268	—
	800,000	—
Cost of listed investments at 31 December 2019	639,732	—

The charity's listed investments managed by Rathbones Investment Management Limited are subject to a formal charge as security for loans to the charity used to finance work at Salesian College Farnborough and the development of the community house at Battersea (see note 21).

Listed investments held at 31 December 2019 comprised the following:

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Listed on UK Stock Exchange	16,529,617	12,909,999	16,281,863	12,909,999
UK fixed interest stocks	4,152,752	3,409,996	4,020,478	3,409,996
Overseas equities	9,568,211	7,480,911	9,568,211	7,480,911
Overseas fixed interest stocks	941,230	958,494	758,128	958,494
Money market instruments	500,000	—	500,000	—
Alternatives	2,621,395	1,769,537	2,544,793	1,769,537
	34,313,205	26,528,937	33,673,473	26,528,937

All listed investments were dealt in on a recognised stock exchange.

No listed investment holding was material in the context of the total value of the combined portfolio at 31 December 2019.

18 Investments (continued)

b. Listed investments (continued)

Post balance sheet event

Since the year end, global stock markets have fallen as a response to the Covid-19 pandemic. Between 1 January 2020 and July 2020 the market value of the charity's investments have fallen by approximately 8%. The trustees will continue to monitor the position but the charity is a long term investor and will await the anticipated medium term market recovery.

19 Debtors: amounts receivable after one year

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Amount due from the Roman Catholic Parish of Battersea	11,520	11,520	11,520	11,520

The amount due from the Roman Catholic Parish of Battersea is in connection with an advance by the charity towards the construction of a parish centre. The advance is interest free and is not subject to any formal repayment terms. Repayment is anticipated but not within the next twelve months.

20 Debtors: amounts receivable within one year

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Education fees receivable	40,960	40,908	—	—
Sundry debtors	290,325	106,966	91,875	49,750
Prepayments	133,459	93,983	—	11,984
Legacies receivable	—	13,000	—	13,000
Deposit in respect to sale of freehold land comprising school playing fields (note 5)	—	315,000	—	315,000
Loan to Salesian College Farnborough Limited (see below)	—	—	157,500	210,000
	464,744	569,857	249,375	599,734

The charity has advanced a loan of up to £1 million to Salesian College Farnborough Limited to assist with the development of facilities at the College. The loan has been granted by the charity subject to it being able to seek immediate repayment or give notice of termination at any time. In the absence of the charity giving such notice, the loan is repayable by 30 June 2022. Interest is payable on the loan quarterly in arrears and accrues at a rate of 3% above the published Bank Rate. The loan is repayable by annual instalments and there is no penalty for early repayment.

21 Creditors: amounts falling due within one year

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Education fees paid in advance	470,544	463,939	—	—
Bank overdrafts and loans	254,348	246,691	—	—
Expense creditors	222,701	204,351	5,054	—
Deferred income in respect to sale of freehold land (note 20)	—	315,000	—	315,000
Taxation and social security	94,516	91,270	—	—
Loan in respect to development of facilities at Salesian College, Farnborough (see (a) below)	157,500	210,000	157,500	210,000
Loan in respect to development of the community house, Battersea (see (b) below)	1,000	1,000	1,000	1,000
Other creditors	462,025	216,479	—	1,070
Accruals	231,545	190,229	148,314	72,752
	1,894,179	1,938,959	311,868	599,822

At 31 December 2019, the group and charity had the following loan facilities with Rathbone Investment Management Limited:

- (a) The charity has negotiated a loan facility with Rathbones Investment Management Limited, (the “Lender”), to assist with the financing of the development of facilities at Salesian College, Farnborough. The facility is granted subject to the Lender’s right to seek immediate repayment or give notice of termination at any time. In the absence of such notice, the facility is repayable in equal instalments with the final repayment due on 31 July 2022. Interest is payable on 24 July annually and accrues at a rate of 2.5% per annum above the published Bank Rate.
- (b) The charity has a loan facility with Rathbones Investment Management Limited for capital projects. The loan account currently has a balance of £1,000 pending future use for projects that are being planned.

Both loans are secured by a mortgage and charge against all listed investments managed on behalf of the charity by Rathbone Investment Management Limited.

22 Creditors: amounts falling due after one year

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Education fees paid in advance	346,803	257,385	—	—
Bank overdrafts and loans	374,069	628,417	—	—
Other creditors	21,666	26,667	—	—
	742,538	912,469	—	—

23 Restricted funds

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

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	At 31 December 2019 £
Overseas funds	285,155	894,843	(629,465)	—	550,533
Bursary funds	17,993	55	(540)	—	17,508
Development funds	56,541	58,446	(80,507)	—	34,480
Legacy fund	449,288	4,207	(2,916)	—	450,579
Group Total	808,977	957,551	(713,428)	—	1,053,100
Less Bursary Funds Farnborough College	(17,993)	(55)	540	—	(17,508)
Charity total	790,984	957,496	(712,888)	—	1,035,592

	At 1 January 2018 £	Income £	Expenditure £	Transfers £	At 31 December 2018 £
Overseas funds	425,967	221,222	(362,034)	—	285,155
Bursary funds	17,598	395	—	—	17,993
Rosary Pilgrimage fund	299,054	—	—	(299,054)	—
Associated funds	16,382	—	—	(16,382)	—
Development funds	36,330	34,756	(14,545)	—	56,541
Legacy fund	402,825	50,561	(4,098)	—	449,288
Group Total	1,198,156	306,934	(380,677)	(315,436)	808,977
Less Bursary Funds Farnborough College	(17,598)	(395)	—	—	(17,993)
Charity total	1,180,558	306,539	(380,677)	(315,436)	790,984

Overseas funds

This fund comprises monies for Salesian work carried out in selected overseas locations.

Bursary funds

The bursary funds held at Salesian College Farnborough comprise:

- The Patricia Kiernan Scholarship fund was fully utilised (2018 - £nil).
- The Salesian College, Farnborough Bursary Fund is for providing assistance for meeting fees in cases of hardship. At 31 December 2019 the fund amounted to £17,508 (2018 – £17,993).

23 Restricted funds (continued)

Rosary Pilgrimage fund

This fund was to be applied for the support of the Christian Faith by means of either the organisation of group pilgrimages or by the use of the funds for charitable purposes undertaken by the Salesian Mission in any part of the world. The restriction applied for ten years from the date of the deed of gift and ceased on 5 August 2018 at which time the assets became part of the unrestricted funds.

Associated funds

These funds were generated and disbursed for small local projects which are Salesian in their aims and objectives but too small to justify being part of the mainstream procedures.

Development funds

The development funds comprise amounts collected via direct debit into a dedicated bank account to be distributed for community support in the UK and overseas, as specified by the donors.

Legacy fund

The legacy fund represents monies administered by the charity on behalf of individual members of the British Province of the Salesians of Don Bosco.

24 Designated funds

	At 1 January 2019 £	Withdrawals £	Designations £	At 31 December 2019 £
Ministry of the members of the Congregation and their support and retirement fund	12,000,000	—	3,000,000	15,000,000
Savio House support fund	7,000,000	—	3,000,000	10,000,000
Youth ministry fund	5,000,000	—	—	5,000,000
Salesian College Farnborough fund	4,673,240	(7,609,040)	8,119,622	5,183,822
Group total	28,673,240	(7,609,040)	14,119,622	35,183,822
Less: Salesian College Farnborough fund	(4,673,240)	7,609,040	(8,119,622)	(5,183,822)
Charity total	24,000,000	—	6,000,000	30,000,000

24 Designated funds (continued)

	At 1 January 2018 £	Withdrawals £	Designations £	At 31 December 2018 £
Ministry of the members of the Congregation and their support and retirement fund	12,000,000	—	—	12,000,000
Savio House support fund	7,000,000	(245,000)	245,000	7,000,000
Youth ministry fund	5,000,000	(175,000)	175,000	5,000,000
Salesian College Farnborough fund	4,143,492	(7,512,683)	8,042,431	4,673,240
Group total	28,143,492	(7,932,683)	(8,462,431)	28,673,240
Less: Salesian College Farnborough fund	(4,143,492)	7,512,683	(8,042,431)	(4,673,240)
Charity total	24,000,000	(420,000)	(420,000)	24,000,000

Ministry of the members of the Congregation and their support and retirement fund

This consists of monies which the trustees have set aside in order to support the confreres in the future and, in particular, to provide for the confreres who need support due to illness or frailty and as they grow older. This latter category of support may include additional help or the need for specialist assistance in care homes. Over the coming years, it is anticipated that the age profile of the confrères will mean that such support will be required for an increasing number at an increasing cost which will need to be met by the charity as none of the confrères have resources of their own. The amount set aside has been reassessed as at 31 December 2019 to ensure provision has been made based on the current age of the confreres, their expected remaining lives as derived from life expectancy tables used by actuaries, the estimated cost of care for older people in the United Kingdom, and the estimated return on investment assets. These calculations suggest that a reserve of £15 million is required and so the trustees, following professional advice, have increased this designated reserve to £15 million.

Savio House support fund

This fund is represented by investments set aside to generate income to be applied towards assisting with funding the operating deficits at Savio House Retreat Centre. Income generated by the investments representing the fund is added to the fund each year and withdrawn if needed to meet any shortfall in income. It is anticipated that the deficit for the year ending 31 December 2020 will rise considerably due to operations being suspended because of the Coronavirus. The trustees have therefore increased this reserve to £10 million.

24 Designated funds (continued)

Youth ministry fund

One of the key missions of the Congregation of the Salesians of Don Bosco and hence of the charity is to minister to the needs of the young to bring all their talents and aptitudes to full maturity. Whilst the work of Savio House in part assists in the achievement of the mission, the charity reaches out to the young in many other ways and seeks always to develop further its work on the education and pastoral and practical care of young people, especially those in most need of such care and support. To this end, the trustees have designated £5 million to enable such work and its development to continue and flourish in the years ahead through the Youth Ministry Team, the Office for Social Media and Communications, via the charity's connections to the schools founded by the Congregation and through a myriad of other means.

Salesian College Farnborough fund

This fund represents the accumulated funds and net assets of the Salesian College Farnborough Limited.

25 Tangible fixed assets fund

Group and charity	Total 2019 £	Total 2018 £
At 1 January 2019	20,660,633	21,058,257
Net movement in year	570,618	(397,624)
At 31 December 2019	21,231,251	20,660,633

The tangible fixed assets fund represents the net book value of the group's and charity's land and buildings, excluding investment properties, those financed out of restricted funds and those financed directly by Salesian College Farnborough which are included as part of the Salesian College Farnborough fund within designated funds. The decision was made to separate this fund from the other funds of the group in recognition of the fact that the tangible fixed assets are essential to the day to day work of the charitable group and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

26 Analysis of net assets between funds

Group	General fund £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total 2019 £
Fund balances at 31 December 2019 are represented by:					
Tangible fixed assets	—	21,231,251	5,237,337	—	26,468,588
Investments	8,839,707	—	30,000,000	—	38,839,707
Net current assets	(789,291)	—	689,023	1,053,100	952,832
Creditors: amounts falling due after one year	—	—	(742,538)	—	(742,538)
Total net assets	8,050,416	21,231,251	35,183,822	1,053,100	65,518,589

Group	General fund £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total 2018 £
Fund balances at 31 December 2018 are represented by:					
Tangible fixed assets	—	20,660,633	5,495,446	—	26,156,079
Investments	5,573,645	—	24,000,000	—	29,573,645
Net current assets	133,547	—	90,263	808,977	1,032,787
Creditors: amounts falling due after one year	—	—	(912,469)	—	(912,469)
Total net assets	5,707,192	20,660,633	28,673,240	808,977	55,850,042

Charity	General fund £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total 2019 £
Fund balances at 31 December 2019 are represented by:					
Tangible fixed assets	—	21,231,251	—	—	21,231,251
Investments	8,039,707	—	30,000,000	—	38,039,707
Net current assets	10,709	—	—	1,035,592	1,046,301
Total net assets	8,050,416	21,231,251	30,000,000	1,035,592	60,317,259

26 Analysis of net assets between funds (continued)

Charity	General fund £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total 2018 £
Fund balances at 31 December 2018 are represented by:					
Tangible fixed assets	—	20,660,633	—	—	20,660,633
Investments	5,573,645	—	24,000,000	—	29,573,645
Net current assets	133,547	—	—	790,984	924,531
Total net assets	5,707,192	20,660,633	24,000,000	790,984	51,158,809

The total unrealised gains (losses) as at 31 December 2019 constitutes movements on revaluation and are as follows:

Group and charity	2019 £	2018 £
Unrealised gains included above:		
On tangible fixed assets *	7,311,696	7,438,550
On investment properties *	2,325,000	2,325,000
On listed investments	6,396,211	3,416,700
Total unrealised gains at 31 December 2019	16,032,907	13,180,250
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2019	13,180,250	15,674,778
Difference between historical cost realised gains/losses on listed investments and the actual realised gains/losses thereon calculated on the revalued amounts	89,458	(793,625)
Unrealised gains (losses) on listed investments arising in the year	2,890,053	(2,299,049)
Unrealised gains arising on investment properties in the year	—	725,000
Difference between the depreciation charge based on historic cost and that based on the deemed cost	(126,854)	(126,854)
Total unrealised gains at 31 December 2019	16,032,907	13,180,250

*Certain of the charity's freehold land and buildings were acquired many years ago and precise figures for the historical cost of some properties are not available. However, it is known that the original purchase price of those properties was insignificant in today's terms. Hence the cost of the land and buildings of those properties has been assumed to be £nil.

27 Salesian College Farnborough Limited

The trustees of the charity are also the trustees of Salesian College Farnborough Limited, a charitable company separately registered with the Charity Commission (Company Registration No. 06753037 (England and Wales) and Charity Registration No. 1130166). The charitable company was incorporated to undertake the activities of Salesian College Farnborough.

Notes to the accounts 31 December 2019

27 Salesian College Farnborough Limited (continued)

The following is a summary of the accounts of Salesian College Farnborough:

	31 December 2019 £	31 December 2018 £
Summary balance sheet		
Tangible fixed assets	5,237,337	5,495,446
Investments	800,000	—
Debtors	372,869	180,123
Cash at bank and in hand	1,273,475	1,477,270
Creditors: amounts falling due within one year	(1,666,220)	(1,475,544)
Creditors: amounts falling due after more than one year	(742,538)	(912,469)
Net assets and total funds	<u>5,274,923</u>	<u>4,764,826</u>
	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Summary of the statement of financial activities		
Total income	8,436,647	8,042,826
Total expenditure	(7,926,550)	(7,512,683)
Net movement in funds	510,097	530,143
Fund balances brought forward at 1 January 2019	4,764,826	4,234,683
Fund balances carried forward at 31 December 2019	<u>5,274,923</u>	<u>4,764,826</u>

28 Don Bosco Design & Build Limited

The charity owned 100% of the issued share capital of Don Bosco Design & Build Limited, a company incorporated in England and Wales (Company Registration No. 08380405 (England and Wales)). The company was formed to construct a community house in Battersea for the charity. The company ceased trading during the year to 31 December 2017 and was removed from the Register of Companies on 29 January 2019.

29 Connected charity

The Stacpoole Trust ("the Trust") (Charity Registration Number 1137378) is connected to the charity by virtue of the fact that it has a trustee in common. The objects of the Trust are to further the Roman Catholic Religion for the public benefit of the Diocese of Southwark.

30 Pension commitments

Teacher's Pension Scheme (TPS)

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

A copy of the latest valuation report can be found by following this link to the [Teachers' Pension Scheme website](#).

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

30 Pension commitments (continued)

Teacher's Pension Scheme (TPS) (continued)

Scheme Changes (continued)

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The amount charged to the group statement of financial activities for the year ending 31 December 2019 was £493,147 (2018 – £417,327). The total amount charged to the charity statement of financial activities was £nil (2018 – £nil).

Pension contributions in respect to other employees

Pension contributions are also made by the trustees under money purchase arrangements on behalf of other employees not employed by Salesian College Farnborough Limited. In addition, contributions are also made for employees of the Salesian College Farnborough Limited who are not members of the Teachers' Pension Scheme. Contributions payable in respect to the year ended 31 December 2019 and charged to the group statement of financial activities amounted to £94,592 (2018 – £81,742). Contributions payable charged to the charity statement of financial activities amounted to £35,042 (2018 – £34,102).

31 Leasing commitments

Operating leases

At 31 December 2019 the group and charity had total commitments under non-cancellable operating leases as follows:

Group	Motor vehicles and other	
	2019 £	2018 £
Operating lease commitments:		
Within one year	205,183	134,819
Within two to five years	288,217	108,574
	493,400	243,393

31 Leasing commitments (continued)

Charity	Motor vehicles	
	2019 £	2018 £
Operating lease commitments:		
Within one year	68,154	47,724
Within two to five years	174,333	—
	242,487	47,724

32 Contingent liability

A contingent liability arises in respect of potential claims against the charity concerning the welfare of children during the 1960s through to the 1980s. The amounts that may be involved cannot be fully quantified but are not expected to be material to the accounts.

33 Custodian funds

As at 31 December 2019 the charity held funds on behalf of members of other religious orders with a value of £338,232 (2018 – £35,880). As these funds are not controlled by the charity, these assets are not included in these accounts. The funds are held in separate bank accounts. At all times, funds held by the charity as custodian are segregated clearly from those belonging to the charity itself.

34 Related party transactions

Income from donations includes the salaries and pensions of the trustees of the Congregation received under Gift Aid or deed of covenant. During the year ended 31 December 2019, £79,329 (2018 – £133,527) was receivable by the charity, being pensions and salary income of the trustees donated to the charity.

There were no other related party transactions requiring disclosure in the year (2018 – none).

35 Ultimate control

The charity, which is constituted as a trust, was controlled throughout the period by the Society of the Salesians of Don Bosco by virtue of the fact that the General Council in Rome appoint the trustees after consultation with the members of the Province. The Society within the United Kingdom does not hold any assets, incur liabilities or enter into transactions in its own right. Assets and liabilities of the Congregation in the United Kingdom are vested in the trustees of the charity, who undertake all transactions entered into in the course of the Society's charitable activities in the United Kingdom.

36 Events since the year end

Property transactions

Subsequent to the 31 December 2019, the charity has disposed of a property situated in Cowley, Oxford for gross proceeds of £400,000. The property had a net book value at the balance sheet date of £42,000. The surplus over the net book value less costs of sale will be accounted for in the year ending 31 December 2020.

Covid-19

Since the year end, Covid-19 has had a wide-ranging global impact with long term damage likely to both the economy of the UK and most countries across the world. The potential impact on the charity and group is outlined above under principal accounting policies – assessment of going concern. In summary, whilst there will undoubtedly be challenges ahead because of the pandemic and its financial impact, the trustees do not expect material concerns to arise over the charity's financial position in the short or medium term. The charity and group have sufficient general and designated funds, and sufficient liquidity in the form of cash and listed investments, to enable them to weather the crisis and the trustees believe both the charity and the group are a going concern.