

Charity for St Joseph's Missionary Society (Generalate)

Report and Accounts

31 December 2015

England and Wales Charity registration number:

1148980

Company registration number

00487520

Keith Vaudrey & Co.

1st Floor

15 Young Street

London W8 EH

Charity for St Joseph's Missionary Society (Generalate)
Report and accounts
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Charity for St Joseph's Missionary Society (Generalate)
Legal and administrative information

Trustees

Rev Michael Corcoran MHM (Appointed 01/09/2015)
Rev Desmond McGillicuddy MHM (Appointed 01/09/2015)
Rev Anthony Chantry MHM (Retired 01/09/2015)
Rev Bernard Fox MHM (Retired 05/05/2016)
Bro John Smith MHM (Retired 01/09/2015)
Rev Thaddeus de Deckere MHM (Retired 01/09/2015)
Rev Andres Agreiter MHM (Retired 01/09/2015)
Rev Brendan Mullhall MHM (Retired 05/05/2016)
Bro Jos Boerkamp MHM
Rev Andrew Mukulu MHM (Appointed 01/05/2016)
Rev Jimmy Lindero MHM (Appointed 01/05/2016)

Principle address

St. Joseph's Parish
36 Cookham Road
Maidenhead
Berkshire
SL6 7EG

Charity registration numbers

Charity 1148980
Company 00487520

Auditors

Keith Vaudrey & Co.
15 Young Street
London W8 EH

Investment managers

Brewin Dolphin Limited
12 Smithfield Street
London EC1A 9BD

Bankers

Royal Bank of Scotland plc
62-63 Threadneedle Street
London
EC1A 9BD

Solicitors

Pothecary Witham Weld
70 St George's Square
London SW1V 3RD

Charity for St Joseph's Missionary Society (Generalate)

Trustees report

The Trustee presents the statutory report with the accounts of the Trusts for the year ended 31 December 2015

INTRODUCTION

St. Joseph's Society for Foreign Missions was founded in 1866 by Cardinal Herbert Vaughan at Mill Hill in London. The Society is an "international fellowship of Missionaries", dedicated to the work of evangelisation, to the building up of young Churches, and to the assisting of Churches in special need outside our home regions. Members of the Society are expected to leave their own country and culture and to be involved in pioneering areas of evangelisation. In December 2006 the Society's Generalate moved from Mill Hill to Maidenhead following the sale of St. Joseph's College in Mill Hill which traditionally had been the principal training centre of the Society. Because of its historical foundation the Society and its members are known as the Mill Hill Missionaries.

The Society is organised into three Missions: the Europe and North America Mission (comprising Great Britain, The Netherlands, Ireland, The United States, and the German Speaking Region, encompassing houses in Italy and Austria), the Africa Mission and the Asia Mission. Until recently it has drawn the majority of its members from Europe and North America. Today there are many candidates from East Africa, Cameroon, Congo, India and the Philippines.

It has Mission Areas in twelve countries - Kenya, Uganda, Sudan (temporarily suspended), Cameroon, Congo, South Africa, Pakistan, India, Malaysia, Philippines, Brazil, Indonesia, and a presence elsewhere in the world.

The company was incorporated on 20 October 1950, under a memorandum and articles of association, and registered as No.00487520. The Charity Commission gave charitable status to it on 17 September 2012 No.1148980. Until 31 December 2012 the company was dormant. It began its activities on 1 January 2013 when the Charity for St. Joseph's Missionary Society (British Region) trust (Charity Commission No. 220690 and the Scottish Charity Regulator No. SC039809) transferred assets to it. The statutory power of appointing trustees lies with the existing Trustees.

ORGANISATION

All the Directors/Trustees of the Charity for St Joseph's Society (Generalate) are Members of St Joseph's Missionary Society. The directors of the company are appointed jointly by the General Superior and Vicar General. The General Superior is the Chairman of the Board of Directors.

THE TRUSTEES

Rev Michael Corcoran MHM

Fr Corcoran has been a full member of the Society since January 1985. He was ordained in August 1985 and elected General Superior of the Society in 2015. Prior to being elected General Superior he was the Head of the Society's Irish Region

Rev Desmond McGillicuddy MHM

Fr McGillicuddy has been a full member of the Society since May 1974. He was ordained in June 1975 and elected to the General Council in June 2015. He was appointed as a Director/Trustee in September 2015. Prior to being elected to the General Council he was working on the Society's Mission in Brazil.

Rev Anthony Chantry MHM

Fr Chantry has been a full member of the Society since January 1981. He was ordained in September 1981 and elected General Superior of the Society in 2005. He was re-elected General Superior in 2010. Prior to being elected General Superior he was working on the Society's Mission in South Africa. Fr Chantry retired as General Superior in June 2015 and as a Director/Trustee of the Charity in September 2015.

Rev Bernard Fox MHM

Fr Fox has been a full member of the Society since November 1975. He was ordained in December 1976 and elected to the General Council as Vicar General in 2010. Prior to being elected to the General Council he was the Regional Head of the Society's British Region. Fr Fox retired as a member of the General Council in June 2015 and as a Director/Trustee of the Charity in May 2016

Charity for St Joseph's Missionary Society (Generalate)

Trustees report

Rev Brendan Mulhall MHM

Fr Mulhall has been a full member of the Society since May 1972. He was ordained in June 1973 and elected to the General Council in 2005. He was re-elected to the General Council in 2010. Prior to being elected to the General Council he was working on the Society's Mission in Pakistan. Fr Mulhall retired as a member of the General Council in June 2015 and as a Director/Trustee of the Charity in May 2016

Rev Thaddeus de Deckere MHM

Fr de Deckere has been a full member of the Society since October 1990. He was ordained in September 1991 and elected to the General Council in 2010. Prior to being elected to the General Council he was the Rector of the Society's Formation House in Pargi India. Fr De Deckere retired from the General Council in June 2015 and as a Director/Trustee of the Charity in September 2015

Bro Jos Boerkamp MHM

Brother Boerkamp has been a full member of the Society since March 1976. He was elected to the General Council of the Society as Councillor for Finance in 2000 and re-elected for a second term in 2005. He retired from the General Council in 2010 and has been appointed Financial Secretary in July 2010. Prior to being elected to the General Council he was working on the Society's Mission in Kenya.

Bro John Smith MHM

Bro Smith has been a full member of the Society since December 1971. He was appointed as a Trustee in 2007. He was formerly the Rector of the Society's House in Maidenhead and is now living in retirement at the Society's House in Formby. Bro Smith retired as a Director/Trustee of the Charity in September 2015.

Rev Andreas Agreiter MHM

Fr Agreiter has been a full member of the Society since November 1989. He was ordained in June 1990. He was appointed as a Trustee in 2010. He was formerly the Secretary General of the Society and is now living in the Society's House in Absam in Austria. Fr Agreiter retired as a Director/Trustee of the Charity in September 2015.

Fr Andrew Mukulu MHM

Fr Mukulu has been a full Member of the Society since December 1997. He was ordained in August 1998 and elected to the General Council in June 2015. He was appointed as a Director/Trustee in May 2016. Prior to being elected to the General Council he was Rector of the Society's Formation House in the Cameroon

Rev Jimmy Lindero

Fr Lindero has been a full Member of the Society since October 2006. He was ordained in April 2007 and elected to the General Council in June 2015. He was appointed as a Director/Trustee in May 2016. Prior to being elected to the General Council he was working in the Society's mission in Pakistan.

PRINCIPAL ACTIVITIES AND AIMS

The principal objectives of the Society as stated in the trust deed are:-

Such charitable purposes that advance the religious and other charitable work of the Society including:

1. The promotion, maintenance & support of the Society & its members including the education of those members
2. The relief of poverty and
3. The advancement of the Roman Catholic Religion

The Trustees may use the capital and the income of the Charity in promoting the Objects.

These objectives clearly state the aims of the Society.

Charity for St Joseph's Missionary Society (Generalate)

Trustees report

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

Under charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements for each financial year which show a true and fair view of the state of affairs of the charity and of the excess of income over expenditure for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The trustees are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

PUBLIC BENEFIT

The Trustees have consulted the guidance made available by the Charity Commission for England and Wales on the Public Benefit requirement of the Charities Act.

The Trustees are confident that they have complied with their duty under the Charities Act in that they have had due regard to public benefit guidance published by the Commission. In furtherance of the trusts charitable purposes for the public benefit the trustees give details of their activities in the following paragraphs.

REVIEW OF 2015

This is the Third Annual Trustees Report and Accounts of the Charity for St Joseph's Missionary Society (Generalate). The Charity was formerly part of St Joseph's Society for Foreign Missions (Registered Charity No 220690 and SC039809) which comprised the Generalate (also known as the Central Society) and its British Region. Following a strategic review it was decided to separate the Generalate and the British Region into two Charities and this was given effect to in March 2012 with the former Charity "St Joseph's Society for Foreign Missions" being renamed "Charity for St Joseph's Missionary Society (British Region)" and "Charity For St Joseph's Missionary Society (Generalate)" being created and registered with The Charity Commission (No 1148980). Although the two Charities are focussing on different aspects of the Society's work they continue to work together closely

The major focus of the Generalate Society's work during the first half of the year was on preparation for the five yearly Chapter to be held in Chigwell in Essex in June 2015. Representatives of the Society's Members come together to elect a new General Council and to decide the Society's objectives and strategy for the next five years. As all the current members of the General Council were retiring, four new members were elected to replace them. These included for the first time two nationals from countries which are in the Society's Mission Areas Uganda and Philippines. This seemed a very appropriate development as the Society approaches in 2016 the 150th Anniversary of its foundation (see later).

Charity for St Joseph's Missionary Society (Generalate)

Trustees report

The Society sees as one of its principal tasks the Formation or education and training of new members to serve the people in the missionary countries in which it works. To this end it has during the past few years expanded the Formation programmes in a number of those countries and this has resulted in a good number of candidates from those countries applying and being accepted for these programmes. To meet this expansion the Society has been building or expanding its houses of Formation in these countries. A new Formation building under construction in India during 2015 will accommodate 40 students and their formators. As a result of this work there has been a steady stream of ordinations during the past few years and this was continued in 2015 with 5 students being ordained to the priesthood and 10 students being ordained deacons.

As mentioned above, the Society will be celebrating the 150 years Jubilee of its foundation in 2016 and planning and preparations were begun to mark the occasion suitably. A publication about the history and work of the Society was commissioned and there will be a Solemn Celebration of the Eucharist at Westminster Cathedral on 19th March 2016 (St Joseph's Feast Day) at which Cardinal Nichols will preside. The Society has however decided not to hold a reception afterwards but to donate the funds to the Jesuit Refugee Service in the light of the refugee crisis affecting Western Europe in the Summer of 2015 and in response to Pope Francis's appeal. There will also be a World Mission Conference at Heythrop College University of London. The General Council also encouraged the Society's Regions and Groups to plan to hold appropriate local events to mark the occasion.

Following the completion of the refurbishment of the Rome procure and its reopening and the appointment of a new Rector the Society has been planning its new role and also consulting about obtaining the appropriate charitable status for it in Italy.

Although the UK's economic growth slowed during 2015, the Society's investments performed better on average than the appropriate benchmarks. The Society keeps in close touch with its investment advisers both here and in the USA and meets with them annually to review performance.

The Society's members continued to work during the year in areas of deprivation and suffering of the countries in which their missions are based. An example of this in 2015 has been in Karamoja in North East Uganda where the Society has two parishes. This area has been experiencing a severe drought and famine and the two parishes have been in the forefront of alleviating the suffering of the people through food distribution. This work has been very generously supported by donations by SPICMA (Reg Charity No 270794), a Charity set up by the family and friends of a Mill Hill Member.

In the Autumn of 2015 the newly elected Members of the Society's General Council commenced visiting members in the Mission Areas so as to familiarise themselves with their various situations and problems. They have also been liaising with the Society's Regions in Europe and North America and with other church bodies.

The Society made a loss of £1,047,353 over the year. This was mainly due to the fact that it only made a very small unrealised net gain (£63,327) on its investments as compared with the previous year gain of £1,115,591. However as these investments are held for the long term it is hoped that improvements in the economy will produce a return to increased gains in the future. The Trustees are therefore satisfied with the results for the year.

The Society achieved all the objectives it set itself in 2015.

Future Developments

In addition to the continuation of its current activities a number of specific projects are envisaged:

- 1) Events to mark the Society's 150th Jubilee Celebrations of its founding.
- 2) A "World Mission Conference" at Heythrop College in October 2016
- 3) Completion and opening of the new building for the Society's Formation Centre in India.
- 4) Approval and printing of the Society's Constitution and Directives following the changes made by the Chapter 2015

Charity for St Joseph's Missionary Society (Generalate)
Trustees report

RESERVES POLICY

Where appropriate, individual funds and reserves have been discussed in the Review of 2015. The Trustees are however very conscious of the commitment of the Society to continue its work in the future and the need to safeguard resources, especially with the increase of members nearing retirement age, and the majority of the younger members hailing from the Third World. The General Council has also been reviewing with its advisors whether the designated funds it has created continue to be the most appropriate use of this money.

INVESTMENT POLICY

The investment policy of the Society is to receive dividends from investments, made broadly on an ethical basis, so that the aims of the Society can be achieved. Our advisors have the instruction to follow the policy of 'safe' rather than 'speculative' investments.

RISK ASSESMENT

The Trustees keep under review the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust. To this end it is in constant communication with its investment advisors both here and in the USA and holds an annual review meeting with them. It has recently been discussing with them changing the emphasis of its investments from capital growth to income producing.

The Trustees also review annually with the Society's Insurance Brokers its liabilities and the appropriateness and amounts of its Insurance cover. It is also reviewing the insurance of its Houses in its mission areas.

As a substantial source of income to the Society for its missionary work is the fundraising arrangement with "Missio" (Reg Charity No 1056651) the Society regularly liaises with Missio and the Society's British Region (Reg Charity No 220690 and SC039809) who collect the money on its behalf and monitors the income.

As the Society's Accountant was intending to retire in 2016, a recruitment campaign was commenced in the Autumn of 2015 for a replacement to ensure that there would be an adequate period for the handover.

THE CHARITY'S ASSETS

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the accounts.

Signed on behalf of the Trustees:

Michael Corcoran

Trustee

Approved by the Trustees on: 28 September 2016

Charity for St Joseph's Missionary Society (Generalate)
Auditors' Report

Independent auditors' report to the Trustees of the Charity for St Joseph's Missionary Society (British Region)

We have audited the accounts of the Charity for St Joseph's Missionary Society (Generalate) for the year ended 31 December 2015 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Trustees, as a body. Our audit work has been undertaken so that we might state to the 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.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 5 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than with the Companies Act 2006. Accordingly we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2015 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustees Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion:-

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements 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.

Keith Vaudrey & Co
Chartered Accountants and Statutory Auditors
1st Floor
15 Young Street
London W8 5EH

28 September 2016

Keith, Vaudrey & Co is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Charity for St Joseph's Missionary Society (Generalate)
Statement of financial activities (incorporating an income and expenditure account)
for the year ended 31 December 2015

| | | Unrestricted funds | | | | | Unrestricted funds | | |
|---|-------|--------------------|------------------|------------------|-------------|------------|--------------------|------------------|------------------|
| | Notes | General fund | Designated funds | Restricted funds | 2015 | 2014 | General fund | Designated funds | Restricted funds |
| | | £ | £ | | £ | £ | £ | £ | |
| Income | | | | | | | | | |
| Voluntary income | | | | | | | | | |
| Appeals, donations and legacies | 1 | 1,214,827 | - | 49,482 | 1,264,309 | 998,487 | 944,851 | - | 53,636 |
| Salaries, stipends and pensions | | 12,966 | - | - | 12,966 | 8,481 | 8,481 | - | - |
| Masses said | | 5,683 | - | - | 5,683 | 9,180 | 9,180 | - | - |
| Contribution from overseas regions | | - | 352,402 | - | 352,402 | 1,044,215 | - | 604,215 | 440,000 |
| Investment income | | | | | | | | | |
| Dividend and interest | 2 | 678,734 | 270,800 | 18,806 | 968,340 | 1,037,317 | 759,011 | 277,793 | 513 |
| Other income | | | | | | | | | |
| Miscellaneous income | | 650 | - | - | 650 | 830 | 830 | - | - |
| Total income | | 1,912,860 | 623,202 | 68,288 | 2,604,350 | 3,098,510 | 1,722,353 | 882,008 | 494,149 |
| Expenditure | | | | | | | | | |
| Raising funds | | | | | | | | | |
| Fundraising | 3 | 8,173 | - | - | 8,173 | 5,481 | 5,481 | - | - |
| Investment manager fees | | 93,403 | 31,093 | 1,831 | 126,327 | 119,175 | 90,824 | 28,351 | - |
| Charitable activities | | | | | | | | | |
| Pastoral activities | | | | | | | | | |
| Upkeep of communities | 4 | 313,730 | - | - | 313,730 | 361,794 | 361,794 | - | - |
| Formation and training | 4 | 213,839 | 419,469 | 43,883 | 677,191 | 740,458 | 255,116 | 441,459 | 43,883 |
| Support of Missions and Society | | 887,081 | 1,166,656 | 23,500 | 2,077,237 | 2,260,706 | 1,796,952 | 369,696 | 94,058 |
| Contribution to British region | | 150,000 | - | - | 150,000 | 200,000 | 200,000 | - | - |
| Generalate costs | | 207,732 | - | - | 207,732 | 167,153 | 167,153 | - | - |
| Management and administration | 5 | 143,179 | - | - | 143,179 | 124,289 | 124,289 | - | - |
| Governance costs | 6 | 11,460 | - | - | 11,460 | 10,600 | 10,600 | - | - |
| Total expenditure | | 2,028,597 | 1,617,218 | 69,214 | 3,715,029 | 3,989,656 | 3,012,209 | 839,506 | 137,941 |
| Net gains (losses) on investments | 9 | 85,376 | (22,714) | 665 | 63,327 | 1,115,591 | 836,629 | 278,687 | 275 |
| Net income (expenditure) before transfers | | (30,361) | (1,016,730) | (261) | (1,047,352) | 224,445 | (453,227) | 321,189 | 356,483 |
| Transfers between funds | | (727,452) | 721,890 | 5,562 | - | - | (389,871) | 441,459 | (51,588) |
| Net income (expenditure) | | (757,813) | (294,840) | 5,301 | (1,047,352) | 224,445 | (843,098) | 762,648 | 304,895 |
| Surplus on sale of fixed assets | | - | - | - | - | - | - | - | - |
| Net movement in funds | | (757,813) | (294,840) | 5,301 | (1,047,352) | 224,445 | (843,098) | 762,648 | 304,895 |
| Balances brought forward 1 January | | 21,495,369 | 16,480,607 | 473,878 | 38,449,854 | 38,225,409 | 22,338,467 | 15,717,959 | 168,983 |
| Balances carried forward 31 December | | 20,737,556 | 16,185,767 | 479,179 | 37,402,502 | 38,449,854 | 21,495,369 | 16,480,607 | 473,878 |

Statement of total recognised gains and losses

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

Charity for St Joseph's Missionary Society (Generalate)
Balance Sheet
as at 31 December 2015

| | Notes | 2015 £ | 2014 £ |
|---|--------------|--------------------------|--------------------------|
| Fixed assets | | | |
| Tangible assets | 8 | 5,494,726 | 5,499,925 |
| Investments at market value | 9 | 31,484,441 | 32,458,233 |
| Tangaza College | 9 | 136,270 | 136,270 |
| | | <u>37,115,437</u> | <u>38,094,428</u> |
| Current assets | | | |
| Debtors | 10 | 502,766 | 174,284 |
| Cash at bank and in hand | | <u>1,374,895</u> | <u>1,493,302</u> |
| | | 1,877,661 | 1,667,586 |
| Creditors: amounts falling due within one year | | | |
| Sundry creditors | 11 | <u>1,590,596</u> | <u>1,312,160</u> |
| | | 287,065 | 355,426 |
| Total assets less current liabilities | | <u>37,402,502</u> | <u>38,449,854</u> |
| | | <u><u>37,402,502</u></u> | <u><u>38,449,854</u></u> |
| Represented by: | | | |
| Funds and reserves | | | |
| General funds | | 20,737,556 | 21,495,369 |
| Designated funds | 12 | <u>16,185,767</u> | <u>16,480,607</u> |
| | | 36,923,323 | 37,975,976 |
| Restricted funds | 13 | <u>479,179</u> | <u>473,878</u> |
| | | <u><u>37,402,502</u></u> | <u><u>38,449,854</u></u> |

Approved by the Trustees
and signed on their behalf

Michael Corcoran

Trustee

Approved by the Trustees on: 28 September 2016

Charity for St Joseph's Missionary Society (Generalate)
Statement of cash flows
for the year ended 31 December 2015

| | Note | 2015 £ | 2014 £ |
|---|----------|---------------------------|---------------------------|
| Cash generated in operating activities | A | <u>(2,123,866)</u> | <u>(2,787,928)</u> |
| Cash flows from investing activities | | | |
| Investment income | | 968,340 | 1,037,317 |
| Proceeds of investment sales | | 3,849,467 | 3,747,266 |
| Purchases of investments | | (3,986,007) | (4,335,755) |
| Purchase of fixed assets | | - | - |
| Cash provided (used) in investing activities | | <u>831,800</u> | <u>448,828</u> |
| | | | |
| Increase in cash and cash equivalents in year | | <u>(1,292,066)</u> | <u>(2,339,100)</u> |
| | | | |
| Movement in year | | | |
| (Decrease) increase in cash at bank and in hand | | (118,407) | (2,053,039) |
| (Decrease) increase in cash held by investment managers for re-investment | | 46,566 | 125,682 |
| (Decrease) increase in bonds and deposits held | | <u>(1,220,225)</u> | <u>(411,743)</u> |
| | | <u>(1,292,066)</u> | <u>(2,339,100)</u> |

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

| | 2015 £ | 2014 £ |
|---|--------------------|--------------------|
| Net income (expenditure) | (1,047,352) | 224,445 |
| Deduct investment income | (968,340) | (1,037,317) |
| Add depreciation | 5,199 | 8,580 |
| Profit on sale of assets | - | - |
| Add/(deduct) net movement on investments. | (63,327) | (1,115,591) |
| Increase (decrease) in creditors | 278,436 | (799,375) |
| (Increase) decrease in debtors | <u>(328,482)</u> | <u>(68,670)</u> |
| | <u>(2,123,866)</u> | <u>(2,787,928)</u> |

Charity for St Joseph's Missionary Society (Generalate)
Principal Accounting policies
for the year ended 31 December 2015

1 Basis of preparation and assessment of going concern

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balances and net income/(expenditure) for the year is provided with the net income/(expenditure) under previous GAAP adjusted for the presentation of investment gains/(losses) as a component of reported income.

Reconciliation of reported net income

| | |
|---|------------------|
| Net income/(expenditure) as previously stated | (891,146) |
| Adjustment for gains/(losses) on investments now treated as a component of net income | <u>1,115,591</u> |
| 2014 net income as restated | <u>224,445</u> |

3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Donations, are recognised when the Trust has been notified in writing of both the amount and settlement date.

Legacies are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date.

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.

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The cost of generating funds includes the fees paid to investment managers in respect of the management of the charity's investment portfolios.

Expenditure on charitable activities comprises direct expenses incurred on the defined charitable purposes of the charity and includes staff costs attributable to the activity.

Governance costs comprise of expenditure on compliance with and advice on constitutional and statutory matters.

As all expenditure can be attributed to specific categories no apportionment between heading has been necessary. Irrecoverable VAT is included in the items of expenditure to which it relates.

Charity for St Joseph's Missionary Society (Generalate)
Principal Accounting policies
for the year ended 31 December 2015

4 Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

5 Tangible fixed assets

Freehold land and buildings are included at a valuation based either on a value estimated by the trustees or on historical cost. The Trustees do not consider that the expense of a professional valuation in order to ascertain the separate values of the land and buildings is justified.

The buildings are in constant use in furtherance of the charitable objectives and are maintained to standards that ensure that their residual value is not less than the book value. Buildings are not depreciated, for reason stated, they have a very long useful economic life such that annual depreciation would be immaterial.

All assets costing more than £1,000 and with an expected life of more than one year are capitalised. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant, equipment, fixtures and fittings 20%

Motor vehicles 25% on cost

After five years plant, equipment, fixtures and fittings with a net book value of nil are written out of the accounts as in the opinion of the Trustees such assets have a negligible residual value.

6 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

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

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.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

8 Fund accounting

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

The designated funds are monies set aside out of general funds and designated for specific purposes by the Trustees.

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objectives. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There is a single restricted fund, the APF - Mill Hill, restricted to the collection of money which is to be used for the support of missionary work and society, and within the objects of the Generalate the net income of this fund is paid over to St Joseph's Missionary Society (Generalate) on an annual basis.

Charity for St Joseph's Missionary Society (Generalate)
Principal Accounting policies
for the year ended 31 December 2015

9 Taxation

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

10 Pensions

Employees of the Trust are entitled to join the National Employment Savings Trust (NEST), a defined contribution plan under which the Trust pays fixed contributions to a separate entity. The Trust has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

Charity for St Joseph's Missionary Society (Generalate)

Notes to the Accounts

for the year ended 31 December 2015

| | General fund | Designated fund | Restricted fund | 2015 | 2014 | General fund | Designated fund | Restricted fund |
|--|--------------|-----------------|-----------------|-----------|------------------------------------|-----------------------|--------------------------------|-----------------|
| | £ | £ | | £ | £ | £ | £ | £ |
| 1 Appeals, donations and legacies | | | | | | | | |
| Appeals and donations | 104,619 | | 49,482 | 154,101 | 154,930 | 101,294 | - | 53,636 |
| British region - APF and legacies | 760,904 | - | | 760,904 | 833,345 | 833,345 | - | - |
| Legacies | 349,304 | - | - | 349,304 | 10,212 | 10,212 | - | - |
| | 1,214,827 | - | 49,482 | 1,264,309 | 998,487 | 944,851 | - | 53,636 |
| 2 Investment income and interest receivable | | | | | | | | |
| Income from investments | 606,342 | 270,800 | 18,806 | 895,948 | 945,524 | 667,218 | 277,793 | 513 |
| Bank and other interest | 5,000 | - | - | 5,000 | 28,698 | 28,698 | - | - |
| Rents (net of costs) | 67,392 | - | - | 67,392 | 63,095 | 63,095 | - | - |
| | 678,734 | 270,800 | 18,806 | 968,340 | 1,037,317 | 759,011 | 277,793 | 513 |
| 3 Raising funds | | | | | | | | |
| Fundraising | | | | | | | | |
| Fundraising other | 8,173 | - | - | 8,173 | 5,481 | 5,481 | - | - |
| | 8,173 | - | - | 8,173 | 5,481 | 5,481 | - | - |
| 4 Pastoral activities | | | | | | | | |
| Upkeep of Communities | | | | | | | | |
| Premises | 113,610 | - | - | 113,610 | 84,646 | 84,646 | - | - |
| Community and personal | 200,120 | - | - | 200,120 | 277,148 | 277,148 | - | - |
| | 313,730 | - | | 313,730 | 361,794 | 361,794 | - | |
| Formation and training | | | | | | | | |
| Mission experience programme | 71,572 | - | - | 71,572 | 68,759 | 68,759 | - | - |
| Initial formation | 17,987 | 419,469 | 43,883 | 481,339 | 518,981 | 33,639 | 441,459 | 43,883 |
| African and Asian formation and recruitment | 46,148 | - | - | 46,148 | 44,880 | 44,880 | - | - |
| Ongoing formation | 78,132 | - | - | 78,132 | 107,838 | 107,838 | - | - |
| | 213,839 | 419,469 | 43,883 | 677,191 | 740,458 | 255,116 | 441,459 | 43,883 |
| 5 Pastoral activities | | | | | | | | |
| Management and administration | | | | | | | | |
| Staff | 80,034 | - | - | 80,034 | 75,471 | 75,471 | - | - |
| Central administrative costs | 44,018 | - | - | 44,018 | 20,453 | 20,453 | - | - |
| Professional fees | 13,928 | - | - | 13,928 | 17,610 | 17,610 | - | - |
| Exchange losses | - | - | - | - | 2,175 | 2,175 | - | - |
| Depreciation | 5,199 | - | - | 5,199 | 8,580 | 8,580 | - | - |
| | 143,179 | - | - | 143,179 | 124,289 | 124,289 | - | - |
| 6 Governance costs | | | | | | | | |
| Audit fee | 7,500 | - | - | 7,500 | 7,500 | 7,500 | - | - |
| Accounting and advice | 3,960 | - | - | 3,960 | 3,100 | 3,100 | - | - |
| | 11,460 | - | - | 11,460 | 10,600 | 10,600 | - | - |
| 7 Staff costs | | | | | | | 2015 | 2014 |
| | | | | | | | £ | £ |
| Staff costs during the year were as follows: | | | | | | | | |
| Wages and salaries | | | | | | | 77,929 | 95,900 |
| Social security costs | | | | | | | 8,782 | 7,759 |
| Pension costs | | | | | | | - | - |
| | | | | | | | 86,711 | 103,659 |
| No employee earned more than £60,000 per annum (including benefits) during the year or in the previous year. | | | | | | | | |
| The average number of employees, analysed by function was: | | | | | | | | |
| Administrative and fundraising | | | | | | | 2 | 2 |
| Domestic, nursing and catering | | | | | | | 1 | 2 |
| Total | | | | | | | 3 | 4 |
| 8 Tangible fixed assets | | | | | | | | |
| | | | | | Freehold land and buildings | Motor vehicles | Furniture and equipment | Total |
| | | | | | £ | £ | £ | £ |
| Cost | | | | | | | | |
| At 1 January 2015 | | | | | 5,492,011 | 40,578 | 20,837 | 5,553,426 |
| Additions | | | | | - | - | - | - |
| Disposals | | | | | - | - | - | - |
| At 31 December 2015 | | | | | 5,492,011 | 40,578 | 20,837 | 5,553,426 |
| Depreciation | | | | | | | | |
| At 1 January 2015 | | | | | - | 37,245 | 16,256 | 53,501 |
| Charge for the year | | | | | - | 1,999 | 3,200 | 5,199 |
| On disposals | | | | | - | - | - | - |
| At 31 December 2015 | | | | | - | 39,244 | 19,456 | 58,700 |
| Net book value | | | | | | | | |
| At 31 December 2015 | | | | | 5,492,011 | 1,334 | 1,381 | 5,494,726 |
| At 31 December 2014 | | | | | 5,492,011 | 3,333 | 4,581 | 5,499,925 |
| | | | | | | | 2015 | 2014 |

Charity for St Joseph's Missionary Society (Generalate)

Notes to the Accounts

for the year ended 31 December 2015

| | £ | £ |
|--|-------------|-------------|
| 9 Investments | | |
| Market value at 1 January 2015 | 25,217,125 | 23,513,045 |
| Additions at cost | 3,986,007 | 4,335,755 |
| Sale proceeds from disposals | (3,849,467) | (3,747,266) |
| Net gain (loss) in year | 63,327 | 1,115,591 |
| Market value at 31 December 2015 | 25,416,992 | 25,217,125 |
| Cash held by investment managers for re-investment | 660,224 | 613,658 |
| Bonds and deposits | 4,027,225 | 5,247,450 |
| | 30,104,441 | 31,078,233 |
| Investment property | 1,380,000 | 1,380,000 |
| | 31,484,441 | 32,458,233 |
| Cost of listed investments at 31 December 2015 | 21,785,173 | 21,074,270 |

Tangaza College

The charity has contributed £136,260 to become a corporate member of Tangaza College (Catholic University of East Africa) an institution used by the order for the training and education of candidates for the priesthood.

| | | |
|----------------------|-------------|-------------|
| 10 Debtors | 2015 | 2014 |
| | £ | £ |
| Taxation recoverable | 6,073 | 7,276 |
| Sundry debtors | 213,811 | 107,203 |
| Legacies | 282,882 | 59,805 |
| | 502,766 | 174,284 |

| | | |
|--|-------------|-------------|
| 11 Creditors: amounts falling due within one year | 2015 | 2014 |
| | £ | £ |
| Sundry and expense creditors | 32,429 | 35,289 |
| Accruals | 31,349 | 14,842 |
| Held for Missions and Missionaries | 1,516,377 | 1,244,113 |
| Mass stipends | 10,441 | 17,916 |
| | 1,590,596 | 1,312,160 |

12 Designated funds

The income fund of the Charity includes the following designated funds, which have been set aside out of unrestricted funds by the Trustees for specific purposes:

| | At 1 January 2015 | Transfers | Incoming resources | Utilised/ realised | At 31 December 2015 |
|---------------------------|----------------------|-----------|-----------------------|-----------------------|---------------------------|
| | £ | | £ | £ | £ |
| Capital | 5,492,011 | - | - | - | 5,492,011 |
| Maintenance | 228,306 | - | - | - | 228,306 |
| African/Asisan Candidates | 3,826,367 | 419,469 | 104,675 | (445,456) | 3,905,055 |
| New Regions | 6,521,994 | - | 166,124 | (127,723) | 6,560,395 |
| Mission | 411,929 | 302,421 | 352,402 | (1,066,752) | - |
| | 16,480,607 | 721,890 | 623,201 | (1,639,931) | 16,185,767 |

13 Restricted fund

| | At 1 January 2015 | Income | Expenditure | At 31 December 2015 |
|------------------------|----------------------|--------|-------------|---------------------------|
| | £ | £ | £ | £ |
| Fent travel | 27,735 | 5,599 | (3,500) | 29,834 |
| Ward Memorial | 26,911 | - | - | 26,911 |
| Burse | - | 43,883 | (43,883) | - |
| New Members Retirement | 404,794 | 19,471 | (1,831) | 422,434 |
| Capital works | 14,438 | 5,562 | (20,000) | - |
| | 473,878 | 74,515 | (69,214) | 479,179 |

The Fent tavel fund represents money received for the purchase of transport in Mission areas.

The Ward Memorial Fund represents money left to the Society for non-administrative projects.

The Burse Fund represents money received from the United States to fund student education.

The New Members Retirement fund represents monies received for the provision of funding for members joining the Society in what were Mission areas.

The capital works fund represents money received to fund capital projects in the mission areas.

Charity for St Joseph's Missionary Society (Generalate)

Notes to the Accounts

for the year ended 31 December 2015

14 Analysis of net assets between funds

| | General fund | Designated fund | Restricted fund | 2015 | 2014 | fund | fund | fund |
|--|-------------------|-------------------|-----------------|-------------------|-------------------|-------------------|-------------------|----------------|
| | £ | £ | | £ | £ | £ | £ | £ |
| Fund balances at 31 December 2015 are represented by: | | | | | | | | |
| Fixed assets | | | | | | | | |
| Tangible assets | 2,715 | 5,492,011 | - | 5,494,726 | 5,499,925 | 7,914 | 5,492,011 | - |
| Investments | 22,313,528 | 8,759,136 | 411,777 | 31,484,441 | 32,458,233 | 23,163,704 | 8,893,741 | 400,788 |
| Tangaza College | 136,270 | - | - | 136,270 | 136,270 | 136,270 | - | - |
| | <u>22,452,513</u> | <u>14,251,147</u> | <u>411,777</u> | <u>37,115,437</u> | <u>38,094,428</u> | <u>23,307,888</u> | <u>14,385,752</u> | <u>400,788</u> |
| Current assets | 502,762 | 1,307,497 | 67,402 | 1,877,661 | 1,667,586 | 472,561 | 1,121,935 | 73,090 |
| Balances between funds | (627,123) | 627,123 | | | - | (972,920) | 972,920 | |
| Creditors: amounts falling due within one year | (1,590,596) | - | - | (1,590,596) | (1,312,160) | (1,312,160) | - | - |
| | <u>20,737,556</u> | <u>16,185,767</u> | <u>479,179</u> | <u>37,402,502</u> | <u>38,449,854</u> | <u>21,495,369</u> | <u>16,480,607</u> | <u>473,878</u> |

15 Charity for St Joseph's Missionary Society (British Region)

During the year the Charity for St Joseph's Missionary Society (British Region) paid over £960,904 (2014 £833,345) for the Generalate's mission activities and received a subsidy towards retirement costs of £150,000.