

**Charity for St Joseph's Missionary Society (Generalate)**

**Report and Accounts**

**31 December 2016**

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 Bernard Fox MHM (Retired 05/05/2016)  
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 Centre  
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 Trustees presents the statutory report with the accounts of the Trust for the year ended 31 December 2016.

#### **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 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

##### **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

## **Charity for St Joseph's Missionary Society (Generalate)**

### **Trustees report**

#### **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 and Uganda.

#### **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.

### **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.

## **Charity for St Joseph's Missionary Society (Generalate)**

### **Trustees report**

#### **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 2016**

2016 marked the 150th Jubilee of the founding of St Joseph's Missionary Society/The Mill Hill Missionaries by Cardinal Vaughan in 1866. The Society celebrated the Jubilee with a Solemn Celebration of the Eucharist at Westminster Cathedral on 19th March 2016, the Feast of St Joseph, the Society's patron, at which Cardinal Vincent Nichols, Archbishop of Westminster presided. The Eucharist was attended by two thousand people. The Society decided not to have a reception afterwards but to donate the funds to the Jesuit Refugee Service in the light of the refugee crisis affecting Western Europe and in response to Pope Francis's appeal. The Society also published a book about its history and work and held a World Mission Conference at Heythrop College, University of London, at which Fr Robert O'Neil MHM, who has written a biography of Cardinal Vaughan, gave a lecture on his life and the lessons to be drawn from it for today. Events to mark the Jubilee were also held in many other countries and mission areas where the Society works.

The Society continues to see the formation of candidates for ordination to the priesthood as a major focus of its work. So 2016 saw the official opening and blessing of the newly constructed 2nd Cycle Formation House in Pune, India on 17th March 2016. The house will accommodate 40 students and formators. Its opening underlines the Society's commitment and investment in the formation of candidates from the mission areas in which it works. This has resulted in a steady stream of candidates being ordained and becoming members of the Society. In 2016 there were 10 ordinations to the priesthood and 6 to the diaconate from the various mission areas.

Unfortunately at the same time the Society has had to also review its formation programme in the Congo due to its remoteness and the unstable security conditions where it was situated and reluctantly decided to close it. It will look to find a more suitable place for it to restart there in the future.

A further aspect of the steady flow of candidates from its mission areas being ordained over the years is that, with the decline in the number of European and North American Members of the Society able to serve on the missions due to old age and retirement, the Members from the mission areas are increasingly taking up leadership roles in the Society as is evidenced by two members of the General Council being from mission countries. The Society has therefore been consulting with its advisers about how best to utilise its investments to give the mission areas more financial security and ability to manage their own affairs.

The Society receives a substantial amount of its funding for its mission work from its joint fundraising appeals with Missio (Reg Charity No: 1056651) so it was very pleased to hear that its former General Superior, Fr Tony Chantry MHM, had been appointed by the Holy See as its new National Director for England and Wales thus ensuring even greater cooperation and development of this arrangement. The appeals are managed on behalf of the Society by its British Region (Reg Charity No: 220690 and SC039809). The Society has also received substantial donations for its general missionary work from its Irish and North American Regions as well as donations for specific projects from all its regions. It also received a substantial donation from the Diocese of Wrexham from a legacy left to the Diocese for missionary work.

As mentioned above many of the Society's European and North American members are retired or approaching retirement so the Society decided to restart their Seminars for Members over 65 to help them adapt to this stage in their life. The next one will be held in Rome in September 2017 and preparations for it were begun during the year.

## **Charity for St Joseph's Missionary Society (Generalate)**

### **Trustees report**

Traditionally missionary work has been seen mainly as a service from western countries to countries in the third world. However it is becoming increasingly recognised that conditions requiring missionary work also exist in many parts of western countries. The Society is keen to participate in this work and some initiatives working with seamen and migrants have already been undertaken in the Netherlands. The Society is also discussing with the Archdiocese of New York about working with migrants in a Parish there and the British Region is considering taking on a parish in a challenging missionary setting in England.

As the Society is an international organisation, the decision of the UK in the referendum of June 2016 to leave the European Union is likely to have a considerable impact on the way it operates and it will therefore be planning how to cope with these effects as the terms of exit become clearer over the next few years.

The Society's members continue to work in many poor and deprived parts of the world providing religious and humanitarian services and are visited regularly by members of the General Council. The General Council also keeps in contact with them through modern means of communication. The General Council also liaises with the Society's Regions in Europe and North America and with other church bodies.

The Society's main UK investments performed well during the year although slightly below the relevant benchmark. The reason for this is that the portfolios are focused on income production rather than growth. The Society keeps in close touch with its investment advisers both in the UK and the USA and meets with them annually to review performance.

The Society made a surplus on its operating budget of £712,449 over the year and this was further increased by an unrealised net gain of £3,383,174 on its investments giving a total surplus for the year of £4,095,623. The Trustees are therefore satisfied with the results for the year.

The Society achieved all the objectives it set itself in 2016.

### **Future Developments**

- 1) Seminar in Rome September 2017 for Members over 65 on adapting to retirement
- 2) Workshops on Project Writing and Fundraising for Mission Projects.
- 3) Feasibility Study on restarting the Congo Formation Programme in Kinshasa.
- 4) Plan for a future Mission in Cambodia.

### **RESERVES POLICY**

Where appropriate, individual funds and reserves have been discussed in the Review of 2016. 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.

## **Charity for St Joseph's Missionary Society (Generalate)**

### **Trustees report**

#### **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.

#### **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: 21 September 2017



## **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 (Generalate)**

We have audited the accounts of the Charity for St Joseph's Missionary Society (Generalate) for the year ended 31 December 2016 which comprise the Profit and Loss Account, the Balance Sheet, Statement of cash flows 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 2016 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.

#### **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 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

21 September 2017

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 2016**

	Note	Unrestricted funds			2016 £	2015 £	Unrestricted funds			Restricted funds
		General fund	Designated funds	Restricted funds			General fund	Designated funds	Restricted funds	
		£	£				£	£		
<b>Income</b>										
<b>Voluntary income</b>										
Appeals, donations and legacies	1	1,272,831	-	37,852	1,310,683	1,264,309	1,214,827	-	49,482	
Salaries, stipends and pensions		5,003	-	-	5,003	12,966	12,966	-		
Masses said		4,475	-	-	4,475	5,683	5,683	-	-	
Contribution from overseas regions		-	799,672	-	799,672	352,402	-	352,402	-	
<b>Investment income</b>										
Dividend and interest	2	700,584	314,630	14,626	1,029,840	968,340	678,734	270,800	18,806	
<b>Other income</b>										
Surplus on sale od fixed assets		155,122	-	-	155,122	-	-	-	-	
Miscellaneous income		64,692	-	-	64,692	650	650	-	-	
<b>Total income</b>		<b>2,202,707</b>	<b>1,114,302</b>	<b>52,478</b>	<b>3,369,487</b>	<b>2,604,350</b>	<b>1,912,860</b>	<b>623,202</b>	<b>68,288</b>	
<b>Expenditure</b>										
<b>Raising funds</b>										
Fundraising	3	9,254	-	-	9,254	8,173	8,173	-	-	
Investment manager fees		98,043	39,516	2,315	139,874	126,327	93,403	31,093	1,831	
<b>Charitable activities</b>										
<b>Pastoral activities</b>										
Upkeep of communities	4	271,376	-	-	271,376	313,730	313,730	-	-	
Formation and training	4	231,035	478,561	23,578	733,174	677,191	213,839	419,469	43,883	
Support of Missions and Society		809,975	250,132	3,800	1,063,907	2,077,237	887,081	1,166,656	23,500	
Contribution to British region		140,000	-	-	140,000	150,000	150,000	-	-	
Generalate costs		144,366	-	-	144,366	207,732	207,732	-	-	
Management and administration	5	142,180	-	-	142,180	143,179	143,179	-	-	
<b>Governance costs</b>	6	12,907	-	-	12,907	11,460	11,460	-	-	
<b>Total expenditure</b>		<b>1,859,136</b>	<b>768,209</b>	<b>29,693</b>	<b>2,657,038</b>	<b>3,715,029</b>	<b>2,028,597</b>	<b>1,617,218</b>	<b>69,214</b>	
<b>Net gains (losses) on investments</b>	9	2,454,854	841,628	86,692	3,383,174	63,327	85,376	(22,714)	665	
<b>Net income (expenditure) before transfers</b>		2,798,425	1,187,721	109,477	4,095,623	(1,047,352)	(30,361)	(1,016,730)	(261)	
<b>Transfers between funds</b>		(250,255)	250,255	-	-	-	(727,452)	721,890	5,562	
<b>Net movement in funds</b>		2,548,170	1,437,976	109,477	4,095,623	(1,047,352)	(757,813)	(294,840)	5,301	
<b>Balances brought forward 1 January</b>		20,737,556	16,185,767	479,179	37,402,502	38,449,854	21,495,369	16,480,607	473,878	
<b>Balances carried forward 31 December</b>		23,285,726	17,623,743	588,656	41,498,125	37,402,502	20,737,556	16,185,767	479,179	

**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 2016**

	Notes	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	8	5,492,011	5,494,726
Investments at market value	9	34,927,996	31,484,441
Tangaza College	9	<u>136,270</u>	<u>136,270</u>
		40,556,277	37,115,437
<b>Current assets</b>			
Debtors	10	370,311	502,766
Cash at bank and in hand		<u>2,081,999</u>	<u>1,374,895</u>
		2,452,310	1,877,661
<b>Creditors: amounts falling due within one year</b>			
Sundry creditors	11	<u>1,510,462</u>	<u>1,590,596</u>
		941,848	287,065
<b>Total assets less current liabilities</b>		<u>41,498,125</u>	<u>37,402,502</u>
		<u>41,498,125</u>	<u>37,402,502</u>
<b>Represented by:</b>			
<b>Funds and reserves</b>			
General funds		23,285,726	20,737,556
Designated funds	12	<u>17,623,743</u>	<u>16,185,767</u>
		40,909,469	36,923,323
Restricted funds	13	<u>588,656</u>	<u>479,179</u>
		<u>41,498,125</u>	<u>37,402,502</u>

Approved by the Trustees  
and signed on their behalf

Michael Corcoran  
Trustee

Approved by the Trustees on: 21 September 2017

**Charity for St Joseph's Missionary Society (Generalate)**  
**Statement of cash flows**  
**for the year ended 31 December 2016**

	<b>Note</b>	<b>2016</b> <b>£</b>	<b>2015</b> <b>£</b>
<b>Cash generated in operating activities</b>	<b>A</b>	<u>(417,477)</u>	<u>(2,123,867)</u>
<b>Cash flows from investing activities</b>			
Investment income		1,029,840	968,339
Proceeds of investment sales		6,471,068	3,849,467
Purchases of investments		(6,710,158)	(3,986,007)
Proceeds on sale of assets		155,122	-
Cash provided (used) in investing activities		<u>945,872</u>	<u>831,799</u>
Increase in cash and cash equivalents in year		<u>528,395</u>	<u>(1,292,068)</u>
<b>Movement in year</b>			
(Decrease) increase in cash at bank and in hand		707,104	(118,409)
(Decrease) increase in cash held by investment managers for re-investment		95,589	46,566
(Decrease) increase in bonds and deposits held		<u>(274,298)</u>	<u>(1,220,225)</u>
		<u>528,395</u>	<u>(1,292,068)</u>

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

	<b>2016</b> <b>£</b>	<b>2015</b> <b>£</b>
Net income (expenditure)	4,095,623	(1,047,353)
Deduct investment income	(1,029,840)	(968,339)
Add depreciation	2,715	5,199
Profit on sale of assets	(155,122)	-
Add/(deduct) net movement on investments.	(3,383,174)	(63,327)
Increase (decrease) in creditors	(80,134)	278,436
(Increase) decrease in debtors	<u>132,455</u>	<u>(328,483)</u>
	<u>(417,477)</u>	<u>(2,123,867)</u>

## **Charity for St Joseph's Missionary Society (Generalate)**

### **Principal Accounting policies**

**for the year ended 31 December 2016**

#### **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 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.

#### **3 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.

#### **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.

## **Charity for St Joseph's Missionary Society (Generalate)**

### **Principal Accounting policies**

**for the year ended 31 December 2016**

#### **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 charity 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.

#### **7 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.

#### **8 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.

# Charity for St Joseph's Missionary Society (Generalate)

## Notes to the Accounts

for the year ended 31 December 2016

	General fund	Designated fund	Restricted fund	2016	2015	General fund	Designated fund	Restricted fund
	£	£		£	£	£	£	
<b>1 Appeals, donations and legacies</b>								
Appeals and donations	219,745		37,852	257,597	154,101	104,619	-	49,482
British region - APF and legacies	844,880	-		844,880	760,904	760,904	-	-
Legacies	208,206	-	-	208,206	349,304	349,304	-	-
	<u>1,272,831</u>	<u>-</u>	<u>37,852</u>	<u>1,310,683</u>	<u>1,264,309</u>	<u>1,214,827</u>	<u>-</u>	<u>49,482</u>
<b>2 Investment income and interest receivable</b>								
Income from investments	648,534	314,630	14,626	977,790	895,948	606,342	270,800	18,806
Bank and other interest	4,209	-	-	4,209	5,000	5,000	-	-
Rents (net of costs)	47,841	-	-	47,841	67,392	67,392	-	-
	<u>700,584</u>	<u>314,630</u>	<u>14,626</u>	<u>1,029,840</u>	<u>968,340</u>	<u>678,734</u>	<u>270,800</u>	<u>18,806</u>
<b>3 Raising funds</b>								
<b>Fundraising</b>								
Fundraising other	9,254	-	-	9,254	8,173	8,173	-	-
	<u>9,254</u>	<u>-</u>	<u>-</u>	<u>9,254</u>	<u>8,173</u>	<u>8,173</u>	<u>-</u>	<u>-</u>
<b>4 Pastoral activities</b>								
<b>Upkeep of Communities</b>								
Premises	74,884	-	-	74,884	113,610	113,610	-	-
Community and personal	196,492	-	-	196,492	200,120	200,120	-	-
	<u>271,376</u>	<u>-</u>	<u>-</u>	<u>271,376</u>	<u>313,730</u>	<u>313,730</u>	<u>-</u>	<u>-</u>
<b>Formation and training</b>								
Mission experience programme	99,676	-	-	99,676	71,572	71,572	-	-
Initial formation	10,000	478,561	23,578	512,139	481,339	17,987	419,469	43,883
African and Asian formation and recruitment	54,231	-	-	54,231	46,148	46,148	-	-
Ongoing formation	67,128	-	-	67,128	78,132	78,132	-	-
	<u>231,035</u>	<u>478,561</u>	<u>23,578</u>	<u>733,174</u>	<u>677,191</u>	<u>213,839</u>	<u>419,469</u>	<u>43,883</u>
<b>5 Pastoral activities</b>								
<b>Management and administration</b>								
Staff	92,833	-	-	92,833	80,034	80,034	-	-
Central administrative costs	27,638	-	-	27,638	44,018	44,018	-	-
Professional fees	18,994	-	-	18,994	13,928	13,928	-	-
Depreciation	2,715	-	-	2,715	5,199	5,199	-	-
	<u>142,180</u>	<u>-</u>	<u>-</u>	<u>142,180</u>	<u>143,179</u>	<u>143,179</u>	<u>-</u>	<u>-</u>
<b>6 Governance costs</b>								
Audit fee	7,500	-	-	7,500	7,500	7,500	-	-
Accounting and advice	5,407	-	-	5,407	3,960	3,960	-	-
	<u>12,907</u>	<u>-</u>	<u>-</u>	<u>12,907</u>	<u>11,460</u>	<u>11,460</u>	<u>-</u>	<u>-</u>

## 7 Staff costs

Staff costs during the year were as follows:

	2016 £	2015 £
Wages and salaries	84,865	86,711
Social security costs	7,968	8,782
	<u>92,833</u>	<u>95,493</u>

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:

	3	2
Administrative and fundraising	-	1
Domestic, nursing and catering	-	-
Total	<u>3</u>	<u>3</u>

## 8 Tangible fixed assets

### Cost

	Freehold land and buildings £	Motor vehicles £	Furniture and equipment £	Total £
At 1 January 2016	5,492,011	40,578	20,837	5,553,426
Additions	-	-	-	-
Disposals	-	-	(4,835)	(4,835)
At 31 December 2016	<u>5,492,011</u>	<u>40,578</u>	<u>16,002</u>	<u>5,548,591</u>

### Depreciation

	Freehold land and buildings £	Motor vehicles £	Furniture and equipment £	Total £
At 1 January 2016	-	39,244	19,456	58,700
Charge for the year	-	1,334	1,381	2,715
On disposals	-	-	(4,835)	(4,835)
At 31 December 2016	<u>-</u>	<u>40,578</u>	<u>16,002</u>	<u>56,580</u>

### Net book value

	Freehold land and buildings £	Motor vehicles £	Furniture and equipment £	Total £
At 31 December 2016	5,492,011	-	-	5,492,011
At 31 December 2015	5,492,011	1,334	1,381	5,494,726

**Charity for St Joseph's Missionary Society (Generalate)**  
**Notes to the Accounts**  
**for the year ended 31 December 2016**

	2016 £	2015 £
<b>9 Investments</b>		
Market value at 1 January 2016	25,416,992	25,217,125
Additions at cost	6,710,158	3,986,007
Sale proceeds from disposals	(6,471,068)	(3,849,467)
Net gain (loss) in year	3,383,174	63,327
Market value at 31 December 2016	29,039,256	25,416,992
Cash held by investment managers for re-investment	755,813	660,224
Bonds and deposits	3,752,927	4,027,225
	33,547,996	30,104,441
<b>Investment property</b>	1,380,000	1,380,000
	34,927,996	31,484,441
Cost of listed investments at 31 December 2016	24,287,067	21,785,173

**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.

	2016 £	2015 £
<b>10 Debtors</b>		
Taxation recoverable	15,630	6,073
Sundry debtors	196,681	213,811
Legacies	158,000	282,882
	370,311	502,766
<b>11 Creditors: amounts falling due within one year</b>		
	2016 £	2015 £
Sundry and expense creditors	68,872	32,429
Accruals	31,769	31,349
Held for Missions and Missionaries	1,398,876	1,516,377
Mass stipends	10,945	10,441
	1,510,462	1,590,596

**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 2016 £	Transfers	Incoming resources £	Utilised/ realised £	At 31 December 2016 £
Capital	5,492,011	-	-	-	5,492,011
Maintenance	228,306	(228,306)	-	-	-
African/Asisan Candidates	3,905,055	478,561	415,338	(494,295)	4,304,659
New Regions	6,560,395	-	740,920	(109,546)	7,191,769
Mission	-	-	799,672	(164,368)	635,304
	16,185,767	250,255	1,955,930	(768,209)	17,623,743

**13 Restricted funds**

	At 1 January 2016 £	Income £	Expenditure £	At 31 December 2016 £
Fent travel	29,834	14,275	(3,800)	40,309
Ward Memorial	26,911	-	-	26,911
Burse	-	23,577	(23,577)	-
New Members Retirement	422,434	101,317	(2,315)	521,436
	479,179	139,169	(29,692)	588,656

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 2016

### 14 Analysis of net assets between funds

	General fund	Designated fund	Restricted fund	2016	2015	fund	fund	fund
	£	£		£	£	£	£	£
<b>Fund balances at 31 December 2016 are represented by:</b>								
Fixed assets								
Tangible assets	-	5,492,011	-	5,492,011	5,494,726	2,715	5,492,011	-
Investments	24,733,494	9,681,420	513,082	34,927,996	31,484,441	22,313,528	8,759,136	411,777
Tangaza College	136,270	-	-	136,270	136,270	136,270	-	-
	<u>24,869,764</u>	<u>15,173,431</u>	<u>513,082</u>	<u>40,556,277</u>	<u>37,115,437</u>	<u>22,452,513</u>	<u>14,251,147</u>	<u>411,777</u>
Current assets	553,547	1,823,189	75,574	2,452,310	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	<u>(1,510,462)</u>	<u>-</u>	<u>-</u>	<u>(1,510,462)</u>	<u>(1,312,160)</u>	<u>(1,312,160)</u>	<u>-</u>	<u>-</u>
	<u>23,285,726</u>	<u>17,623,743</u>	<u>588,656</u>	<u>41,498,125</u>	<u>37,470,863</u>	<u>20,639,994</u>	<u>16,346,002</u>	<u>484,867</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 £844,880 (2015 £706,904) for the Generalate's mission activities and received a subsidy towards retirement costs of £140,000 (2015 £150,000)