

PALLOTTINE MISSIONARY SISTERS

TRUSTEES REPORT AND FINANCIAL STATEMENTS

31st MARCH 2019

Charity Number 234185

**Allen Mills Howard Limited
Chartered Accountants & Statutory Auditors
56 Manchester Road
Altrincham
Cheshire
WA14 4PJ**

Pallottine Missionary Sisters

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Pallottine Missionary Sisters

Legal and Administrative Details

For the year ended 31st March 2019

Principal Address:	52 Park Mount Drive Macclesfield Cheshire SK11 8NT
Provincial:	Sr Mary McNulty
Trustees:	Sr Mary McNulty Sr Elizabeth Rowan Rev John Martin Sr Anna Maldrzykowska
Chief Executive Officer:	Ms Jennifer Trotter
Charity Number:	234185
Governing Instrument:	The charity is governed by the Trust Deed dated 9 March 1964, varied 15 July 1987 and 2 August 1996 which administers the Trust property owned by the Pallottine Missionary Sisters.
Auditors:	Allen Mills Howard Limited Chartered Accountants & Statutory Auditors 56 Manchester Road Altrincham Cheshire WA14 4PJ
Bankers:	The Royal Bank of Scotland Plc 62-63 Threadneedle Street London EC2R 8LA
Investment Manager:	W H Ireland 11 St. James Square Manchester M2 6WH
Solicitors:	Fieldings Porter Silverwell House 32 Silverwell Street Bolton BL1 1PT

Pallottine Missionary Sisters

Trustees Report

For the year ended 31st March 2019

Introduction

The trustees present their annual report with the financial statements of the charity for the year ended 31st March 2019. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102).

Structure, Governance & Management

The trust is an unincorporated trust, constituted under a trust deed dated 9th March 1964 as varied by scheme of 15th July 1987 and 2nd August 1996. The Pallottine Missionary Sisters are members of a religious Congregation, founded in Rome in 1838. A foundation was made in Germany in 1895 and in England in 1909. The accounts accompanying this report are the accounts of the charitable trust on which the assets of the congregation in England are held. The Trustees meet approximately three-monthly. We review the needs of those whom we serve, performance and service delivery, financial and risk management at our Elderly Care Home. We review reserves, property maintenance and the development of our property. We are familiar with the work in the services of the trust, through our apostolates, financial awareness, and attendance at trustee meetings. Trustees are encouraged to attend training to update their knowledge and responsibilities. The day to day running of the home is delegated to the manager and the Chief Executive Officer.

Mission and Purpose

Our mission is an all-embracing apostolate. Our aim is to respond to the needs of the time. Our main mission in the UK is meeting the needs of the elderly in our Residential Care Home. Our mission in Tanzania involves primary health care in the community, and primary and secondary education for young women.

Our charism is 'universal'. It excludes no one and includes every work for the relief of poverty, for education and for the good of all. Our methods are adaptable to the needs of the time. We uphold human dignity at every stage of life. This is acknowledged by our care of the elderly, chaplaincy in a Mental Health Hospital, home and hospital visiting in Rochdale and London, and the good standard of education and health care offered to students, adults, and those impacted by HIV/AIDS in Tanzania.

Public Benefit

The purpose and practice above reduces loneliness and isolation of the elderly, at home and in hospital in Rochdale and London, and in our Elderly Care home in Macclesfield, by enabling elderly persons to maintain their independence and access good care when their capacity for self-care is limited.

Facilitates hundreds of children and young women in Tanzania to access education – the key to reducing poverty. Provides good health care for all in developing areas in Tanzania, thus reducing suffering, neglect and infant-deaths.

We confirm that we have had regard to the Charity Commission's general guidance on public benefit when reviewing our mission, purpose and objectives and in carrying out the trust's activities. We have concluded that the trust operates in compliance with these guidelines.

Key Management

The trustees consider that they, together with the chief executive officer and the manager of the home, comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. The trustees received no remuneration. The chief executive officer and manager of the home have their remuneration reviewed by the trustees on an annual basis.

Pallottine Missionary Sisters

Trustees Report

For the year ended 31st March 2019

Areas of activity

Our main service to the Public in the UK is our Care Home for the Elderly, in Macclesfield. Other services include Pallotti Girls Secondary School and St Leo the Great Primary School in Tanzania, a Primary Health care facility in Tanzania and Voluntary activities in London and Rochdale.

Elderly Care Homes

Park Mount Care Home currently provides care for 39 Residents in 35 single rooms and 2 double rooms. The Day Care Service includes transport, lunch, a variety of activities and personal care when required.

Keele Crescent Care Home provides six respite beds.

Achievements - 2018/2019

- Continued with the Cyclical Maintenance Plan for both homes to maintain a good standard
- Continued training Staff to a minimum of NVQ level 2 and included Advanced Dementia Training.
- Maintained the Day Care Facility offering services seven days a week.
- Maintained as close as possible to 100% occupancy throughout the year.
- Continued to financially supplement eight residents in receipt of Local Authority Funding.
- Increased all Staff Salaries to meet the Living Wage legislation and above.
- Held Events for Bonfire Night, Christmas Fayre and a number of Themed Afternoon Tea functions.
- Held the first All Souls Mass in the home and to become an Annual Mass.
- Completed extensive works to the grounds including a new access road and car park.
- Updated the Website and all documentation to incorporate the two homes and the new Community of Pallottine Sisters.
- Changed the staff uniform to include the new Pallottine Sisters logo.
- Created a new Office space for the Home Manager.
- Completed the construction of a new eight bedroomed bungalow in the grounds of Park Mount Care Home, Macclesfield. The home is for accommodation of the retired Pallottine Sisters and the Superior of England.

Pallottine Missionary Sisters

Trustees Report

For the year ended 31st March 2019

Plans for 2019/2020

- Continue to promote the Home to ensure occupancy levels are maximized and the Day Care facility continues to expand.
- Continue to organise events and promote the home in the local area.
- Continue to monitor budgets, financially plan for the future to ensure new wages increase and the maintenance of the home.
- Continue with the Cyclical Maintenance Plan for the Care Homes.
- Appoint an Activities / Outings Co-Ordinator
- Build up relationships within the local parish of St Albans
- Install a double width accessible path around the gardens of Park Mount Care Home to allow all to enjoy the grounds
- Erect an extension to the side of Keele Crescent to create a storage area and ground floor toilet facility
- Install full CCTV to the grounds of Park Mount Care Home
- Create small working groups and include family members
- Look at making changes to Park Mount Care Home to make more Dementia Friendly
- Introduce new system to review and monitor dependency
- Update the Internal Auditing System in line with CQC inspection tools

Pallottine Missionary Sisters

Trustees Report

For the year ended 31st March 2019



Supporting the England Team at the World Cup



Enjoying a pub lunch

Pallottine Missionary Sisters

Trustees Report

For the year ended 31st March 2019



Enjoying a pub lunch



Enjoying Christmas Day Lunch

Pallottine Missionary Sisters
Trustees Report
For the year ended 31st March 2019

During the year the Care Home receives many words of thanks; below are a few received during this year:

The voices of service users and their family:

“Thank you all for the care you have given X over the past six years. I am so grateful for all your support and advice. I have never had a moment’s worry that X wasn’t receiving the very best care.”

“We can’t thank you enough for all the loving care and attention you have given X and X over the past eight years. It was truly their home.”

“Nothing is too much trouble, the staff always help me.”

“I always feel safe in the home.”

“They treat you with respect, they never try to be bombastic.”

“The staff are patient, give you time to do things. The staff are very nice, I like the staff that look after me.”

Pallottine Missionary Sisters

Trustees Report

For the year ended 31st March 2019

THE BACKGROUND OF TANZANIA

The Pallottine Missionary Sisters have been supporting a mission in Africa since June 1990 when three Sisters left England and opened a community in the Singida Diocese in the centre of Tanzania. In 1992 they were given 10 acres of land in Siuyu, a small village about 20km from Singida town for the purpose of building a Secondary School for Girls and a Convent for the Sisters.

From the beginning the Sisters have been involved mainly in Education and Health Care which are the keys to development and reducing real poverty and deprivation. They have also committed themselves to Formation Work - the training of young women to become Pallottine Sisters, so that the services they are providing can continue and be of benefit to the people they serve.

Activities currently undertaken are:

- **Education** - Pallotti Secondary School for Girls and Siuyu Primary School, in Siuyu, Singida, St. Leo's English Medium Primary School in Igunga, Tabora and the new school in Magogo, Morogoro, Elisabetta Sanna Pre & Primary School.
- **Health Care** – St. Joseph's Dispensary and the Rehabilitation Centre in Siuyu, Usa River Health Centre in Arusha, the Mission Hospital in Makiungu and the Marian Health Post in Lusaka, Zambia.
- **Formation work** –The Initial Formation is in Siuyu and the Noviciate House is in Arusha. Here they have an opportunity to study together with many other young people training to become religious – both men and women.

Sisters work in the running of our institutions and others are preparing to go on for further studies. Only one Sister is now teaching in the local government Primary School in Siuyu.

The education of the Sisters is one of the main concerns for the Trustees. The Sisters need to be professionally trained, so that they will be equipped to provide a high standard of service to the many people who depend on them, especially the poor in Tanzania. This year we made a big effort to support the Sisters in Tanzania in their aim to provide professional training for their young Sisters. Twelve Sisters followed courses at various universities, colleges or institutions in Tanzania, four of whom completed their studies in Education or Health Care. The Sisters also managed to receive part sponsorship in Tanzania for tuition for four of their Sisters. One Sister is studying Theology at a University in Nairobi, Kenya.

Education: Through Education to Development

Pallotti Secondary School for Girls in Siuyu, Singida was opened in 1995 with one class of 45 students. In the year 2000 it began to receive students for Advanced Level Education in the Arts subjects - History, Geography, English and Swahili.

In July 2013 it began to offer Science subjects: Physics, Chemistry, Biology and Basic Mathematics. In 2010, the School developed into a Two Form Entry School with a capacity for about 480 girls from Form One to Form Six. This year we have 472 students with 96 in Form V and VI - 50 of them are doing "A" Level Science combinations.

The school is completely dependent on School Fees, Sponsorships and Donations. It is not government funded. With the help of generous donors, we were able to give free places to 114 students who come from deprived families mainly in the rural areas, of these about 60% came from the Singida Region which is classified as semi-desert.

Pallottine Missionary Sisters

Trustees Report

For the year ended 31st March 2019

Some of the Key Achievements for 2018/19

EDUCATION

The students at Pallotti Secondary School in Siuyu village in Singida continue to study hard and perform well academically. All of them passed the 2018 National Examinations – In Form Two, Form Four and Form Six.

FORM TWO:

- Our Form Twos did extraordinarily well. Of the **91** students, **88** got Division One (nearly **97%**) and **3** got Division Two.

FORM FOUR - CSEE - O' Level examination

- Over **81%** got Division One or Two in the Form Four examination and Pallotti came 3rd out of 98 schools in the Singida Region and 139th out of 3,488 schools in Tanzania in the category of having more than 40 Candidates. We had **74** students.

ACSEE - FORM SIX – 'A' Level examination

- The 'A' Level results were also good. Of our **46** students over **78%** got Division One or Two - 02 got Division One, 34 got Division Two, 10 had Division Three. Pallotti came 4th out of 10 schools in the Singida Region and 113th out of 543 High Schools in Tanzania in the category of having more than 30 Candidates.

We sincerely thank our teachers and students for their dedication and hard work. All of the staff at the school are Tanzanians. Eight Tanzanian Pallottine Sisters are working at Pallotti Secondary School teaching and doing the work of administration. The school is making a significant contribution to the development of the Region in general, and especially to the status and dignity of women. Three students from the Rehabilitation Centre for Handicapped Children in Siuyu study at Pallotti. They come to the School in their wheelchairs every morning and return to the Centre in the evening.

Development at Pallotti.

In 2018 we completed the major task of building a concrete security wall around the School buildings and began to renovate a Dormitory Block. Now we are in the process of planning and carrying out the renovations of other buildings at Pallotti in preparation for the Silver Jubilee of the School in 2020.

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St. Leo's English Medium Primary School

In January 2013 four Sisters from the Siuyu community moved to Igunga. Now there are six Sisters in the Igunga community. In St. Leo's English Medium Primary School, the Sisters are doing the administration work as well as teaching. The school is owned by the Diocese of Tabora. Presently there are 582 pupils at St Leo's – all between the ages of 3 ½ and 13 years – about 70% are boarding at the school. The staff and pupils are working hard and getting very good results each year.

Elisabetta Sanna Pre and Primary English Medium School

In February 2017, two Sisters from the Siuyu Community went to Magogo in the Morogoro Region, in response to an Invitation by the Parish Priest of Dakawa Parish, to begin working at a small non-registered Primary School in the bush among the Maasai. The majority of the people are very poor and because of the culture life is particularly difficult for the women and girls. Many children do not go to school, even though the law in Tanzania states that all children must have at least primary education. The children are sent to pasture the animals.

At this mission in Magogo we are facing many **challenges**:

- Financial: to find money for the many development projects and the running of the school. Many of the pupils cannot afford to pay school fees and some parents who can afford to pay the fees are very reluctant to sell their animals for the purpose of education, especially of girls. Many do not value education.
- There is no road to the site and the mission is about five kilometres in the bush from the main road. In the rainy season the winding dirt road becomes impassable in places.
- Transport is a major expense as the pupils live some distance from the school and need to be collected each morning and returned home in the afternoon.
- We are in the process of looking for funds to build a dormitory

Achievements:

- In February 2019 we managed to get the school registered but the education authorities require that many more facilities be provided.
- A wire fence surrounding the whole area is nearly finished.
- A small Kitchen and Administration block are being built
- We managed to buy a small bus.
- A Convent for the Sisters was built but the site is in need of landscaping.
- Presently three Sisters are working at the mission in Magogo.
- The School has 51pupils: 10 in Kindergarten, 31 in Grade One and 10 in Grade Two.

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For the year ended 31st March 2019

HEALTH CARE

St. Joseph's Dispensary Siuyu

St. Joseph's was registered in 2008. It is situated on the site of Pallotti Secondary School. It offers Primary Health Care to the local villages, Pallotti Secondary School and the Convent community. This service is essential and it is well used. Basic primary tests are offered to diagnose and treat malaria, typhoid, fevers and worms. Haemoglobin levels are assessed. Diabetes and sexually transmitted diseases are treated. Counselling and HIV tests are also conducted.

Some statistics for 2018:

- 2,855 patients were treated at the Dispensary: Male 1,207 and Female 1,648.
- 3,434 Babies attended the RCH (Reproductive and Child Health Clinic) – Male 1819 and Female 1,615. The number of Children who completed the Vaccination programme of 6 visits was 171.
- 180 Pregnant Mothers attended Antenatal Care.
- VCT – Voluntary Counselling and Testing: 192 were tested for HIV – 94 males and 98 females – 6 females and 5 males were diagnosed as Positive. These will now receive clinical treatment at hospitals in Makiungu or Singida Town.

St. Joseph's Dispensary is staffed by four Sisters, two of whom are qualified Nurses and one is a Clinical Officer. Last year one Sister qualified as a Laboratory Technician and now runs the Laboratory. One Sister is trained to do HIV Testing and Counselling. Other staff include an Assistant Laboratory Technician, an Assistant Nurse and a Village Health Worker.

The running costs of the Dispensary are a further expense for the Pallottine Sisters as some who use its services, are unable to pay for medicines or treatment.

Usa River Health Centre/ Makiungu Hospital

Three Pallottine Sisters were in full time employment at Usa River Health Centre in the Arusha District. One Sister, a Clinical Officer was the Administrator and two are nurses. The Centre is owned by the Holy Ghost Fathers. In October 2018 our Contract with the Holy Ghost Fathers expired, and the three Sisters transferred to Makiungu Hospital in Singida. The hospital in Makiungu was a Mission Hospital. It is run by the Medical Missionaries of Mary and is now a District Hospital. Here the Sisters will have a wider experience of caring for the sick and gain more skills through working in a large institution.

In Arusha, the Pallottine Sisters are supporting the Azizi group of persons living with AIDS. They also pay school fees for a number of orphans or children from families impacted by HIV/AIDS.

Rehabilitation Centre Siuyu

One Sister - the Assistant Manager who is a Nurse and Occupational Therapist - works full time at the Rehabilitation Centre where 56 children live and are being cared for. Other Sisters are involved on occasions as volunteers. The Sisters receive no salary. Two thirds of the children are mentally or/and physically challenged. All attend the local Primary School but those who are mentally challenged attend Special Needs classes.

Marian Health Post in Zambia

Marian Health Post at the Pallottine Mission in Westwood outside Lusaka was officially opened on February 5th 2018. One of our Sisters is the Person-in-Charge. She is working under Mwembeshi Rural Health Centre which is a Government Clinic. She has only one assistant. During its first year 2,050 patients received treatment. Apart from the OPD they are offering services for the under-fives and antenatal for the pregnant mothers and counselling and testing for HIV.

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For the year ended 31st March 2019

FORMATION WORK

The Initial Training of young women to become Pallottine Sisters is undertaken in the Siuyu community and the Noviciate is in the Formation House in Poli Singisi, Arusha. In the year 2000 the Trustees decided to open a Formation House in Arusha, so that the young Sisters could avail of the many opportunities for study found in the area. The Formation House was opened as an International Noviciate in September 2017 and now provides formation for young women from Rwanda, Congo, Cameroon, Brazil as well as those from Tanzania. Presently twenty-three Novices are in the Formation House.

Since 1990 over fifty young Tanzanian women have joined the congregation. Nearly forty of these have some professional training and thirteen others are following courses in further education. We also have twenty-five young women at various stages in our Initial Formation Programmes. We trust that this will ensure the sustainability of the mission in the future.

We strongly believe that Education is the Key to Development. Education - and especially the education of girls is vital to combat poverty and sickness and to promote development especially in the rural semi-desert areas of the Singida Region and among the Maasai in Morogoro.

Conclusion:

As well as the educational and health benefits, the mission in Tanzania is providing employment for many in the schools and Health Centres and also through the provision of foodstuff to the growing number of students at Pallotti Secondary School and at St Leo's Primary School. Our mission has brought much needed hope and development to the areas.

Plans for 2019/2020

- Continue to promote and maintain a high standard in all the services at our mission.
- To further develop and support our two new missions: among the Maasai in Morogoro in Eastern Tanzania and in Zambia outside Lusaka.
- Organise events and prepare projects to raise funds.
- Begin renovating Pallotti Secondary School in preparation for its Silver Jubilee in 2020.
- Work with the other Pallottine Provinces to develop and maintain the Noviciate House in Arusha.

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PARISH WORK IN LONDON

We are a small community in London. We are retired professionals and missionaries. Our apostolates still include hospital, home, and bereavement visits.

STUDENT SISTERS

We provide accommodation and opportunities for our missionary sisters who come to London to study.

The charity contributes towards supporting our Tanzanian Novitiate and Pallotti Girls Secondary School.

The charity continues to care for our elderly Sisters, while it is possible to care for them safely.

APOSTOLIC AND PASTORAL CARE IN ROCHDALE, LANCASHIRE

Sister Leonie carries out her weekly Ministry, as a Sister and a Volunteer in St. Patrick's Parish, Rochdale, Lancashire, UK. Not being a driver, Sr. Leonie has enlisted the help of Bridie, who also does voluntary work in the Parish.

Together, we are the named Sacristans at Church. We are among a team of Eucharistic Ministers. We visit thirteen sick and elderly Parishioners in their own place of Residence each Sunday and take them Holy Communion. We visit patients recommended to us when admitted to our local hospital. We also visit on a Sunday to meet Staff who are on duty and are unable to get to Mass.

Sister Leonie goes to Holy Family Primary School each week to participate in the Sacramental Programme with the children preparing for their First Holy Communion and Reconciliation at the age of 7-8 years.

We care for the graves of the Pallottine Sisters who are buried in Facit and Rochdale Cemeteries. According to the Season we place pots of fresh plants on each of the sets of four. We have 44 Sisters in total here in our Foundation Town of Rochdale.

As a member of the Macclesfield community I continue to visit our elderly sisters and residents within Park Mount.

I contribute to the ongoing development of our sisters in Tanzania.

Pallottine Missionary Sisters

Trustees Report

For the year ended 31st March 2019

Recruitment and Training of Trustees

Trustees are nominated by the English Provincial of the Pallottine Missionary Sisters in accordance with the Deed of Trust. On appointment, new trustees are introduced to the workings of the charity and are kept updated of their responsibilities and the charity's position.

Risk Management

The trustees confirm that they have identified and considered the major risks to which the trust is exposed, the potential impact of individual risk should they materialise and, what mitigating actions are taken or need to be taken, in order to reduce each risk to a level which the trustees consider to be acceptable.

Volunteers

A number of people serve as volunteers to the charity who assist in resident activities, drive vehicles and assist in the kitchen.

Investment Policy

The charity's investments are managed by W H Ireland.

The trustees' investment powers are set out in the charity's trust deed. The investment strategy is set by the trustees and takes into account income requirements, the risk profile and the investment managers' views of the market prospects in the medium term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised by the trustees from time to time. There is also an ethical policy precluding investment in any company which, after reasonable enquiry, clearly has significant profits from activities such as armaments.

The performance of the portfolio and the charity's investment strategy are reviewed by the trustees and their representatives who meet the investment managers at least twice a year. The overall portfolios' performances are monitored against quarterly returns and against a selection of appropriate indices.

Pallottine Missionary Sisters

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For the year ended 31st March 2019

Financial Review

A summary of the year's results can be found on page 19 of this report and accounts.

Total income resources amounted to £1,768,912 (2018: £1,493,406). The prime source of income for the charity is the fees from the home which totalled £1,621,801 (2018: £1,295,178). Other income is made up of the sisters' pensions, donations and investment income amounting to £147,111 (2018: £198,228).

Resources expended amounted to £1,860,889 (2018: £2,130,362). The decrease in expenditure was mainly due a reduction in supporting the congregation in Tanzania. A full analysis of costs is included in note 6 of the accounts.

Net expenditure for the year before gains on investments was £91,977 (2018: £636,956). Investment gains of £50,298 (2018: loss £38,231) resulted in net expenditure of £41,679 (2018: £675,187).

Investment performance

The total value of listed investments at 31st March 2019 was £1,512,971 (2018: £1,634,743). The charity withdrew £150,000 from its investments to fund the new accommodation.

When fully invested, the charity's aim is to achieve an income yield of 3%. An analysis of the charity's investments can be found in note 13 of the accounts.

Reserves policy

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 the level of free reserves for operational existence should be equal to six months expenditure.

The balance sheet shows total reserves of £3.5million. Of this, £2.7million is represented by designated funds. These designated funds are analysed in note 16 of the accounts.

Charitable Donations

The Trust made charitable donations of £6,454 (2018: £29,234) in the year.

Consultation and Engagement

The Trust employs a range of mechanisms for consulting and engaging with its staff, volunteers, beneficiaries and other stakeholders.

Their input is used to help formulate the Trusts' mission, develop operational policies and shape the way the Trusts' services are delivered on the ground.

Audit Information

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are individually aware there is no relevant audit information of which Trust's auditors are unaware and each Trustee has taken all the steps he or she ought to have taken as a Trustee to make himself or herself aware of any relevant audit information and to establish that the Trust's auditors are aware of that information.

Pallottine Missionary Sisters

Trustees Report

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Trustees Indemnity Arrangements

The charity has insurance to indemnify the trustees to the extent permitted by law in respect of all liabilities to third parties arising out of, or in connection with, the execution of their powers, duties and responsibilities as trustees of the charity.

Statement of the Trustees' Responsibilities

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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed require the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provision of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Approved by order of the board of trustees on 25th July 2019 and signed on their behalf

Sister Elizabeth Rowan

Trustee

Report of the Independent Auditors to the Trustees of

Pallottine Missionary Sisters

Opinion

We have audited the financial statements of Pallottine Missionary Sisters (the 'charity') for the year ended 31st March 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, 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 where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees 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.

Report of the Independent Auditors to the Trustees of

Pallottine Missionary Sisters

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of my 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 regulations made under Section 154 of that Act. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Allen Mills Howard Limited
Chartered Accountants
& Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Lewis House
56 Manchester Road
Altrincham
Cheshire
WA14 4PJ

25th July 2019

Pallottine Missionary Sisters
Statement of Financial Activities
For the year ended 31st March 2019

	Note	Unrestricted Funds £	Designated Funds £	Total 2019 £	Total 2018 £
Income from:					
Donations	2	99,849	8,341	108,190	146,207
Charitable activities					
Operation of care home	3	1,621,801	-	1,621,801	1,295,178
Investments	4	38,921	-	38,921	50,160
Other income					
Surplus on sale of tangible fixed assets		-	-	-	1,861
Total income		1,760,571	8,341	1,768,912	1,493,406
Expenditure on					
Cost of raising funds:					
Investment management costs		14,982	-	14,982	19,520
Expenditure on charitable activities:					
Charitable donations	5	6,454		6,454	29,234
Support members of the congregation and operation of care home	6	1,722,320	102,665	1,824,985	1,623,576
Support of the congregation work overseas	6	-	14,468	14,468	458,032
Total expenditure		1,743,756	117,133	1,860,889	2,130,362
Net income (expenditure)					
Before gain/(losses) on investments	8	16,815	(108,792)	(91,977)	(636,956)
Net gains/(losses) on investments		50,298	-	50,298	(38,231)
Net income/(expenditure)	8	67,113	(108,792)	(41,679)	(675,187)
Transfer between funds	16	(210,681)	210,681	-	-
Net movement in funds		(143,568)	101,889	(41,679)	(675,187)
Reconciliation of funds					
Funds at beginning of year		958,562	2,655,423	3,613,985	4,289,172
Funds at the end of year		814,994	2,757,312	3,572,306	3,613,985

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

Pallottine Missionary Sisters

Balance Sheet

At 31st March 2019

		2019	2018
	Note	£	£
Fixed assets			
Tangible assets	12	1,891,667	1,718,903
Investments	13	1,512,971	1,634,743
		_____	_____
Total fixed assets		3,404,638	3,353,646
		=====	=====
Current assets			
Debtors	14	70,087	45,485
Cash at bank and in hand		163,390	265,539
		_____	_____
Total current assets		233,477	311,024
		=====	=====
Liabilities			
Creditors: amounts falling due within one year	15	(65,809)	(50,685)
		_____	_____
Net current assets		167,668	260,339
		_____	_____
Net assets		3,572,306	3,613,985
		=====	=====
The funds of the charity:			
General funds	16	814,994	1,054,175
Designated funds		2,757,312	2,559,810
		_____	_____
Total charity funds		3,572,306	3,613,985
		=====	=====

The financial statements were approved by the Trustees on 25th July 2019 and signed on their behalf by:

Sister Elizabeth Rowan
Trustee

Sister Mary McNulty
Trustee

Pallottine Missionary Sisters

Statement of Cash Flows

For the year ended 31st March 2019

		2019	2018
	Note	£	£
Cash flows from operating activities:	21		
Net cash used in operating activities		(32,609)	(600,019)
		<hr/>	<hr/>
Cash flows from investing activities:			
Investment income		38,921	50,160
Proceeds from the disposal of fixed assets		-	173,139
Purchase of tangible fixed assets		(280,531)	(838,524)
Proceeds from the disposal of investments		414,288	601,261
Purchase of investments		(195,087)	(480,827)
		<hr/>	<hr/>
Net cash provided by investing activities		(22,409)	(494,791)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(55,018)	(1,094,810)
Cash and cash equivalents brought forward		313,656	1,408,466
		<hr/>	<hr/>
Cash and cash equivalents carried forward	22	258,638	313,656
		<hr/>	<hr/>

Pallottine Missionary Sisters

Notes to the Financial Statements

For the year ended 31st March 2019

1. **Accounting policies**

Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS102) 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 (FRS102 effective 1st January 2015). The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011.

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 charity constitutes a public benefit as defined by FRS102.

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

Going Concern

The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The review of the financial position, reserves level and future plans give trustees confidence the charity remains a going concern for the foreseeable future.

Funds Structure

Unrestricted funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charitable objects.

The tangible fixed asset fund comprises the net book value of the charity's land and buildings and fixture and fittings. The existence of which is fundamental to the charity being able to perform its charitable work and thereby achieve its charitable objectives. The value represented by such assets should not be regarded therefore as realisable.

Designated funds comprise monies set aside out of unrestricted funds for specific future purpose or projects.

Income recognition

All incoming resources are recognised once the charity has entitlement to the resources, it is certain the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Income comprises fees from private individuals and local authorities, donations and investment income.

Donations, including salaries and pensions received from the sisters, are recognised when the charity has confirmation of both the amount and settlement date.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

In accordance with the Charities SORP FRS102, volunteers' time is not recognised.

Pallottine Missionary Sisters

Notes to the Financial Statements (continued)

For the year ended 31st March 2019

1. **Accounting policies (continued)**

Expenditure recognition

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to that expenditure. All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category. The classification between activities is as follows:

Expenditure on raising funds comprises investment managers' fees.

Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include donations and costs in respect of the support of members of the Congregation and enabling their ministry, including governance costs.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

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

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect of its compliance with regulation and good practice.

All expenditure in support and governance is attributable directly to the charitable activity of supporting members of the Congregation and enabling their ministry and hence there has been no apportionment between headings.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation, net of depreciation. No depreciation is charged on assets in the course of construction. As permitted by FRS102, the value assigned to the properties that were revalued is now deemed their cost.

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised. Depreciation is charged from the year of acquisition as follows:

Freehold buildings	50 years
Furniture and equipment	3 to 10 years
Motor vehicles	25% reducing balance basis

Vehicles and equipment used overseas are considered to have a useful economic life of one year or less. They are not capitalised but are charged in full to the charitable expenditure when purchased.

Fixed asset 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.

Realised gains (or losses) on investment assets are calculated at the difference between disposal proceeds and their opening carrying value or their purchase value is 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 at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Pallottine Missionary Sisters

Notes to the Financial Statements (continued)

For the year ended 31st March 2019

1. **Accounting policies (continued)**

Debtors

Trade and other debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity date of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Services provided by members of the Congregation

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

Operating leases

Rentals paid under operating leases are charged to the income and expenditure account on a straight-line basis over the period of the lease.

Foreign currencies

Transactions in foreign currencies are translated at the rate of exchange ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rate of exchange on that date.

Pension scheme

The charity operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held independently from those of the charity in an independent administered fund. The pension costs charged in the financial statements represent the contribution payable during the year.

Critical accounting estimates and areas of judgement

Preparation of the accounts require the trustees to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- (a) estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge;
- (b) determining the size of the Sisters' retirement fund, in order to provide for the continuing care of the members.

2. **Donations and legacies**

	2019	2018
	£	£
Salaries and pensions	94,445	99,646
Donations	13,745	46,561
	<hr/>	<hr/>
	108,190	146,207
	<hr/> <hr/>	<hr/> <hr/>

Pallottine Missionary Sisters

Notes to the Financial Statements (continued)

For the year ended 31st March 2019

3.	Income from charitable activities		
		2019	2018
		£	£
	Resident fees	1,621,801	1,295,178
		<hr/>	<hr/>
		1,621,801	1,295,178
		<hr/> <hr/>	<hr/> <hr/>
4.	Investment income		
		2019	2018
		£	£
	Interest on cash deposits	297	418
	Listed investments	38,624	49,742
		<hr/>	<hr/>
		38,921	50,160
		<hr/> <hr/>	<hr/> <hr/>
5.	Donations		
		2019	2018
		£	£
	Institutions and individuals	6,454	29,234
		<hr/>	<hr/>
		6,454	29,234
		<hr/> <hr/>	<hr/> <hr/>

Pallottine Missionary Sisters

Notes to the Financial Statements (continued)

For the year ended 31st March 2019

6. **Support of members of the congregation and operation of care home**

	2019	2018
	£	£
Staff costs	1,034,558	835,595
Staff recruitment	4,885	1,894
Temporary staff	55,115	5,290
Provisions	90,622	79,238
Light and heat	43,040	39,235
Telephone	13,128	12,588
Sisters' living and personal expenses	30,044	37,402
Education, training, spiritual and holidays	22,886	25,264
Rent and rates	8,794	24,714
Insurance	25,056	26,050
Motor and travel	29,033	30,166
Repairs and renewals	104,632	214,423
Depreciation	107,767	90,284
Printing, postage & stationery	11,593	9,626
Training	7,264	12,641
Legal and professional	3,649	-
Resident expenses	26,614	20,381
Staff uniforms	5,862	3,025
Support costs (note 7)	118,876	121,807
Governance costs (note 7)	15,667	19,261
Hire of equipment	4,006	9,814
Subscriptions	3,960	4,878
Bad debt	57,934	-
	<hr/>	<hr/>
	1,824,985	1,623,576
	<hr/>	<hr/>
Support of the congregation's work overseas	14,468	458,032
	<hr/>	<hr/>

7. **Governance and support costs**

	Support costs	Governance costs	2019	2018
	£	£	£	£
Staff costs	82,095	-	82,095	83,258
Advertising and marketing	7,699	-	7,699	4,672
Computer costs	20,025	-	20,025	22,840
Finance costs	3,172	-	3,172	3,294
Auditor's remuneration	-	8,580	8,580	7,200
Auditor's remuneration – other services	-	-	-	3,960
Legal and professional	5,885	7,087	12,972	15,844
	<hr/>	<hr/>	<hr/>	<hr/>
	118,876	15,667	134,543	141,068
	<hr/>	<hr/>	<hr/>	<hr/>

Pallottine Missionary Sisters

Notes to the Financial Statements (continued)

For the year ended 31st March 2019

8. **Net (expenditure) before gains on investments**

	2019	2018
	£	£
This is stated after charging		
Operating leases: equipment	4,950	9,814
Depreciation	107,767	90,284
Auditor's remuneration		
– Audit fees	8,580	7,200
– Other services	-	3,960
	=====	=====

9. **Staff costs**

	2019	2018
	£	£
Salaries and wages	1,035,198	849,257
Social security costs	70,047	56,559
Pension costs	11,408	13,037
	=====	=====
	1,116,653	918,853

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

	2019	2018
Provision of care	62	52
Administration	1	1
	=====	=====
	63	53

The number of employees whose emoluments exceeded £60,000:

	2019	2018
£70,001 to £80,000	1	1
	=====	=====

Key Management Personnel

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, chief executive officer and the home manager. Total amounts of employee benefits (including employer pension contributions) received by key management personnel during the year was £117,123 (2018: £118,258).

Trustees Remuneration

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

Pallottine Missionary Sisters
Statement of Financial Activities
For the year ended 31st March 2019

10. **Comparatives for the statement of financial activities**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2018 £
Income and endowments from				
Donations and legacies	105,477	7,049	33,681	146,207
Charitable activities				
Operation of care home	1,295,178	-	-	1,295,178
Investments	50,160	-	-	50,160
Other income				
Surplus on sale of tangible fixed assets	1,861	-	-	1,861
Total income	1,452,676	7,049	33,681	1,493,406
Expenditure on				
Cost of raising funds:				
Investment management costs	19,520	-	-	19,520
Expenditure on charitable activities:				
Charitable donations	29,234	-	-	29,234
Support members of the congregation and operation of care home	1,539,682	83,894	-	1,623,576
Support of the congregation work overseas	424,351	-	33,681	458,032
Total expenditure	2,012,787	83,894	33,681	2,130,362
Net income (expenditure)				
Before gain/(losses) on investments	(560,111)	(76,845)	-	(636,956)
Net gains/(losses) on investments	(38,231)	-	-	(38,231)
Net income/(expenditure)	(598,342)	(76,845)	-	(675,187)
Transfer between funds	(637,349)	637,349	-	-
Net movement in funds	(1,235,691)	560,504	-	(675,187)
Reconciliation of funds				
Funds at beginning of year	2,194,253	2,094,919	-	4,289,172
Funds at the end of year	958,562	2,655,423	-	3,613,985

Pallottine Missionary Sisters

Notes to the Financial Statements (continued)

For the year ended 31st March 2018

11. **Transactions with trustees**

As members of the Congregation, none of the trustees have resources of their own as all earnings, pension and other income have been donated to the charity. During the year, the total amount donated by the trustees to the charity was £27,172 (2018: £26,407). Father J Martin was reimbursed travel expenses of £1,708 (2018: £2,604) during the year.

12. **Tangible fixed assets**

	Freehold land and buildings	Assets in course of construction £	Furniture and equipment £	Motor Vehicles £	Total £
Cost					
At 1 st April 2018	1,724,798	557,919	1,174,680	45,972	3,503,369
Additions	238,074		42,457	-	280,531
Transfers	557,919	(557,919)	-	-	-
At 31 st March 2019	2,520,791	-	1,217,137	45,972	3,783,900
DEPRECIATION					
At 1 st April 2018	883,303	-	875,599	25,564	1,784,466
Charge for the year	48,165		54,500	5,102	107,767
At 31 st March 2019	931,468	-	930,099	30,666	1,892,233
Net book value					
At 31 st March 2019	1,589,323	-	287,038	15,306	1,891,667
At 31 st March 2018	841,495	557,919	299,081	20,408	1,718,903

As permitted under Financial Reporting Standard 102, the charity has continued to adopt a policy of not revaluing its tangible fixed assets.

The book value of the charity's London property owned at 31st March 1995 is based on trustees' valuation. As permitted by FRS102, the value assigned to this property is now deemed to be cost. Additions subsequent to 31st March 1995 are stated at cost. Other tangible fixed assets are stated at cost.

It is likely that there are material differences between the open market values of the charity's UK freehold land and buildings and their book values. The amount of such differences cannot be ascertained without incurring significant costs which, in the opinion of the trustees, is not justified in terms of the benefit to the users of the accounts.

Capital Commitments

At 31st March 2019 the charity had contracted capital commitments of £nil. (At 31st March 2018: £125,843).

Pallottine Missionary Sisters

Notes to the Financial Statements (continued)

For the year ended 31st March 2019

13. Investments

	Listed Investments £	Total £	2018 £
Market value			
At 1 st April 2018	1,586,626	1,586,626	1,740,092
Additions at cost	195,087	195,087	480,827
Disposals	(414,289)	(414,289)	(601,261)
Net unrealised (losses)/gains	50,298	50,298	(33,032)
	<hr/>	<hr/>	<hr/>
Market value at 31 st March 2019	1,417,722	1,417,722	1,586,626
Cash held for reinvestment	95,248	95,248	48,117
	<hr/>	<hr/>	<hr/>
At 31 st March 2019	1,512,970	1,512,970	1,634,743
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Listed investments at 31st March 2019 comprise the following:

	2019 £	2018 £
UK Equities	583,013	675,074
Fixed interest	191,078	362,264
Global Equity	234,856	182,984
Alternatives	-	99,321
European Equity	69,000	95,368
North American Equity	230,047	94,830
Japan Equity	41,563	45,083
Emerging Market Equity	68,165	31,702
	<hr/>	<hr/>
	1,417,722	1,586,626
	<hr/> <hr/>	<hr/> <hr/>

Material investments with a market value of over 5% of the total market value of investments are as follows:

	2019 £	2018 £
Blackrock Commodities Income Investment Trust	91,440	87,600
IShares USD Treasury BDI-3yr-UCITS EFT	-	176,558
Schroders US Mid Cap Fund	77,400	-
BNY Mellon US Equity Income Fund	152,647	94,830
Polar Capital Global Financial Trust	73,080	-
	<hr/>	<hr/>

All listed investments were dealt on a recognised stock exchange.

14. Debtors

	2019 £	2018 £
Trade debtors	66,797	41,922
Other debtors	3,290	3,563
	<hr/>	<hr/>
	70,087	45,485
	<hr/> <hr/>	<hr/> <hr/>

All debtor balances are due within one year.

Pallottine Missionary Sisters

Notes to the Financial Statements (continued)

For the year ended 31st March 2019

15. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	22,297	14,089
Accruals and deferred income	23,882	17,234
Taxation and social security	17,352	17,649
Other creditors	2,278	1,713
	<hr/>	<hr/>
	65,809	50,685
	<hr/> <hr/>	<hr/> <hr/>
Deferred Income		
	£	£
Deferred income at 1 st April 2018	473	141
Utilised in the year	(473)	(141)
Received in the year	1,033	473
	<hr/>	<hr/>
Balance at 31 st March 2019	1,033	473
	<hr/> <hr/>	<hr/> <hr/>

Deferred income consists of care fees paid in advance.

16. Funds

Retirement Fund

The sisters' retirement fund comprises monies set aside to provide for the care and support of members of the congregation as they grow older. The fund will be utilised over the expected lives of the sisters.

Tangible fixed assets fund

The tangible fixed asset fund represents the net book value of the charity land and buildings and fixture and fittings. A decision was made to separate this fund from the unrestricted fund and other designated funds of the charity in recognition of the fact that the tangible fixed assets are essential to the day to day work of the charity and as such, their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

Tanzania funds

The Tanzania fund represents fund accumulation in order to support the Pallottine Sister's work in Tanzania.

Pallottine Missionary Sisters

Notes to the Financial Statements (continued)

For the year ended 31st March 2019

Analysis by movements

	2018	Income	Transfers	Expenditure	Gains/ (losses)	2019
	£	£	£	£	£	£
Retirement fund	948,256	-	(69,869)	-	-	878,387
Fixed assets fund	1,698,495	-	280,531	(102,665)	-	1,876,361
Tanzania fund	8,672	8,341	19	(14,468)	-	2,564
Unrestricted fund	958,562	1,760,571	(210,681)	(1,743,756)	50,298	814,994
	<u>3,613,985</u>	<u>1,768,912</u>	<u>-</u>	<u>(1,860,889)</u>	<u>50,298</u>	<u>3,572,306</u>

17. Analysis of net assets between funds

	General Fund	Designated Funds	Total
	£	£	£
Tangible fixed assets	15,306	1,876,361	1,891,667
Investments	634,584	878,387	1,512,971
Current assets	230,913	2,564	233,477
Current liabilities	(65,809)	-	(65,809)
	<u>814,994</u>	<u>2,757,312</u>	<u>3,572,306</u>
	General Fund	Designated Funds	Total
	£	£	£
Tangible fixed assets	20,408	1,698,495	1,719,903
Investments	6,836,487	948,256	1,634,743
Current assets	302,352	8,672	311,024
Current liabilities	(50,685)	-	(50,685)
	<u>958,562</u>	<u>2,655,423</u>	<u>3,613,985</u>

18. Leasing agreements

Minimum lease payments fall due as follows:

	Non-cancellable operating leases	
	2019	2018
	£	£
Within one years.	7,881	6,360
Between one and five years.	16,574	19,890
	<u>24,445</u>	<u>26,250</u>

Pallottine Missionary Sisters

Notes to the Financial Statements (continued)

For the year ended 31st March 2019

19. Financial commitments, guarantees and contingent liabilities

The Charity is committed to the care of the Sisters in their old age and to provide for their future medical and nursing needs. The cost of this provision cannot be measured with any sufficient accuracy but is estimated to be in the region of £878,387 based on the present cost of nursing care at today's prices. The Trustees have set aside funds in a designated Retirement Fund to cater for this eventuality and these funds are represented by investments.

20. Ultimate controlling party

The Charity is controlled by the members of the English Provincial of the Pallottine Missionary Sisters by the virtue of the fact that they appoint the trustees.

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

	2019	2018
	£	£
Net movement in funds	(41,679)	(675,187)
Add back depreciation charges	107,767	90,284
Deduct investment income	(38,921)	(50,160)
(Losses)/gains on investment	(50,298)	33,032
Surplus on disposal of tangible fixed assets	-	(1,861)
(Increase)/decrease in debtors	(24,602)	8,961
(Decrease)/increase in creditors	15,124	(5,088)
	<hr/>	<hr/>
Net cash used in operating activities	(32,609)	600,019
	<hr/> <hr/>	<hr/> <hr/>

22. Analysis of cash and cash equivalents

	2019	2018
	£	£
Cash at bank and in hand	163,390	265,539
Cash held by investment manager	95,248	48,117
	<hr/>	<hr/>
Total cash and cash equivalents	258,638	313,656
	<hr/> <hr/>	<hr/> <hr/>