

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020
FOR
MSC CHARITY TRUST**

Atkinson Finch & Co
Chartered Accountants
Central Chambers
45-47 Albert Street
Rugby
Warwickshire
CV21 2SG

MSC CHARITY TRUST

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FOR THE YEAR ENDED 31ST DECEMBER 2020**

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MSC CHARITY TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

The trustees present their report with the financial statements of the charity for the year ended 31st December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects are set out in the Trust Deed, being to promote the objects of The Society of the Missionaries of the Sacred Heart of Jesus, a voluntary association of men formed in Ireland for the promotion of the Catholic faith.

Under the terms of the gift made to Warwickshire Catholic Independent Schools Foundation in September 2001, the charity has retained the use of community accommodation at Princethorpe College under a lease back arrangement for a nominal consideration. The property gifted included Princethorpe Church, which is to continue to be made available for use by the general public.

The Trust is now in receipt of property and investment income, which together with donations are applied to further the objects.

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Charity raises funds for the MSC South Africa Fund and continues to support Bakhita Village, a home for orphaned and vulnerable school aged girls in Tzaneen Province, South Africa. The Charity also made the following donations during the financial year:

- £10,000 to the Catholic Worker Farm which supports female asylum seekers and their children
- £1,500 Sponsorship for a pupil at Princethorpe College to attend a trip to Malawi
- £2,000 contribution to the Conference of Religious UK to support new Church safeguarding/safe spaces initiatives

The MSC Charity Trust (no. 1176634), a company limited by guarantee, has been formed to take over the affairs of this Charity, at which point this Charity will be wound up. The transfer of the assets and activities has commenced but currently no properties have been transferred, only an amount of cash. The trustees are aiming to have the transfer fully completed by 31st December 2021.

FINANCIAL REVIEW

Reserves policy

The trustees have considered the requirement for free reserves which are those funds not invested in fixed assets, designated for specific purposes or otherwise committed.

The Charity has committed to make donations of £100,000 to the Catholic Worker Farm during the next financial year, together with £20,000 to the Missionaries of the Sacred Heart of Jesus in the Philippines to help fund the further studies or formation of young missionaries, which will represent the second instalment from a commitment of five.

The trustees continue to review suitable projects that will benefit from these funds and make life changing impacts on people in need.

Going concern

The trustees confirm that they are not aware of any material uncertainties about the Charity's ability to continue.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The MSC Charity Trust was founded by Trust Deed on 16th June 1989.

MSC CHARITY TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Trustees are appointed by the Provincial of The Missionaries of the Sacred Heart of Jesus, such that the number of trustees shall not exceed ten at any time.

Related parties

The Trustees of the charity are members of The Society of the Missionaries of the Sacred Heart of Jesus, a voluntary association of men formed in Ireland for the promotion of the Catholic faith.

A summary of the transactions with related parties is set out in note 11 of the financial statements

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

801900

Principal address

Princethorpe College
Princethorpe
Rugby
Warwickshire
CV23 9PX

Trustees

Rev. C R Tranter
Rev. J P Fitzgerald
Rev. M J O'Connell
Rev. M A Serrage
Rev. M A Ferry
Rev. J A Nolan
Rev. A R Whelan
Rev. T O'Brien

Secretary to the Trustees

P E Shaw

Independent Examiner

S G Bolton FCA
ICAEW
Atkinson Finch & Co
Chartered Accountants
Central Chambers
45-47 Albert Street
Rugby
Warwickshire
CV21 2SG

Bankers

Allied Irish Bank (GB)
Birmingham City Office
61 Temple Row
Birmingham
B2 5LT

MSC CHARITY TRUST

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Varley Hibbs & Co.
3 Coventry Innovation Village
Cheetah Road
Coventry
CV1 2TL

Keelers
Dunns Pitts Farm
Hollis Lane
Kenilworth
CV8 2JY

Approved by order of the board of trustees on 09/09/2021 and signed on its behalf by:



.....
Rev. C R Tranter - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
MSC CHARITY TRUST**

Independent examiner's report to the trustees of MSC Charity Trust

I report to the charity trustees on my examination of the accounts of MSC Charity Trust (the Trust) for the year ended 31st December 2020.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



S G Bolton FCA
ICAEW
Atkinson Finch & Co
Chartered Accountants
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Warwickshire
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Date: 15/09/2021.....

MSC CHARITY TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2020**

	Notes	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	501	7,179	7,680	113,854
Investment income	3	81,186	-	81,186	66,285
Total		81,687	7,179	88,866	180,139
EXPENDITURE ON					
Letting of properties	4	23,971	-	23,971	13,982
Charitable activities					
Donations		13,500	3,020	16,520	32,831
Subsistence grants for priests		34,000	-	34,000	-
Premises and support costs		9,115	-	9,115	8,055
Administration costs		14,836	-	14,836	13,523
Total		95,422	3,020	98,442	68,391
NET INCOME/(EXPENDITURE)		(13,735)	4,159	(9,576)	111,748
Other recognised gains/(losses)					
Gains on revaluation of fixed assets		1,298,818	-	1,298,818	105,000
Net movement in funds		1,285,083	4,159	1,289,242	216,748
RECONCILIATION OF FUNDS					
Total funds brought forward		2,884,975	10,734	2,895,709	2,678,961
TOTAL FUNDS CARRIED FORWARD		4,170,058	14,893	4,184,951	2,895,709

The notes form part of these financial statements


MSC CHARITY TRUST

**BALANCE SHEET
31ST DECEMBER 2020**

	Notes	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	7	3,690,168	-	3,690,168	2,391,473
CURRENT ASSETS					
Debtors	8	35,922	-	35,922	10,628
Cash at bank		719,384	14,893	734,277	772,751
		<u>755,306</u>	<u>14,893</u>	<u>770,199</u>	<u>783,379</u>
CREDITORS					
Amounts falling due within one year	9	(275,416)	-	(275,416)	(279,143)
		<u>479,890</u>	<u>14,893</u>	<u>494,783</u>	<u>504,236</u>
NET CURRENT ASSETS					
		<u>4,170,058</u>	<u>14,893</u>	<u>4,184,951</u>	<u>2,895,709</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>4,170,058</u>	<u>14,893</u>	<u>4,184,951</u>	<u>2,895,709</u>
NET ASSETS					
		<u>4,170,058</u>	<u>14,893</u>	<u>4,184,951</u>	<u>2,895,709</u>
FUNDS					
Unrestricted funds	10			4,170,058	2,884,975
Restricted funds				14,893	10,734
TOTAL FUNDS					
				<u>4,184,951</u>	<u>2,895,709</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 09/01/2021 and were signed on its behalf by:


Rev. C R Tranter - Trustee


Rev. J P Fitzgerald - Trustee

MSC CHARITY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Income

Income is recognised in the period in which the charity is entitled to the funds.

Expenditure

Expenditure is recognised on an accruals basis.

Costs of generating funds comprise those costs directly attributable to income from letting.

Donations are charged in the period in which the offer is conveyed to the recipient.

Premises and support costs comprise costs in respect of the charity's property and costs incurred in running retreats.

Governance costs comprise costs of running the charity itself as an organisation.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures, fittings and computer equipment - 10% on cost

Freehold property

Investment property is stated at valuation at the balance sheet date. The Trustees review the property portfolio periodically and adjust the carrying values where they believe there is a material adjustment to the previous year.

No depreciation is provided on the freehold property as the Trustees are of the opinion that the residual value is in excess of the valuation shown in the financial statements.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Restricted funds

Restricted funds are used for specified purposes as laid down by the donor. Expenditure which meets these criteria is allocated to the fund.

Unrestricted funds

Unrestricted funds are donations and other income received or generated for the objects of the charity without further specified purpose and are available as funds which the charity may use for its purposes at its discretion.

Designated funds

These are sums forming part of the charity's unrestricted funds set aside by the trustees for particular purposes in the future. The trustees have the power to reallocate such funds within unrestricted funds unless and until expended.

MSC CHARITY TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2020

2. DONATIONS AND LEGACIES	2020	2019
	£	£
Donations	7,680	3,234
Legacies	-	110,620
	<u>7,680</u>	<u>113,854</u>
3. INVESTMENT INCOME	2020	2019
	£	£
Rents received	75,667	60,620
Deposit account interest	5,519	5,665
	<u>81,186</u>	<u>66,285</u>
4. LETTING OF PROPERTIES		
Property costs	2020	2019
	£	£
Insurance	-	65
Light and heat	1,178	333
Rates and water	2,083	2,202
Repairs and maintenance	13,391	6,539
Ground rent and service charges	2,339	1,740
Management fees	4,980	3,103
	<u>23,971</u>	<u>13,982</u>
5. TRUSTEES' REMUNERATION AND BENEFITS		
There were no trustees' remuneration or other benefits for the year ended 31st December 2020 nor for the year ended 31st December 2019.		
Trustees' expenses		
There were no trustees' expenses paid for the year ended 31st December 2020 nor for the year ended 31st December 2019.		

MSC CHARITY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020**

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	110,820	3,034	113,854
Investment income	66,285	-	66,285
Total	<u>177,105</u>	<u>3,034</u>	<u>180,139</u>
EXPENDITURE ON			
Letting of properties	13,982	-	13,982
Charitable activities			
Donations	30,015	2,816	32,831
Premises and support costs	8,055	-	8,055
Administration costs	13,523	-	13,523
Total	<u>65,575</u>	<u>2,816</u>	<u>68,391</u>
NET INCOME	<u>111,530</u>	<u>218</u>	<u>111,748</u>
Other recognised gains/(losses)			
Gains on revaluation of fixed assets	105,000	-	105,000
Net movement in funds	<u>216,530</u>	<u>218</u>	<u>216,748</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>2,668,445</u>	<u>10,516</u>	<u>2,678,961</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>2,884,975</u></u>	<u><u>10,734</u></u>	<u><u>2,895,709</u></u>

MSC CHARITY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020**

7. TANGIBLE FIXED ASSETS

	Freehold investment property £	Other freehold property £	Fixtures, fittings and computer equipment £	Totals £
COST OR VALUATION				
At 1st January 2020	1,604,111	787,071	74,597	2,465,779
Revaluations	1,330,889	(32,071)	-	1,298,818
At 31st December 2020	<u>2,935,000</u>	<u>755,000</u>	<u>74,597</u>	<u>3,764,597</u>
DEPRECIATION				
At 1st January 2020	-	-	74,306	74,306
Charge for year	-	-	123	123
At 31st December 2020	-	-	<u>74,429</u>	<u>74,429</u>
NET BOOK VALUE				
At 31st December 2020	<u>2,935,000</u>	<u>755,000</u>	<u>168</u>	<u>3,690,168</u>
At 31st December 2019	<u>1,604,111</u>	<u>787,071</u>	<u>291</u>	<u>2,391,473</u>

Freehold investment property includes the following:

	At valuation £
Farmland	*1 1,200,000
157 Ettington Road, Ashton, Birmingham	*2 260,000
East Lodge, Princethorpe	*2 425,000
The Retreat Centre, Princethorpe	*2 725,000
Gardener's Cottage, Princethorpe	*2 325,000
	<u>£2,935,000</u>

Other freehold property includes the following:

	At valuation £
2 Vita House, Charrington Place, St Albans	*3 350,000
The Presbytery, Beaconsfield Road, St Albans	*4 405,000
	<u>755,000</u>

*1 The farmland was valued by Howkins and Harrison at its open market value in October 2020, subject to existing Farm Business Tenancies.

*2 The valuations were carried out by Howkins and Harrison, Chartered Surveyors, in October 2020 at their open market values with vacant possession.

*3 Vita House was revalued at December 2020 by Leaders Limited, Letting and Estate Agents, at its open market value with full vacant possession.

*4 The Presbytery was revalued in August 2019 by Avison Young, Chartered Surveyors, at its open market value with full vacant possession.

MSC CHARITY TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Other debtors	29,122	4,868
Prepayments and accrued income	6,800	5,760
	<u>35,922</u>	<u>10,628</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Other creditors	268,584	270,286
Accruals and deferred income	6,832	8,857
	<u>275,416</u>	<u>279,143</u>

10. MOVEMENT IN FUNDS

	At 1.1.20	Net movement in funds	At 31.12.20
	£	£	£
Unrestricted funds			
General fund	2,884,975	1,285,083	4,170,058
Restricted funds			
MSC South Africa Fund	10,734	4,159	14,893
TOTAL FUNDS	<u>2,895,709</u>	<u>1,289,242</u>	<u>4,184,951</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	81,687	(95,422)	1,298,818	1,285,083
Restricted funds				
MSC South Africa Fund	7,179	(3,020)	-	4,159
TOTAL FUNDS	<u>88,866</u>	<u>(98,442)</u>	<u>1,298,818</u>	<u>1,289,242</u>

MSC CHARITY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020**

10. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	2,668,445	216,530	2,884,975
Restricted funds			
MSC South Africa Fund	10,516	218	10,734
TOTAL FUNDS	<u>2,678,961</u>	<u>216,748</u>	<u>2,895,709</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	177,105	(65,575)	105,000	216,530
Restricted funds				
MSC South Africa Fund	3,034	(2,816)	-	218
TOTAL FUNDS	<u>180,139</u>	<u>(68,391)</u>	<u>105,000</u>	<u>216,748</u>

11. RELATED PARTY DISCLOSURES

Members of the charity are individual members of The Society of the Missionaries of the Sacred Heart of Jesus. At 31st December 2020 the charity owed that organisation £268,584 (2019 - £269,586)

The Trust is in the process of transferring its activities to MSC Charity Trust, a charitable company (Charity reference 1176634). At 31st December 2020 £22,947 of funds had been transferred and this is shown in other debtors in the balance sheet.

The company received rent of £8,400 (2019 - £8,400) at open market value during the year in respect of its investment property in Aston, Birmingham from members of the MSC European Community. Some members are individual members of The Society of the Missionaries for the Sacred Heart of Jesus.