

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021  
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 2021**

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## **MSC CHARITY TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021**

The trustees present their report with the financial statements of the charity for the year ended 31st December 2021. 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 to support Bakhita Village, a home for orphaned and vulnerable school aged girls in Tzaneen Province, South Africa. All monies held have now been transferred. The charity also made the following donations during the financial year:

- £150,000 to the Catholic Worker Farm which supports female asylum seekers and their children
- £40,000 to the Missionaries of the Sacred Heart of Jesus in the Philippines

The property held at 157 Ettington Road, Aston, Birmingham was sold during the year at the balance sheet value. 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 due to legal delays. The trustees are aiming to have the transfer fully completed by 31st December 2022. No further valuations of the properties have taken place during the year as the transfer values agreed at 31st December 2020 will be used in the legal documentation.

#### **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.

Once the properties have been transferred to the charitable company the trustees will reassess the cash funds held and how they may be utilised for the maximum benefit for people in need. The charity has made three instalments of £20,000 from a commitment of five to The Missionaries of the Sacred Heart of Jesus in the Philippines to help fund the further studies or formation of young missionaries. The commitment will be honoured by the charitable company.

##### **Going concern**

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

## **MSC CHARITY TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

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

##### **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 12 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 2021**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Solicitors**

Brindley Twist Tafft & James  
Lowick Gate  
Siskin Drive  
Coventry  
CV3 4FJ

Approved by order of the board of trustees on .....14/6/2022..... and signed on its behalf by:

.....*Carl R. Tranter*.....

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 2021.

**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  
Central Chambers  
45-47 Albert Street  
Rugby  
Warwickshire  
CV21 2SG

Date: .....18/07/2022.....

**MSC CHARITY TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31ST DECEMBER 2021**

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	44,442	772	45,214	7,680
Investment income	3	70,657	-	70,657	81,186
<b>Total</b>		<b>115,099</b>	<b>772</b>	<b>115,871</b>	<b>88,866</b>
<b>EXPENDITURE ON</b>					
Letting of properties	4	34,247	-	34,247	23,971
<b>Charitable activities</b>					
Donations		190,000	15,665	205,665	16,520
Subsistence grants for priests		37,500	-	37,500	34,000
Premises and support costs		13,651	-	13,651	9,115
Administration costs		33,572	-	33,572	14,836
<b>Total</b>		<b>308,970</b>	<b>15,665</b>	<b>324,635</b>	<b>98,442</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(193,871)</b>	<b>(14,893)</b>	<b>(208,764)</b>	<b>(9,576)</b>
<b>Other recognised gains/(losses)</b>					
Gains on revaluation of fixed assets		-	-	-	1,298,818
<b>Net movement in funds</b>		<b>(193,871)</b>	<b>(14,893)</b>	<b>(208,764)</b>	<b>1,289,242</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>4,170,058</b>	<b>14,893</b>	<b>4,184,951</b>	<b>2,895,709</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>3,976,187</b>	<b>-</b>	<b>3,976,187</b>	<b>4,184,951</b>

The notes form part of these financial statements

**MSC CHARITY TRUST**

**BALANCE SHEET  
31ST DECEMBER 2021**

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	7	3,430,062	-	3,430,062	3,690,168
<b>CURRENT ASSETS</b>					
Debtors	8	820,469	-	820,469	35,922
Cash at bank		-	-	-	734,277
		<u>820,469</u>	<u>-</u>	<u>820,469</u>	<u>770,199</u>
<b>CREDITORS</b>					
Amounts falling due within one year	9	(274,344)	-	(274,344)	(275,416)
		<u>546,125</u>	<u>-</u>	<u>546,125</u>	<u>494,783</u>
<b>NET CURRENT ASSETS</b>					
		<u>3,976,187</u>	<u>-</u>	<u>3,976,187</u>	<u>4,184,951</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>3,976,187</u>	<u>-</u>	<u>3,976,187</u>	<u>4,184,951</u>
<b>NET ASSETS</b>					
		<u>3,976,187</u>	<u>-</u>	<u>3,976,187</u>	<u>4,184,951</u>
<b>FUNDS</b>					
Unrestricted funds	10			3,976,187	4,170,058
Restricted funds				-	14,893
<b>TOTAL FUNDS</b>					
				<u>3,976,187</u>	<u>4,184,951</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 14/12/22 and were signed on its behalf by:

  
Rev. C R Tranter - Trustee

  
Rev. J P Fitzgerald - Trustee

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2021**

**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 2021**

**2. DONATIONS AND LEGACIES**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Donations	<b>45,214</b>	<b>7,680</b>

**3. INVESTMENT INCOME**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Rents received	<b>69,253</b>	<b>75,667</b>
Deposit account interest	<b>1,404</b>	<b>5,519</b>
	<b>70,657</b>	<b>81,186</b>

**4. LETTING OF PROPERTIES**

**Property costs**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Light and heat	<b>1,721</b>	<b>1,178</b>
Rates and water	<b>2,481</b>	<b>2,083</b>
Repairs and maintenance	<b>22,864</b>	<b>13,391</b>
Ground rent and service charges	<b>2,666</b>	<b>2,339</b>
Management fees	<b>4,515</b>	<b>4,980</b>
	<b>34,247</b>	<b>23,971</b>

**5. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st December 2021 nor for the year ended 31st December 2020.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31st December 2021 nor for the year ended 31st December 2020.

**MSC CHARITY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2021**

**6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

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

**MSC CHARITY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2021**

**7. TANGIBLE FIXED ASSETS**

	Freehold investment property £	Other freehold property £	Fixtures, fittings and computer equipment £	Totals £
<b>COST</b>				
At 1st January 2021	2,935,000	755,000	74,597	3,764,597
Disposals	(260,000)	-	-	(260,000)
At 31st December 2021	<u>2,675,000</u>	<u>755,000</u>	<u>74,597</u>	<u>3,504,597</u>
<b>DEPRECIATION</b>				
At 1st January 2021	-	-	74,429	74,429
Charge for year	-	-	106	106
At 31st December 2021	<u>-</u>	<u>-</u>	<u>74,535</u>	<u>74,535</u>
<b>NET BOOK VALUE</b>				
At 31st December 2021	<u>2,675,000</u>	<u>755,000</u>	<u>62</u>	<u>3,430,062</u>
At 31st December 2020	<u>2,935,000</u>	<u>755,000</u>	<u>168</u>	<u>3,690,168</u>

Freehold investment property includes the following:

	At valuation £
Farmland	*1 1,200,000
East Lodge, Princethorpe	*2 425,000
The Retreat Centre, Princethorpe	*2 725,000
Gardener's Cottage, Princethorpe	*2 325,000
	<u>£2,675,000</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 2021**

**8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2021</b>	2020
	£	£
Other debtors	<b>814,132</b>	29,122
Prepayments and accrued income	<b>6,337</b>	6,800
	<u><b>820,469</b></u>	<u>35,922</u>

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2021</b>	2020
	£	£
Other creditors	<b>268,403</b>	268,584
Accruals and deferred income	<b>5,941</b>	6,832
	<u><b>274,344</b></u>	<u>275,416</u>

**10. MOVEMENT IN FUNDS**

	At 1.1.21	Net movement in funds	At 31.12.21
	£	£	£
<b>Unrestricted funds</b>			
General fund	<b>4,170,058</b>	<b>(193,871)</b>	<b>3,976,187</b>
<b>Restricted funds</b>			
MSC South Africa Fund	<b>14,893</b>	<b>(14,893)</b>	-
	<u><b>4,184,951</b></u>	<u><b>(208,764)</b></u>	<u><b>3,976,187</b></u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	<b>115,099</b>	<b>(308,970)</b>	<b>(193,871)</b>
<b>Restricted funds</b>			
MSC South Africa Fund	<b>772</b>	<b>(15,665)</b>	<b>(14,893)</b>
	<u><b>115,871</b></u>	<u><b>(324,635)</b></u>	<u><b>(208,764)</b></u>

**MSC CHARITY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2021**

**10. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

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

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	81,687	(95,422)	1,298,818	1,285,083
<b>Restricted funds</b>				
MSC South Africa Fund	7,179	(3,020)	-	4,159
<b>TOTAL FUNDS</b>	<u>88,866</u>	<u>(98,442)</u>	<u>1,298,818</u>	<u>1,289,242</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 2021 the charity owed that organisation £268,403 (2020 - £268,584).

The Trust is in the process of transferring its activities to MSC Charity Trust, a charitable company (Charity reference 1176634). At 31st December 2021 £ 814,132 (2020 - £22,947) of funds had been transferred and this is shown in other debtors in the balance sheet.

The company received rent of £2,100 (2020 - £8,400) at open market value in respect of its investment property in Aston, Birmingham from members of the MSC European Community prior to the disposal of the property. Some members are individual members of The Society of the Missionaries for the Sacred Heart of Jesus.