



*Congregation of the  
Sisters of Mercy  
Northern Province  
Northern Ireland*



**Annual Report 2022**

# Annual Trustees' Report 2022

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The Trustees, comprising of the Provincial Leader and Team, present this Annual Report and the audited Financial Statements of the Sisters of Mercy of the Northern Province for the year ending 31 December 2022. The Trustees of the Charity are responsible for the life and mission of the Sisters of Mercy, Northern Province. They confirm that the Annual Report and Financial Statements comply with the Constitutions of the Congregation of the Sisters of Mercy, the Charities Act 2011 and the provisions of the Statements of Recommended Practice (Charity SORP FRS102).

Signed and dated by the Provincial Leader and another Team Member.

Signed: *Sr. Rose Marie Conlan*.....

*Fr. Joseph W. Nally*.....

Date: ..... *27/7/2023*.....

..... *27/7/2023*.....

# Introduction: Our Mercy Mission

## WHERE OUR MISSION BEGAN

The Congregation of the Sisters of Mercy is an international Roman Catholic Religious Congregation founded in Dublin in 1831 by Catherine McAuley. Influenced by her Christian faith, she used her inheritance to set up a centre in Baggot Street, Dublin, Ireland from which she and her early companions responded to the needs of people who were disadvantaged.



House of Mercy,  
Baggot Street, Dublin

The founding Sisters established schools and hospitals and cared in whatever way possible for the needs of the people who were poorest in society.

## OUR MISSION TODAY

The Sisters of Mercy, Northern Province is one of the six Provinces of the Congregation of the Sisters of Mercy and has members in all six counties in Northern Ireland, where 122 Sisters reside. There are also 161 members who reside in the Republic of Ireland.

Throughout the last century, Government provision in healthcare and education improved and while the Sisters continue in to support access to education for all, the work and mission of the Sisters has become more varied.

Motivated by the Christian vision of a world of equality, justice, peace and care of the earth, the Charity has consistently worked for justice and responded to unmet needs. Sisters are committed to prayer while also being involved in pastoral care, eco-justice and spirituality. However, as the age profile of the Sisters has increased, the need to care for older Sisters has become a necessity for the Charity.

### Our Mercy Mission

Constitutions of the Sisters  
of Mercy - No. 104 (1985)

*"The mission of the Congregation of the Sisters of Mercy is to bear witness to the compassionate and merciful love of God.*

*Our administration of temporal goods must express the Gospel call to justice, charity and almsgiving.*

*We use these goods for our common life, for the various apostolates of mercy ad for the needs of the Church, especially the poor and deprived."*

# Purpose/Objects, Activities and Achievements

## Charitable Purposes

- ❖ Advancement of Religion
- ❖ Prevention or Relief of Poverty

The Charity aims to support the religious and other charitable works carried out in the name of the Charity and to care for the Sisters throughout their lives.

## The purposes and objects of the Charity are fulfilled through the following activities and ministries:

1. Congregational Living – the Advancement of Religion
2. Healthcare and the Compassionate Care of the Sick and those in Need
3. Relief of Poverty, Promotion of Education, Justice and other Charitable Activities including Collaboration and Support of Other Groups
4. Positive Impact Investments
5. Heritage and Upkeep of Listed Assets

## Public Benefit

Public Benefit is delivered through religious activities, prayer, ministry activities, the prevention and relief of poverty, support to other charities who alleviate poverty, the promotion of holistic wellbeing, impact investments, overseas aid, ecological awareness and a variety of services provided to families, refugees, older people, children, and to people experiencing hunger and poverty.

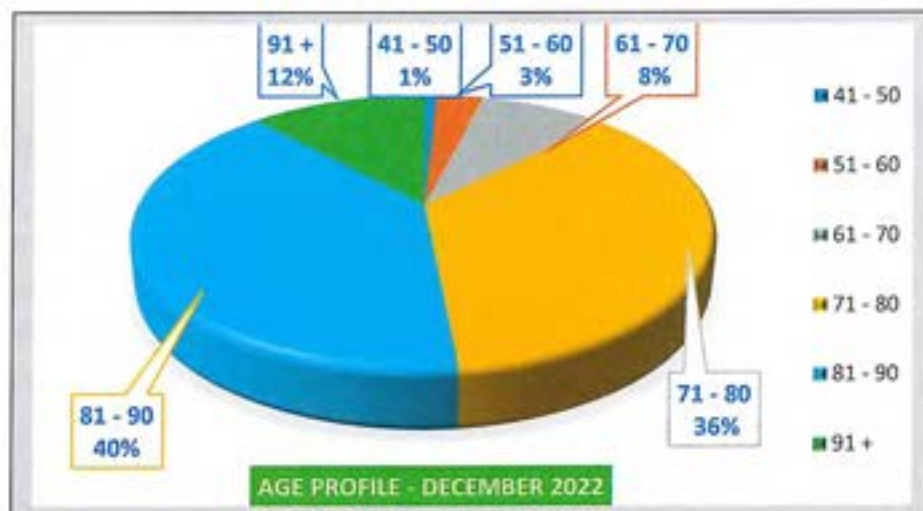
## *Congregational Living and the Advancement of Religion*

The Charity is a religious congregation and so the nurturance of faith and the development of spirituality are of central importance. This underpins all aspects of the life and work of the Charity. The Sisters are committed to daily personal prayer and to a pattern of communal prayer suited to their local communities.

All aspects of the Charity's work involve the advancement of religion. The Trustees continue to assess the Charity's commitment to this fundamental purpose. Congregational Living and the Advancement of Religion are the essential dynamics that permeate the Charity. In our community living and ministry in local parishes where Sisters reside, members actively participate and interact with parish faith communities. Through this living and praying, Sisters from the Charity support people spiritually and practically.

Salaries, stipends, and pensions of the Sisters are donated to the Charity. Therefore, Sisters have no independent means of support. They devote their lives and earnings to the furtherance of the Charity's objectives. Sisters freely give their services in various ministries and do so well beyond retirement age. Hence the work of the Charity includes the provision of living accommodation, the upkeep, up-skilling and retraining of Sisters so to enable them to continue their service to the public.

The Trustees are cognisant of the aging demographic of its members, the work of the Charity, property requirements and financial implications. Residential accommodation is kept under review to ensure a continuum of care appropriate to each sister's needs. The Charity provides designated Assisted-living at houses in Belfast, Newry, Strabane, Enniskillen and Lurgan.



## *F* Faith Development/Parish and Prayer Ministry

As a Religious Congregation, faith and spiritual development, parish work and prayer ministry are of prime importance to the Trustees. A number of Sisters seek to respond to the hunger for God in society by promoting faith development, engaging in inter-faith dialogue and nurturing spirituality.



Review of  
Achievements and  
Activities in 2022

Many of the Sisters, even in retirement, are actively involved with people and clergy in their local parishes, in ministries aimed at facilitating a deepening of faith and relationship with God. The Sisters collaborate with others also, in community activities, supporting and encouraging the development of leadership among the people and campaigning for services for older people. Home visitation of the sick and housebound, prayer and scripture groups, bereavement support, guided prayer, and experiences in creative forms of prayer are some of the services offered to people. A sample of this work is listed below.

*Parish Pastoral Support*  
*Marriage Tribunal*  
*Liturgical Ministers*  
*Diocesan Pastoral Work*  
*Parish Ministry*  
*Church Music*

*Prayer Guidance*  
*Spiritual Direction*  
*John Paul II Awards*  
*School Chaplaincy*  
*School Chaplaincy*  
*Training of Parish Ministers*

Sisters also offer emerging spiritual development programmes through Creation Spirituality and Ritual, Higher Consciousness, Sacred Dance, Mindfulness and Practices for Wellness, and seasonal reflection days.

### **Diocesan Pastoral Work**

A Sister is a Pastoral Worker in the Archdiocese of Armagh, encouraging clergy and laity in planning for the future. In 2022 she promoted synodal engagement in parishes and schools.

Synodality is “mutual collaborative listening, guided by the Holy Spirit, in which all of the faithful have something to learn from each other, in order to know what God is saying”. Along with colleagues this Sister undertook extensive listening exercises in many parishes, culminating in large diocesan gatherings (May and December).

What emerged were the focal points for a process that has the potential to change how we experience church into the future.

Over and above supporting and resourcing Primary School teachers in passing on the faith to young people, this Sister and the team of pastoral workers met with the 150 school principals throughout the archdiocese to ascertain the joys and challenges in their responsibilities in passing on the faith. There were follow-up engagements that allowed the principals collectively to process the implications of the findings, to make connections with one another, to contribute to the overall development of synodality and to participate in the shaping of the mission of the Church in the world of today.

### Circle of Mercy

The Circle of Mercy is a lay organisation whose members come together in a spirit of prayer, mutual support and compassionate living, to promote the Mercy Charism and live the Gospel in the spirit of Catherine McAuley. There are Circles in Derry, Downpatrick, Laurencetown, Newry and Warrenpoint. A number of Sisters from the Charity are also involved in the Circle of Mercy.



## *H* **Healthcare and the Compassionate Care of the Sick and those in Need**

Many Sisters engage in wellbeing activities and offer care support to individuals in the wider communities where they live: healthcare, care and visitation of the dying and the bereaved, provision of spiritual and psychological therapies and the promotion of wellbeing of body, mind and spirit. This is at the heart of Mercy life and ministry.

The Trustees exercise a duty to care for older and frail Sisters. These Sister have selflessly dedicated their lives to the furtherance of the Charity's objectives without any personal remuneration, and many of them need cared for in older age.

Ministry:  
Constitutions of  
the Sisters of Mercy  
No. 43 (1985)

*"Catherine McAuley generated in her Sisters a deep concern and compassionate care for the sick and dying. This concern engages us in the compassionate care of the sick, manifesting to them Christ's healing love."*

The Trustees are committed to

- i) enabling Members to actively engage in healthcare ministries.
- ii) ensuring Sisters receive the appropriate level of care they require.
- iii) maintaining and reviewing Community houses for Sisters.

## *Chaplaincy, Wellbeing and Care*

A number of Members of the Charity have a more structured ministry of chaplaincy, wellbeing and care and engage in Palliative Care Chaplaincy - Southern Area Hospital, Newry, Chaplaincy at the Acute Mental Health Unit – Belfast City Hospital and Mater Hospital, Belfast and another Sister is a Social Worker in Dementia Services – Southern Health & Social Services. A Sister is an independent provider in Art Therapy- Divinely Inspired. Some of our Sisters have been trained in and offer Mindfulness Programmes in many parts of the Province.

### **Hospital Chaplaincy: Mater Hospital, Belfast and Belfast City Hospital**

**Review of  
Achievements and  
Activities in 2022**

The Mater Infirmorium Hospital, Belfast was established in 1883 by the Sisters of Mercy. The sick and dying of Belfast and its surrounding areas were cared for by skilled nurses, many of whom as members of the Mercy Order worked without a salary up until 1972, when funding was finally granted. The Hospital is now under the management of Belfast Health & Social Care Trust.

A Sister from the Charity is a Chaplain in the Mater Hospital and is part of a multi-disciplinary health care team, providing spiritual, religious and pastoral support to patients and their families. The founding philosophy of the hospital, *to comfort, console, care and support the sick and dying, without distinction of Creed* is maintained. In addition, the Sister looks after the hospital chapel ensuring it is an oasis of peace for all who visit for a quiet moment, communal prayer or worship.

Sister is also Chaplain in the Acute Mental Unity at Belfast City Hospital. This is a very specialized and sensitive ministry of gentle accompaniment to those in need.

*"I am a presence – a companion for those living and struggling with major mental health illness and who are weighed down by depression as they struggle to make sense of what is happening".*

## New Life Directions

Life Directions (NLD), founded by and co-ordinated by two members of the Charity, provides opportunity for personal, psychological and spiritual development of individuals, families and communities and works in partnership with community, voluntary and statutory organisations. NLD offers a wide-ranging menu of well-being practices and methods, facilitation, meditation, dance, song, ritual, journalling. In 2022, NLD worked in partnership with the following Northern Ireland-based Organisations:

- ❖ Health Alliance Northern Ireland
- ❖ Mid- Ulster Age Well Partnership.
- ❖ Mid- Ulster Seniors Network
- ❖ Northern Ireland Community Health Network (NACHN)
- ❖ Lilac, Cancer Support Organisation

### Wellbeing & Stress Management Programmes.

Programme of 'Wellbeing for Carers' offered through Cookstown and Western Shores Area 65 Network (CWSAN); 'Time for Me' a personal development programme delivered by NLD and sponsored by Cookstown and Western Shores Area Network (CWSAN); 'Tai Chi and Wellbeing' sponsored by Northern Ireland Lifestyle Partnership.

Wellbeing and Stress Management weekly sessions commissioned by Mid Ulster Age Well Partnership; Mid Ulster Seniors; Northern Ireland Community Health Network (NACHN).

Stress Management classes for Health Alliance Northern Ireland: An exploration Causes, Signs and Effects of Stress. These programmes introduced participants to Wellbeing Practices, Tai Chi, Breath Work and Reflection to combat Anxiety and Stress.



### Development and Celebration Programmes

NLD offered a variety of programmes and activities throughout the year which included the following: Mid-Life and Long-Life Directions, Negotiating the Mid-Life Journey, Negotiating the Later Years, Age Friendly Conference, Brigid's Day, International Women's Day, 'Look after myself, so I can be there for others' (as part of a Palliative Care Conference). 'We remember them' memorial service.



## Capacitar Multi-Cultural Wellness Education – Training and Mentoring

In partnership with Capacitar International, USA, NLD delivered Module 1, Training on Capacitar Multi-Cultural Wellness Education at Marino College, Dublin. It was also involved in ‘Healing and Transforming Life Patterns’



Advanced Training to 42 people, upskilling them in co-facilitating Wellbeing and Stress Management workshops and qualifying them to offer programmes as independent providers.

## *Relief of Poverty, Promotion of Education, Justice and other Charitable*

### Activities

Ministry: Constitutions of the Sisters of Mercy - No. 43 (1985)

*“Our foundress, Catherine McAuley, generated in her Sisters a deep concern for those at risk in society- this concern engages us in Christian Education . . . it urges us to be with, and for, the poor and distressed, working for social justice and wellbeing, seeking to bring rich and poor together in mutual love and service.”*

In 2022, 122 Sisters engaged in the Charity’s commitment to the relief of poverty through activities of the Sisters and donations to other charities. Ministry engagement was related to the following areas:

- ❖ Promotion of all Aspects of Education
- ❖ Justice, Peace and Reconciliation
- ❖ Overseas Development and Support
- ❖ Pastoral, Social Care and Development

### ❖ *P*romotion of All Aspects of Education

A priority of the Founder of the Sisters of Mercy, was to open schools, creating education opportunities for children, especially poorer children. The provision of formal education was a major ministry of the Charity for over 170 years.

**Review of  
Achievements and  
Activities in 2022**

By the late 19<sup>th</sup> century, second level schools were established in most provincial towns throughout Ireland. In recent years a gradual transfer of responsibility for Catholic education in Mercy Schools to other trusteeships ensures schools are communities where Christian faith, justice and responsibility are nurtured.

Sisters serve on schools' Boards of Governors of Schools that the Sisters of Mercy helped to establish.

**CSTS** The Catholic Schools' Trust is the sectoral body for Catholic Managed Schools (NI) and works on behalf of Diocese and Religious Congregations. CSTS assists the Sisters of Mercy in trusteeship matters, ensuring the maintenance of ethos, values and spiritual focus in our schools. The Sisters of Mercy are the Trustees of Mercy Primary, Belfast, Mercy College, Belfast and Our Lady's Grammar School, Newry.

### **Mercy Primary, Belfast**

Mercy Primary is an all-inclusive school for girls in North Belfast that delivers a broad-based curriculum in line with the Northern Ireland Revised Curriculum. The school works closely with other schools and the parish and promotes a Catholic Ethos aligned with Mercy values and heritage, all of which permeate the school.

The Sisters of Mercy Trustees offer support and encouragement to the Board of Governors and actively participate in negotiations related to the future of Catholic Primary School provision in the North Belfast Area.



Year 1 Pupil intake	37	
Total pupils	239	
Total teachers	11.1	
Pupils - SEN	75/94	Needs/Status
Pupils- In care	5	12%
Pupils - Medical conditions	49	20.76%
Newcomers	10	
Entitlement to free school meals	148	62.7%
Attendance		90.68%

## Mercy College, Belfast

Mercy College is an all-ability co-educational facility in North Belfast. Standards continue along a positive trendline on the school improvement journey; 94% of our Year 12 pupils achieved 5 GCSES A-C and 94% of our Year 14 pupils achieved 3 A Levels A-C. These results are very favourable when compared to relevant benchmarking data for a like school.

Enrolment figures demonstrate the faith and confidence that the local community places in the College and retention rates from year 12 into post 16 is a further stamp of approval from the wider community. Moreover, leavers' destinations, in August 2022, indicate that the College is providing progression and appropriate pathways for all pupils, with 53% going on to Higher and Further Education courses. Courses chosen by pupils include: Children's Nursing, ICT, Hospitality, Business and Marketing and Teaching. 36% of Mercy College Year 14 pupils taking courses such as the CACHE went straight into employment.

On a strategic level, Mercy College supports the North Belfast Community by extending provision for children with Special Needs; those with ASD (Autistic Spectrum Disorder) can access specialised education in a mainstream setting. The specialist setting has now gained permanency and in September 2022 the first cohort transitioned into KS4 to study GCSEs.


Through Shared Education, the school provided excellent professional development opportunities for staff to ensure we are providing outstanding teaching and learning. In August 2022, a Staff Development Day was held in conjunction with Belfast Boy's Model School. Staff feedback and evaluation of this training was excellent.



Year 8 Pupil intake	154
Year 13 Pupil intake	57
Total pupils	793
Total teachers	49.6
Pupils with Statements	97
Pupils- In care	5
Looked-after Children	22
Newcomers	8
Entitlement to free school meals	560 (70.62%)
Attendance	84.92%

## ❖ *Justice, Peace & Reconciliation*

The Charity is committed to raising awareness of the interdependence and interconnectedness of all of life. It aims to promote right relationships at every level. From its foundation, the Charity has endeavoured to alleviate suffering.



Review of  
Achievements and  
Activities in 2022

Sisters continue to work passionately to reduce poverty, violence and racism as well as the widespread denial of human rights, the degradation of Earth, the continued oppression of women, the abuse of children, the mistreatment of immigrants and the lack of solidarity among people and nations. We examine the root causes

of these issues and promote systemic change in the communities in which we minister. We connect our efforts on a global scale with the network of Sisters of Mercy Congregations throughout the world.

Sisters of the Charity are members of organizations that promote justice, peace and reconciliation including GLOIR, Green Sod Ireland, AEFJN, ARISE Foundation, Irish Refugee Council, Towards Healing, Towards Peace. Some Justice and Peace work is highlighted here.

### **Clogher Justice, Peace and Integrity of Creation**

Sisters of the Charity are members of Clogher Justice, Peace and Integrity of Creation group (CJPIC) which progresses action on Climate Change and Homelessness.

Education and awareness-raising are a core part of the group's work. CJPIC group liaises with, and networks with others including Fermanagh & Omagh District Council, and Fermanagh Churches' Forum, helping local people to preserve wildlife habitats by postponing hedgerow and verge-cutting until after the breeding season. CJPIC also works with Eco-Congregations Ireland re best practices around Church property and grounds maintenance etc.

### **The Mercy Girl Effect/ UNICEF**

Mercy Girl Effect (MGE) is a Non- Governmental Group working in consultation with UNICEF and the Working Group on Girls. A Sister co-coordinates MGE to educate and animate a new generation to be advocates for young women and children vulnerable being targeted by traffickers.

In 2022, the focus of MGE was 'Water and Sanitation.' In conjunction with UNICEF resources, students in the Western hemisphere were educated on 'Girls as Water-Carriers'. The campaign of MGE realised funding for 19 wells in the developing world.

**MECPATHS** MECPATHS is a project of The Sisters of Mercy Congregation and works in partnership with the Hospitality sector in Ireland to counter child trafficking and child sexual exploitation. It is the only project of its kind in Ireland.



**AMRI** The Association of Leaders of Religious and Missionaries of Ireland gives a collective voice to Religious Congregations in awareness-raising and response to current and emerging social justice. It represents Religious Congregations, Societies of Apostolic Life and Lay Missionary groups. As a constituent member, our Charity contributes to AMRI.



## ❖ Overseas, Development and Support

Ministry: The Universal Church  
Constitutions of the Sisters of Mercy - No. 45 (1985)

*"Belonging to the Universal Church, missionary in her very nature, we seek to incarnate the mercy of God, according to the limits of our resources, in missionary countries."*

The Charity supports, through its human, financial and other resources, all charitable works carried out in the name of the Congregation of the Sisters of Mercy. This objective is rooted in the priority outreach of the Congregation to people who experience poverty and marginalisation and is expressed in its sponsorship of numerous and ever-increasing charitable activities.

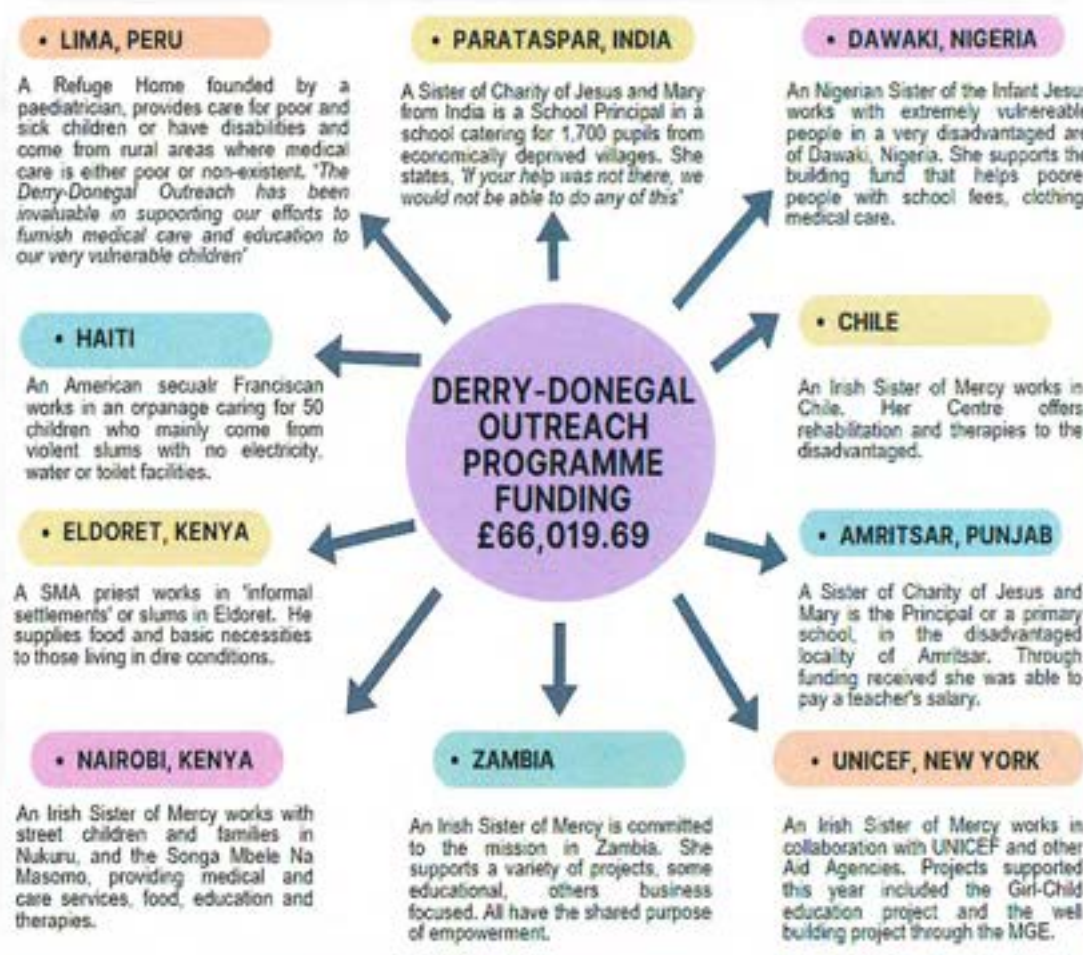
The Charity responds on a global scale to the call of people who experience poverty and disadvantage at local, national and international levels and works in collaboration with other Mercy Charities and in partnership with other charities involved in overseas development and support.

In 2022 the Charity offered particular support to Ukrainian appeals, donating to Clonard Monastery, Redemptorist Fathers - £10,000, donation of £15,000 to the Redemptorists Ukraine Appeal, and £1,317.70 to preparation of a house for Ukrainian refugees.

Local communities of Mercy Sisters also contributed financially to many charities at local and national and international levels.

### Derry-Donegal Outreach Programme

A Sister is a co-founder of the Derry-Donegal Outreach Programme with a network of donors who support overseas development services for individuals, families and communities. Contributions directly reach people and projects overseas and regular feedback ensures an intimate connection between donors and the 'on-the-ground' people working for those in need.



## ❖ Pastoral, Social Care and Development

The Charity has, from its inception, been concerned with promoting pastoral and social development initiatives and responding to the needs of our time in line with Gospel values. The Sisters undertake meaningful social and pastoral ministries in response to the needs of the wider community, in particular to those who experience poverty and marginalisation.

Many Sisters spend hours weekly carrying out Visitation - the traditional work of Mercy. They are also actively involved with statutory and voluntary agencies who offer pastoral, social care and development. In short, in towns and parishes where the Sisters reside, pastoral care is taking place.

Sisters are involved in various projects and at various levels in offering pastoral and social care and support. This includes the Aisling Centre, Fermanagh, Tara Centre, Omagh, Gloir, Newry, and Danco, Belfast.

### **ST VINCENT DE PAUL**

Supporting materially poor towns throughout Antrim, Armagh, Derry, Donegal, Down, Fermanagh and Tyrone.

### **DE PAUL, IRELAND**

Befriending to those who are homeless or at risk of becoming homeless.

### **CASS**

Caring and Sharing Group raising funds for the developing world

### **CUAN MUIRE**

Providing support to those who are living with addictions.

### **SAMARITANS**

Offering a listening ear to those in need.

### **REFUGEE SUPPORT**

Befriending Syrian Refugees with both language and practical matters.

### **TARA CENTRE**

Building a society where diversity is experienced as enrichment.

## Daneo: Human and Spiritual development Services

Daneo was founded by members of the Passionist and Mercy Congregations incorporating the mission and reflecting the values of both, whose aims are to offer solidarity and support to all those who are suffering. A Sister from the Charity is a staff member which comprises of four self-employed independent qualified counsellors and an administrator. All therapists belong to professional bodies, holding Accreditation status or working towards completion of these requirements, and the centre is insured to the highest standards.

Daneo personnel deliver counselling sessions along with clinical and pastoral supervision. They provide therapeutic outreach to Holy Cross Girl's primary school and consultancy work and counselling to Cancer Lifeline, consultancy work to Survivors of Trauma and Lenadoon Counselling Service.



## *Heritage and Upkeep of Listed Assets*

The Charity owns some Listed buildings. These buildings are protected structures and are on the Department of Communities listed buildings database in recognition of their importance. Therefore, they are legally protected from harm. Any future changes to these structures are controlled and managed through the development control process.

Listing marks and celebrates a building's special architectural and historic interest. It also brings it under the consideration of the planning system so that some thought will be taken about its future. The Charity is legally required to make sure that these structures do not become endangered through neglect, decay, damage or harm.



Mercy Centre,  
Bessbrook

In 2022, the Charity outlaid £205,139 in the upkeep of listed assets. Certain repair works that are normally routine on a building, may require planning permission on a protected structure. Additional expenditure is incurred in sourcing expertise and materials for the renovation of a listed building or in carrying out demolition on a heritage site. Associated costs are insurance, maintenance, security, general upkeep, depreciation, engagement of a Heritage Architect and other Professional Fees.

## Positive Impact Investing

Our investment portfolio is part of our Mission. Alongside active Ministries, the Charity seeks to bring about change through its investment portfolios. Avoidance of investments in fossil fuel companies or armaments companies that support the production of goods that can be highly damaging to the environment or human wellbeing is an aspect of the Charity's efforts. The Charity is committed to ensuring its investment portfolio is not involved in harmful activities.

In efforts to bring about addition, positive change in the world, the Charity invests in activities that have beneficial impacts, for both individual wellbeing and for the environment. Positive impacts are assessed under a number of headings to help measure how our investments are positively affecting the world around us. Below are some of the positive impacts achieved by the investment portfolio:



### The Portfolio and the Sustainable Development Goals (SDGs)

All investments within the Portfolio contribute towards the achievement of the Sustainable Development Goals (SDGs). The SDGs were developed and adopted by all member states of the United Nations to help achieve “a more sustainable future for all”. They represent a call to action to end poverty, protect the planet and promote prosperity and people’s wellbeing by 2030. They integrate and balance the three dimensions of sustainable development: economic, social and environmental.

Achieving the SDGs on a global basis requires collaboration between governments, the private sector, civil society and citizens alike. The Portfolio plays a role in the realisation of the goals.

# SUSTAINABLE DEVELOPMENT GOALS



Source: UN (<https://www.un.org/sustainabledevelopment/sustainable-development-goals/>)

The Sustainable Development Goals are also closely aligned with the charitable objectives of religious organisations. Since the publication of *Laudato Si*, Pope Francis has made a strong commitment to sustainable development. His appeal to “...every person living on this planet for an inclusive dialogue about how we are shaping the future of our planet”, provides a firm ethical foundation for actions that need to be taken urgently at all levels. Pope Francis’ speech ahead of the United Nations General Assembly’s formal adoption of the 17 SDGs gave further support to the ambitious and transformational vision of the goals.

A comprehensive Ethical and Positive Impact policy ensures the Portfolio remains consistent with our ethos. The Portfolio currently excludes companies involved in the production of weapons, tobacco, alcohol, pornography, and activities such as gambling and embryonic stem cell research. Environmental, Social and Governance (ESG) criteria complements the screening as it improves the overall ESG risk exposure of the Portfolio. In particular, climate risk is addressed through the exclusion of fossil fuel companies and a focus to reduce the carbon footprint of the Portfolio through investment in such areas as renewable energy and forestry.

Elements of how the Portfolio addresses the SDGs are outlined below.

## Environmental Impact

### Overall Carbon Footprint



Measurement of carbon emissions is crucial to help us understand the role our investment portfolio plays in the climate crisis, while taking measures to address it. As the SDG logos to the left show, limiting carbon emissions interacts with several SDGs, helping address Climate Action in particular. Climate justice is another aspect addressed in our portfolio, as climate change predominantly impacts those who've done the least to contribute to pollution and have less resources to deal with it. Therefore, control of carbon emissions in our portfolio also has positive implications for reducing poverty (SDG1), reducing inequality (SDG10) and preserving life on land (SDG15) and in the ocean (SDG14)

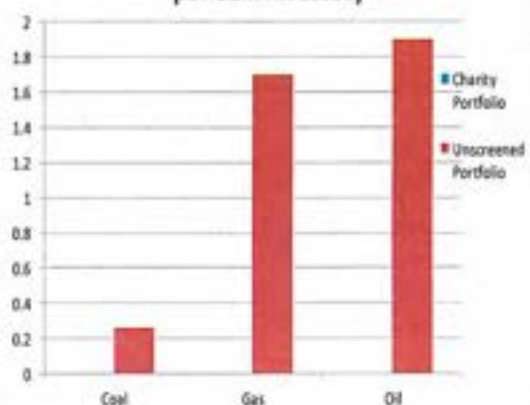
The Portfolio includes a number of carbon sink-type investments, which sequester or draw carbon dioxide (CO<sub>2</sub>) from the atmosphere. Forestry in particular is a very effective carbon sink, as trees absorb carbon dioxide as part of their growing process.

The Portfolio in aggregate will sequester (withdraw) -1,769 tonnes of CO<sub>2</sub>e from the atmosphere *per annum* while an unscreened portfolio of the same size would produce 1,814 tonnes. We believe that these extremely strong carbon emission statistics makes the Portfolio part of the solution to climate change, rather than part of the problem.

### Fossil Fuel Reserves

This section addresses the level of exposure to companies owning thermal coal, oil gas reserves and other unconventional sources of reserves such as oil sands, shale oil, and shale gas. Many of these reserves may not be useable if we are to keep the targeted temperature rise (as a result of global warming) below 2 degrees Celsius. This risk is referred to as stranded asset risks and it is addressed through avoidance of companies holding fossil fuel reserves. Hence, in addition to the impact, not holding these assets reduces the financial risk within the portfolio.

Fossil Fuel Reserves (thousands of tonnes per €1m invested)



Portfolio holds no fossil fuel reserves (no blue bar)

## *Renewable Energy*

The benefit of generating renewable power can be measured by how much fossil fuel power (and resulting CO2 emissions) it replaces. In 2022, the Portfolio avoided the release of almost 4,013 tonnes of CO2e. This is equivalent to:

- Removing 631 cars from the roads every year
- 6,716 barrels of oil saved
- 2,432 acres of pine forest absorbing CO2 for one year
- 321 round trips around the world by one typical passenger car (travelling at the equator).

In 2022, the Portfolio produced 91 MWh in 2022, of renewable energy - enough energy to power 1,209 homes.

# Financial Review

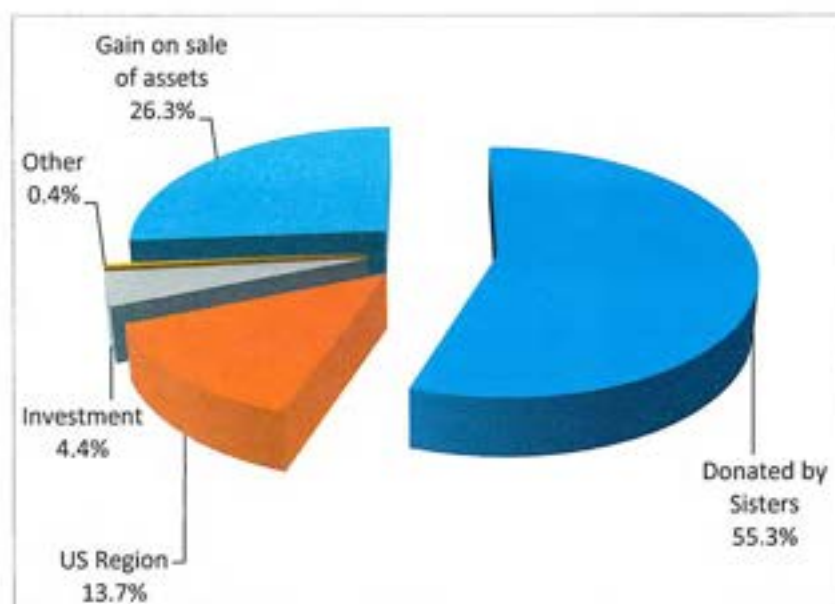
## Results for the year

A summary of the year's accounts can be found on page 35 of this report.

## Income - where our income came from

Income for the year totalled £5,034,710:

- Voluntary income of £3,470,971: the majority of this, £2,782,108, was the pension, salary and stipend income earned by the members of the Sisters of Mercy Northern Province and donated to the Charity. The balance, £688,863, was received from the US Region of the Sisters of Mercy as a contribution towards the costs of members who have returned to Ireland from the US.
- Investment Income of £221,546: was the income earned on the Charity's investment portfolio, bank interest and rent received.
- Charitable activities of £19,257: was other income received.
- Gain on the sale of assets of £1,322,936: the vast majority of this, £1,322,314 was the gain on the disposal of property.



Breakdown of Income

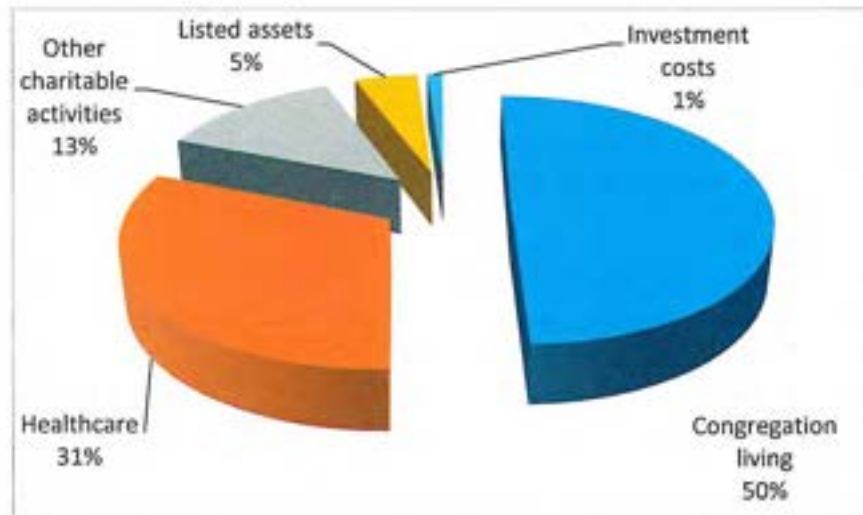
### *Expenditure - where the money is spent?*

Total expenditure for the year was £4,469,698.

Charitable Activities - of the total, £4,418,712, or 99%, was spent on Charitable Activities:

- Congregational living, the advancement of Religion, £2,216,228: this includes the upkeep and up-skilling and retraining of the members of the Province so that they will be able to continue in their service to the public. The members who receive salary, pension, stipend and retirement lump sum income donate them to the Charity and therefore have no independent means of support. They have devoted all of their adult years and their earnings to realize the objectives of the Charity. Many give their services free in their various ministries and continue to do so well beyond retirement age. Hence the work of the Charity includes the provision of living accommodation.
- Healthcare and the compassionate care of the sick and those in need, £1,402,228: Catherine McAuley generated in her Sisters a deep concern and compassion for the sick and dying and today, over 180 years later, wellbeing activities, healthcare, care of the dying and the bereaved still engage many of the members in the Province. Members of the Province are involved in this work in hospitals, hospices, nursing homes, community care and within the Community houses. In addition, the Charity must care for the elderly members of the Province who are now themselves in need of care.
- Relief of poverty, promotion of education, justice and other charitable activities, £595,117: this includes expenditure on a number of headings, including Promotion of all aspects of Education, Justice, peace & reconciliation, Overseas development and support, Pastoral and social care and development, Support of other charities/groups and Involvement in critical global and local issues
- Upkeep of listed assets, £205,139: the Charity owns a number of protected structures. The structures are typically buildings that are placed on the *Department for Communities* listed buildings database. By including them on this database, the importance of these structures is recognised; they are legally protected from harm and all future changes to the structure are controlled and managed through the local council and the Department for Communities. The Charity is legally required to make sure that these structures do not become endangered through neglect, decay, damage or harm.

Investment costs – in the year, investment costs totalled £50,986.



**Breakdown of Expenditure**

### *Net movement in funds*

Net income for the year, therefore, was £565,012. This was before the loss on investment assets, which when taken into account results in a net increase in funds in the year of £434,105.

### *Investments*

At 31<sup>st</sup> December 2022, the Charity had investments of £11.4m. The purpose of these funds is to provide investment income to promote the charitable objectives of the Charity and to provide capital growth in the reserves over the medium term. The objective for the investments is to generate a return of 4% per annum while utilising the charity's stated ethical investment policy. L&P (Cantor Fitzgerald Ireland) are appointed to act as a Discretionary Investment Manager.

The investment funds have an ethical investment screen; they exclude companies that fall foul of certain ethical criteria, and where possible, favour stocks that provide positive benefits to society. As noted earlier, the Charity also holds a number of Positive Impact Investments that direct money towards fulfilling certain positive ethical criteria.

The Trustees, with their investment advisors, review the investments on a regular basis.

### *Policy on reserves*

At the end of the financial year, the total funds of the charity amounted to £21.1m. Of this, £0.2m is restricted for specific purposes - see Financial Statements note 16. Of the balance, £6.5m is represented by properties and other tangible fixed assets essential for the running of the Charity. The Trustees have designated another £13.1m to provide for Mission and Ministry works and Congregation Living needs. Details are given in note 14 of these Financial Statements. The Trustees will continue to review and reassess these designations on an on-going basis.

Un-designated or general funds amount to £1.3m. This equates to approximately 4 months of unrestricted charitable expenditure. The Trustees would like this to be higher as, given the nature of the Charity's work and its commitments, they consider the level of free reserves should be equal to approximately 6 to 12 months' expenditure.

## Review of Objectives for 2022

Objectives Set	Progress Review
To continue its commitment to the care of the Sisters in the Province.	On-going
To facilitate and support the Sisters in undertaking the Charity's activities.	Activities and Achievements noted throughout Report.
To undertake an in-depth engagement with every member of the Province.	Each sister visited and formal conversation completed
To provide programmes of support to develop leaders.	Leaders completed Refresher Programme (Kinharvie Institute) Conflict Management for Managers (HR Team Webinar)
To reconfigure model of local leadership to meet the changing needs of the Charity.	Initial restructuring completed
To devise a 3-year strategy to support the flourishing of Religious Life in our time.	First year completed. Community clustering to begin.
To develop on-going education and formation processes in eco and social justice.	Education webinars and lecture series offered to all.
To engage in and Extraordinary Chapter event with Provinces and regions of the Mercy Congregation to further the process of governance restructuring.	Complete.
To work collaboratively with other groups and agencies in responding to global and local needs.	On-going. See Activities and Achievements throughout Report.
To convene a <i>Care of Creation</i> cohort to assist wider membership in developing an Action Plan for Care of our Common Home.	Group inaugurated, wider membership consulted, and priorities identified.
To maintain the Safeguarding Structures at National and Provincial levels.	See page 31 ff
To move to completion of transfer of trusteeship of the former St Michael's Grammar School to the Diocese of Dromore.	Complete.
To maintain a commitment to CCMS-led negotiations re future Primary School provision in North Belfast.	Process stalled due to changes?
To actively engage with DE and CCMS in promotion and development of Mercy College, Belfast.	Has been delayed due to absence of Executive.

## Future Plans and Objectives for 2023

The Trustees will continue to give direction to the governance responsibilities for the Charity. They will monitor needs and spending plans, and efficiently manage existing assets to generate income necessary to achieve the Charity's aims. They will support the works of the Charity and the Sisters who work in the various Activities. The Trustees will continue to collaborate with other Charities who have objectives in keeping with the objects of the Charity.

The Sisters are the mainstay of the Charity and are its chief agents, having covenanted their lives in dedicated service of the ideals of the Sisters of Mercy. The Trustees are committed to the ongoing care of all the sisters. However, concern for frail older Sisters is an ongoing challenge in a time of unprecedented change in our demographics. When necessary, nursing home care will be accessed for Sisters requiring full time care.

### The Charity will:

- Continue its commitment to the ongoing care of all Sisters.
- Facilitate and support the Sisters in undertaking Charity's activities.
- Work collaboratively with other groups and agencies in responding to global and local needs.
- Create Cluster Communities, each with a 'Hub', to facilitate leadership and maximum engagement of all members
- Ensure support-programme for leaders.
- Undertake an in-depth review of Assisted Living Convents in support of vibrant life-giving communities, to maximise our provision of care resources.
- Support the Central Leadership Team in building cohesive channels of communication, shared approaches and common practices with members of Provinces and Regions of the Mercy Congregation
- Establish Action Plan priorities to address Care for Creation throughout the wider membership.
- Maintain the Safeguarding Structures at National and Provincial levels.

## Structure, Governance & Management

### *Governing Document*

The governing instrument of the Northern Province is the Constitutions of the Sisters of Mercy. It was adopted by the General Chapter of the Congregation (August 1994) and approved by the Congregation for Institutes of Consecrated Life in Rome (April 1995). The Province is one of four Provinces in Ireland and is an unincorporated association.

The governmental structure of the Congregation of the Sisters of Mercy involves a number of inter-connected units: local, provincial and congregational. The nature of the authority in each unit is described in the Constitutions. The Province is a unit of the Congregation having the personnel and other resources to support its life, mission and membership.

### *Appointment of Trustees (Provincial Leadership Team)*

The Charity is governed by the Provincial Leader and Team who are elected every six years by Sisters in the Province. The Provincial Leadership Team are the Trustees of the Charity. Its members are chosen for their expertise and skills as well as their experience and knowledge of the Congregation, its nature and mission.

The Trustees are members of the Congregation of the Sisters of Mercy. They receive no personal remuneration for their services as Trustees.

### *Organisational Structure and Decision-Making*

The Trustees of the Charity meet regularly. The 'Chapter' allows all Sisters to engage in a prolonged period of reflection/prayer, evaluation and planning with a focus on the development of policies and effective use of resources in an assessment of current and future needs.

Trustees attend formal training on their duties and seek guidance and advice as necessary from legal, investment and property advisors on the issues which arise in carrying out their duties. Professional advisors assist with various aspects of stewardship and the general management of the assets of the Charity.

Systems of accountability operate throughout the Charity. It reports annually to the Charity Regulator and formally within the organisation every three years. The Provincial Treasurer administers the affairs of the Charity under the direction of the Provincial Leader and her Team. Most of the income of the Charity is generated from Sisters' salaries, stipends and pensions, sale of property and investments. The salary, stipend and pension income is

voluntarily donated to a common fund, administered through a Provincial Stewardship Office.

### *Collaboration and Partnership*

The Charity works in partnership and/or collaboration with ministry colleagues, statutory and voluntary bodies, religious congregations and parish and diocesan groups in serving the local and wider community. Some Sisters are employed in these organisations, and other Sisters are volunteers. As a member of AMRI, the Charity is part of the collective voice of Religious Congregations in awareness raising and responding to current and emerging social justice issues.

### *Risk Management*

The Trustees conscientiously attend to governance, management and operational risks through monitoring the following:

- Implementation of strategic plans for Chapter priorities.
- Training and support for trustee and staff.
- Financial and operational performance.
- Investment strategy.
- Insurance cover.
- Suitability and maintenance of buildings.
- Data backup procedures and security measures.
- Ministry activities of Sisters.
- Safeguarding.
- Health and Safety.
- Internal Policies and Procedures.
- Employment Policies and Procedures.

### *Property*

The Sisters of Mercy are committed to a lifestyle reflecting the fact that all our possessions are held in trust for the promotion of the mission of the Congregation.

Professional advice is sought in relation to leases and agreements, protected structures, planning, health and safety legislation, acquisition, refurbishment and disposal of property and all legally binding issues and transactions.

## *Policies*

The Trustees ensure that policies and good practice guidelines are developed, circulated and implemented, that these are fully compliant with all legislative requirements and are regularly evaluated and updated.

The Charity has further policies and guidelines on Stewardship, Health and Safety, Fire Evacuation for all residencies, Safeguarding Adults at Risk of Harm, Data Protection, Data Privacy Notices and Statements etc.,

One Sister works as Human Resources Co-ordinator. In addition to managing Human Resources for the Charity, the HR Co-ordinator also managed pandemic-related responsibilities, in providing regular updates and guidance on regulations.

Throughout the year, the usual human resources matters are attended to and safe recruitment protocols and procedures, staff induction, supervision and appraisals are constantly monitored and reviewed. The Charity fully complies with vetting obligations. The HR Co-ordinator also ensures all policies in the Staff Handbook are familiar to managers and employees and that the policies are implemented.

### Constitutions of the Sisters of Mercy - No. 119 (1985)

*"For the sake of our mercy mission, the congregation and each province, has the right to acquire and possess, to administer and alienate property temporal goods and revenues according to the norms of universal law and the constitutions, with due respect for civil law."*

### Constitutions of the Sisters of Mercy - No. 118 (1985)

*"We value the resources of the earth as gifts of God and use them in a spirit of stewardship ... In the spirit of religious poverty, we seek to have a simple lifestyle and to balance concern for our future with support and compassion for poor and needy people."*

From the mid-1990's the Congregation of the Sisters of Mercy has had a Safeguarding Policy in place which has been reviewed regularly. The Policy aims to encourage adequate awareness and best practice among all Sisters in the Congregation and those working for them, to ensure that all children and adults at risk of harm are safeguarded from abuse of any kind. The Charity is committed to a culture of safeguarding and to ensuring compliance with best practice in this area. The Trustees are proactive in complying with civil and ecclesiastical requirements for safeguarding and annually review the implementation of the Safeguarding Policy and Procedures.

## Safeguarding

### *Safeguarding Policies and Procedures*

The Trustees have adopted the ‘Safeguarding Children Policy and Standards for the Catholic Church in Ireland’, 2016. They adhere to and implement the Child Safeguarding Policy within the Northern Province.

The Charity has a robust safeguarding structure in place. The Safeguarding Manager is the Designated Liaison Person for the Province. With the Safeguarding Co-ordinator she promotes and oversees best practice in safeguarding, liaising with the Statutory authorities and external agencies as necessary and appropriate.

### *The Safeguarding Committee*

The Safeguarding Committee convenes quarterly. Its members monitor and support the implementation of the Safeguarding Standards and ensures a strong safeguarding culture within the Charity.

### *The Safeguarding Strategic Plan 2020 - 2023*

The Safeguarding Strategic Plan is based upon Standards 1, 5,6 and 7 of the NBSCCCI (National Board for Safeguarding Children in Catholic Church in Ireland). It guides the development of safeguarding best practice within the Province. The completion of the Safeguarding Annual Audit and Report also assists with the monitoring of safeguarding practice within the Charity.

### *Safeguarding: Induction*

New members of staff receive induction in safeguarding and are afforded opportunities to attend Safeguarding Information sessions. They are also issued with an information pack and supporting materials in relation to ‘Safeguarding Children and Adults at risk of abuse.’ Safeguarding’. Records of completed induction processes are monitored by the Human Resources Co-ordinator and are retained in the workplace.

### *Annual Safeguarding Self-Audit*

A yearly review of Sisters’ ministry engagements is carried out by the Charity. Sisters are mainly involved in ministry with children and ministry with adults at risk of harm, through external organisations, e.g. schools, parishes, nursing homes and voluntary organisations.

Sisters are increasingly involved internally in providing and managing care for older Sisters who are deemed adults at risk and require support and assistance.

### *Safeguarding Children*

The Congregation of the Sisters of Mercy has adopted the Policy and guidance of the National Board for Safeguarding Children in the Catholic Church in Ireland (NBSCCCI), 2016. The Congregational International Child Safeguarding Policy and Standards and has been approved by the National Board. All Sisters and Staff comply with this Policy.

In August 2022, the Mercy Child Safeguarding Policy Statement was updated and disseminated to places of ministry with children and to the larger communities.

The Bishops Conference and the Association of Missionaries and Religious Institutions of Ireland jointly commissioned an extensive Review of Child Safeguarding practice within the Catholic Church in Ireland. It was conducted by an independent external organisation (RSM). The Sisters of Mercy, Northern Province participated in this Review.

### *Safeguarding Adults at Risk of Harm*

The Trustees are committed to promoting the safety, wellbeing and protection of adults at risk in ministries and in communities. They take all allegations and disclosures of abuse seriously.

The Charity adheres to the legislative requirements and the policy guidance in place in Northern Ireland. The Charity's Policy and Procedures '*Safeguarding Adults at Risk of Harm*' is based on the Northern Ireland Policy '*Adult Safeguarding, Prevention and Protection in Partnership, N.I.*' and has been disseminated to Sisters and staff living, ministering and working in Northern Ireland.

### *Vetting – Access NI*

The Office Manager is responsible for co-ordinating the vetting process and maintains the vetting database in accordance with Access NI requirements. The Office Manager is an accredited Trainer with the National Board and assists with the delivery of safeguarding training.

In January 2022 a Verification of Identification Form was introduced to support the vetting process.

### *Safeguarding Children Training*

Safeguarding personnel attended training events hosted by the National Board

- Listening Meeting (13.01.2022)
- Trainers Update (19.01.2022)
- Train the Trainers Course (April/May 2022)
- Annual Safeguarding Conference (11.05.2022)
- Risk Assessment and Self-Audit process (20.09.2022).
- Review of the Safeguarding Children Policy and Standards, 2016 (10.11.2022)
- Metropolitan Ecclesiastical Area Meeting (13.12.2022)

Safeguarding personnel attended training events

- Keeping Children Safe (E-Learning) - Safeguarding Co-ordinator (16.03.2022)
- Mandated Person E-Learning - Safeguarding Manager (11.04.2022)

Safeguarding Children training provided by Trainers to Sisters in Iontas Centre, Castleblaney. (15.06.2022)

### ***Safeguarding Adults Training***

Adult Safeguarding on-line training completed by 2 staff. (24.01.22)

Dementia Care completed by 12 staff (on-line accredited training).

End of Life completed by 15 staff (on-line training).

Medication Training completed by 1 staff member (on-line accredited training)

### ***Safeguarding Updates / Safeguarding Communication Record***

The Trustees recognise the importance of keeping Sisters and Staff informed of best practice and developments in relation to safeguarding.

Safeguarding information/updates were provided through newsletters, correspondence and meetings via zoom conferencing. A meeting as also held with Local Leaders and Area Group Co-ordinators to provide an update in relation to Safeguarding developments (1.04.'22)

Inter-Provincial Safeguarding Managers revised the Congregational Safeguarding Vulnerable Persons Policy, updated safeguarding information on the Congregational website and considered the compilation of the Annual Safeguarding Self-audit process.

## Reference and Administrative Details

Name of Charity	Congregation of the Sisters of Mercy, Northern Province
Charity Number	CCNI:102827
Address of Principal Office	Provincial House 74 Main Street Clogher Co. Tyrone BT76 0AA
Trustees (Provincial Leadership Team)	Sr. Rose Marie Conlan (Provincial Leader) Sr. Perpetua McNulty (Assistant Provincial Leader) Sr. Mary De Largy (Provincial Team Member) Sr. Áine Campbell (Provincial Team Member) Sr. Mabel Marron (Provincial Team Member)
Provincial Treasurer	Sr. Áine McGoldrick
Independent Auditors	Daly, Park & Co 6 Trevor Hill Newry Co Down BT34 1DN
Principal Bankers	AIB (NI) Meadowbank House 143-145 Strand Road Derry BT48 7TN
Investment Managers	Setanta Asset Management Ltd Unigestion SA
Solicitors	GL McGowan The Square Balbriggan Co Dublin K32 XN61

## **Independent auditor's report to the trustees of Congregation of the Sisters of Mercy Northern Province**

### **Opinion**

We have audited the financial statements of Congregation of the Sisters of Mercy Northern Province for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet and the related 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, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (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 31 December 2022, and of its total incoming resources and expenditure 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 (Northern Ireland) 2008.

### **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 Auditor's 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 trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 in relation to which the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees are responsible for the preparation of 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.

### **Auditor's 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 an auditor's report 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with our engagement letter. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Daly Park & Company Ltd*  
Daly Park & Company Ltd  
Chartered Accountants &  
Registered Auditors  
6 Trevor Hill  
Newry  
Co. Down  
BT34 1DN

27th July 2023

**Statement of Financial Activities  
for the year ended 31st December 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
<b>Incoming resources</b>					
Incoming resources from generating funds:					
Investment income	2	221,535	11	221,546	310,937
Incoming resources from charitable activities	3	19,257	-	19,257	32,350
Voluntary income	4	3,470,971	-	3,470,971	3,508,666
Other income	4.1	1,322,936	-	1,322,936	662,114
<b>Total incoming resources</b>		<u>5,034,699</u> =====	<u>11</u> =====	<u>5,034,710</u> =====	<u>4,514,067</u> =====
<b>Resources expended</b>					
Costs of generating funds:					
Investment management costs	5	50,986	-	50,986	41,454
Charitable activities	6	4,250,712	168,000	4,418,712	4,023,877
<b>Total resources expended</b>		<u>4,301,698</u> =====	<u>168,000</u> =====	<u>4,469,698</u> =====	<u>4,065,331</u> =====
<b>Net gains/(losses) on investments</b>					
Gain on Sale of Investment Properties		-	-	-	-
(Loss) / Gain on Investments		(130,907)	-	(130,907)	442,680
		<u>(130,907)</u> =====	<u>-</u> =====	<u>(130,907)</u> =====	<u>442,680</u> =====
<b>Net movement in funds</b>		<u>602,094</u>	<u>(167,989)</u>	<u>434,105</u>	<u>891,416</u>
Total funds brought forward		20,342,612	371,604	20,714,216	19,822,800
<b>Total funds carried forward</b>		<u>20,944,703</u> =====	<u>203,615</u> =====	<u>21,148,318</u> =====	<u>20,714,216</u> =====

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 41 to 49 form an integral part of these financial statements.

**Balance Sheet**  
**as at 31st December 2022**

		2022		2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		6,516,510		6,815,153
Investments	11		11,373,978		10,213,078
			<u>17,890,488</u>		<u>17,028,231</u>
<b>Current assets</b>					
Debtors	12	102,672		62,279	
Cash at bank and in hand		3,229,479		3,693,272	
		<u>3,332,151</u>		<u>3,755,551</u>	
<b>Creditors: amounts falling due within one year</b>	13	(74,321)		(69,566)	
<b>Net current assets</b>			<u>3,257,830</u>		<u>3,685,985</u>
<b>Net assets</b>			<u>21,148,318</u>		<u>20,714,216</u>
			=====		=====
<b>Funds</b>					
	15				
Restricted income funds			203,615		371,604
Unrestricted income funds			20,944,703		20,342,612
			<u>21,148,318</u>		<u>20,714,216</u>
			=====		=====
<b>Total funds</b>			<u>21,148,318</u>		<u>20,714,216</u>
			=====		=====

The financial statements were approved by the trustee on 27th July 2023 and signed on the board's behalf by

*Sr. Rose Marie Conlan*

**Sr. Rose Marie Conlan**  
**Trustee**

*Sr. Perpetua McNulty*

**Sr. Perpetua McNulty**  
**Trustee**

**Cash Flow Statement  
for the year ended 31st December 2022**

	Notes	2022 £	2021 £
Net incoming resources for the year		434,105	891,416
<b>Adjustments for:</b>			
Depreciation and impairment charges		205,202	232,178
Impairment charges		-	500
Dividends from investments		(144,892)	(234,553)
Profit on sale of tangible assets		(1,322,936)	(646,087)
(Increase)/Decrease in debtors		(40,393)	8,100
Increase/ in creditors		4,755	28,296
<b>Net cash (outflow) / inflow from operating activities</b>		<u>(864,159)</u>	<u>279,850</u>
<b>Cash Flows from Investing Activities</b>			
Dividends from investments		144,892	234,553
Proceeds from disposal of tangible fixed assets		1,418,692	1,345,422
Capital expenditure		(2,314)	(373,598)
Increase in value of investments		(1,160,900)	(2,510,856)
<b>Increase / (decrease) in cash in the year</b>		<u>(463,793)</u>	<u>(1,024,632)</u>
<b>Reconciliation of net cash flow to movement in net debt</b>			
Increase / (decrease) in cash in the year		(463,793)	(1,024,632)
Net Cash at 1 January 2022		3,693,272	4,717,904
<b>Net Cash at 31 December 2022</b>		<u>3,229,479</u>	<u>3,693,272</u>

**Notes to Financial Statements  
for the year ended 31st December 2022**

**1. Accounting policies**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

**1.1. Basis of Preparation**

The financial statements have been prepared in accordance with 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 (FRS102) (effective 1 January 2015) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015. In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS102 and the Charities SORP FRS102 the restatement of comparative items was required. No adjustments to comparatives were identified. This set of financial statements is the first prepared under this new legislation.

**1.2. Incoming Resources**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable. Diminutions of individual assets within a portfolio below book cost are not adjusted for provided the portfolio as a whole, has a market value in excess of book cost.

**1.3. Resources Explained**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

**Notes to Financial Statements**  
for the year ended 31st December 2022

**1.4. Tangible Fixed Assets and Depreciation**

All Properties, including Ministry Properties that may be used by the Congregation, are included and have been valued at Net Realisable Value.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Investment Properties	-	Not Depreciated
Land and buildings	-	2% reducing balance
Fixtures, fittings and equipment	-	10% reducing balance
Motor vehicles	-	25% reducing balance

**1.5. Investments**

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

**1.6. Leasing**

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

**1.7. Foreign Currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the statement of financial activities.

**2. Investment income**

	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
Income from investments	144,892	-	144,892	234,553
Rent receivable	76,379	-	76,379	75,914
Bank interest receivable	264	11	275	470
	<u>221,535</u>	<u>11</u>	<u>221,546</u>	<u>310,937</u>
	=====	=====	=====	=====

**Notes to Financial Statements  
for the year ended 31st December 2022**

**3. Incoming resources from charitable activities**

	Unrestricted funds £	2022 Total £	2021 Total £
Legacies	-	-	4,295
Other income	19,257	19,257	28,055
	<u>19,257</u>	<u>19,257</u>	<u>32,350</u>
	*****	*****	*****

**4. Voluntary Income**

	Unrestricted funds £	2022 Total £	2021 Total £
Salaries donated by Sisters of Mercy	146,149	146,149	192,650
Pensions donated by Sisters of Mercy	2,623,939	2,623,939	2,595,945
Stipends donated by Sisters of Mercy	12,020	12,020	808
Retirement lump sums donated by Sisters of Mercy	688,863	688,863	719,263
	<u>3,470,971</u>	<u>3,470,971</u>	<u>3,508,666</u>
	*****	*****	*****

**4.1. Other Income**

Profit on Sale of properties	1,322,314	1,322,314	637,657
Profit on Sale of motor vehicles	622	622	8,430
Government Grants received	-	-	16,027
	<u>1,322,936</u>	<u>1,322,936</u>	<u>662,114</u>
	*****	*****	*****

**5. Investment Management Costs**

	Unrestricted Funds £	2022 Total £	2021 Total £
Investment management costs	50,986	50,986	41,454
	<u>50,986</u>	<u>50,986</u>	<u>41,454</u>
	*****	*****	*****

**Notes to Financial Statements**  
for the year ended 31st December 2022

**6. Costs of charitable activities**

	Direct Costs £	Support Costs £	2022 Total £
<b>Congregational Living - the Advancement of Religion</b>			
Congregational Living	1,946,125	173,500	2,119,625
Spirituality, Prayer & Worship	88,694	7,909	96,603
	<u>2,034,819</u>	<u>181,409</u>	<u>2,216,228</u>
<b>Healthcare &amp; the compassionate care of the sick and those in need</b>	<u>1,287,448</u>	<u>114,780</u>	<u>1,402,228</u>
<b>Relief of Poverty, promotion of education, justice and other charitable activities</b>			
Education	82,459	7,351	89,810
Overseas Development & Support	35,342	3,152	38,494
Pastoral, Social Care & Development	373,476	33,295	406,771
Support Other Charities	55,127	4,915	60,042
	<u>546,404</u>	<u>48,713</u>	<u>595,117</u>
<b>Upkeep of Listed Buildings</b>	<u>188,346</u>	<u>16,793</u>	<u>205,139</u>
<b>Total Cost of Charitable Activities</b>	<u>4,057,017</u> =====	<u>361,695</u> =====	<u>4,418,712</u> =====

**Notes to Financial Statements  
for the year ended 31st December 2022**

**7. Support Costs**

	Legal & Professional £	Admin £	2022 Total £
<b>Congregational Living - the Advancement of Religion</b>			
Congregational Living	26,256	147,244	173,500
Spirituality, Prayer & Worship	1,197	6,712	7,909
	<u>27,453</u>	<u>153,956</u>	<u>181,409</u>
<b>Healthcare &amp; the Compassionate Care of the Sick and those in Need</b>			
	<u>17,369</u>	<u>97,411</u>	<u>114,780</u>
<b>Relief of Poverty, Promotion of Education, Justice and other charitable Activities</b>			
Education	1,112	6,239	7,351
Overseas Development & Support	477	2,675	3,152
Pastoral, Social Care & Development	5,039	28,256	33,295
Support Other Charities	744	4,171	4,915
	<u>7,372</u>	<u>41,341</u>	<u>48,713</u>
<b>Upkeep of Listed Buildings</b>			
	<u>2,542</u>	<u>14,251</u>	<u>16,793</u>
<b>Total Costs Allocated</b>	<u>54,736</u>	<u>306,959</u>	<u>361,695</u>

**8. Auditors' remuneration**

	2022 £	2021 £
<b>Auditors' remuneration – Audit of the Financial Statements</b>	12,600	12,600
	<u>12,600</u>	<u>12,600</u>

**Notes to Financial Statements**  
for the year ended 31st December 2022

<b>9.</b>	<b>Employees</b>		
	<b>Employment Costs</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	Wages & Salaries - office	175,904	172,723
	Community Wages	994,956	914,714
		<u>1,170,860</u>	<u>1,087,437</u>
		=====	=====

**Number of employees**

The average monthly numbers of employees during the year, was as follows:

		<b>2022</b>	<b>2021</b>
		<b>Number</b>	<b>Number</b>
		82	91
		=====	=====

**Staff costs and key management remuneration**

All trustees are members of the Congregation of the Sisters of Mercy Northern Province. The trustees consider that they alone comprise the key management of the charity. As members of the Congregation, the trustees living and personal expenses are borne by the charity but they receive no remuneration or reimbursement of expenses in connection with their duties as trustees.

**10. Tangible Fixed Assets**

	Land and buildings freehold £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2022	8,851,794	1,718,393	1,274,186	11,844,373
Additions	-	2,314	-	2,314
Disposals	(90,105)	(820)	(90,290)	(181,215)
At 31 December 2022	<u>8,761,689</u>	<u>1,719,887</u>	<u>1,183,896</u>	<u>11,665,472</u>
	=====	=====	=====	=====
<b>Depreciation</b>				
At 1 January 2022	2,601,825	1,543,708	883,686	5,029,219
Charge for the year	112,531	17,618	75,053	205,202
On disposals	-	-	(85,459)	(85,459)
At 31 December 2022	<u>2,714,356</u>	<u>1,561,326</u>	<u>873,280</u>	<u>5,148,962</u>
	=====	=====	=====	=====
<b>Net book values</b>				
At 31 December 2022	<u>6,047,333</u>	<u>158,561</u>	<u>310,616</u>	<u>6,516,510</u>
	=====	=====	=====	=====
At 31 December 2021	<u>6,249,969</u>	<u>174,685</u>	<u>390,500</u>	<u>6,815,154</u>
	=====	=====	=====	=====

**Notes to Financial Statements  
for the year ended 31st December 2022**

**11. Fixed Asset Investments**

Valuation	Listed Investments £	Total £
At 31 December 2022	11,373,978 =====	11,373,978 =====

**12. Debtors**

	2022 £	2021 £
Other debtors	2,630	2,917
Prepayments and accrued income	100,042	59,362
	<u>102,672</u> =====	<u>62,279</u> =====

**13. Creditors: amounts falling due within one year**

	2022 £	2021 £
Accruals and deferred income	74,321	69,566
	<u>74,321</u> =====	<u>69,566</u> =====

**Notes to Financial Statements  
for the year ended 31st December 2022**

**14. Unrestricted Funds**

	At 1 January 2022 £	Incoming resources £	Outgoing resources £	At 31 December 2022 £
General Fund	1,189,686	431,043	(295,325)	1,325,404
<b>Designated Funds</b>				
Tangible Fixed Asset Fund	6,815,153	-	(298,643)	6,516,510
Congregational Living	4,859,083	1,761,442	(2,078,177)	4,542,348
Healthcare & the compassionate care of the sick of the Sick	5,109,027	1,852,162	(1,287,448)	5,673,741
Other Ministries	2,369,668	859,144	(342,105)	2,886,707
	<u>20,342,612</u>	<u>4,903,792</u>	<u>(4,301,698)</u>	<u>20,944,703</u>
	=====	=====	=====	=====

**Purposes of unrestricted funds**

**Tangible Fixed Asset Fund**

This fund is equal to the total of the tangible assets which are held for the furtherance of the charitable objects.

**Congregational Living Fund**

This fund represents the present value of the capital sum required to make adequate provision to fund the Congregation Living activities referred to in the Trustees Report. This is a net position i.e. the projected costs are offset by income allocated to this activity.

**Health and Compassionate Care Fund**

This fund represents the present value of the capital sum required to make adequate provision to fund the Health and Compassionate Care activities referred to in the Trustees Report. This is a net position i.e. the projected costs are offset by income allocated to this activity.

**Other Ministries Fund**

This fund represents the present value of the capital sum required to make adequate provision to fund the Relief of Poverty, promotion of education, justice and other charitable activities referred to in the Trustees Report. This is a net position i.e. the projected costs are offset by income allocated to this activity.

**15. Analysis of net assets between funds**

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 December 2022 as represented by:			
Tangible fixed assets	6,516,510	-	6,516,510
Investment assets	11,373,978	-	11,373,978
Current assets	3,128,536	203,615	3,332,151
Current liabilities	(74,321)	-	(74,321)
	<u>20,944,703</u>	<u>203,615</u>	<u>21,148,318</u>
	=====	=====	=====

**Notes to Financial Statements  
for the year ended 31st December 2022**

**16. Restricted funds**

	At 1 January 2022 £	Incoming resources £	Outgoing Resources £	At 31 December 2022 £
Strabane Trust Fund	301,604	11	(98,000)	203,615
Patrimony Investment Fund	70,000	-	(70,000)	-
	<u>371,604,</u> *****	<u>11</u> *****	<u>(168,000)</u> *****	<u>203,615</u> *****

**17. Authorisation of Financial Statements**

The financial statements were authorised by the trustees for issue on 26th July 2023.

