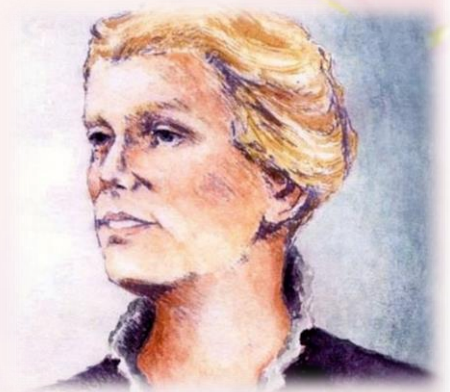




*Congregation of the
Sisters of Mercy
Northern Province
Republic of Ireland*



Annual Report 2023

Annual Trustees' Report 2023

TABLE OF CONTENTS

Introduction: Our Mercy Mission.....	3
Purpose/Objects, Activities & Achievements	4
Financial Review ROI	22
Review of Objectives for 2023	26
Future Plans & Objectives for 2024.....	27
Structure, Governance & Management	28
Reference & Administrative Details	28
Safeguarding	32
Independent Auditor's Report	36

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 31st December 2023. 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 and the provisions of the Statements of Recommended Practice (Charity SORP FRS 02) – Accounting and Reporting by Charities (October 2019).

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

Signed: *Sr. Rose Marie Coakley* *Sr. Aine Campbell*

Date: *28th August 2024* *28th August 2024*

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 eight counties in the Republic of Ireland, where 153 Sisters reside in 55 locations. There are also 116 members who reside in Northern Ireland.

Throughout the last century, Government provision in healthcare and education improved and while the Sisters continue 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 and for the
needs of the Church, especially the
poor and deprived."*

Purpose/Objects, Activities and Achievements

Charitable Purposes

- ❖ Advancement of Religion
- ❖ 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

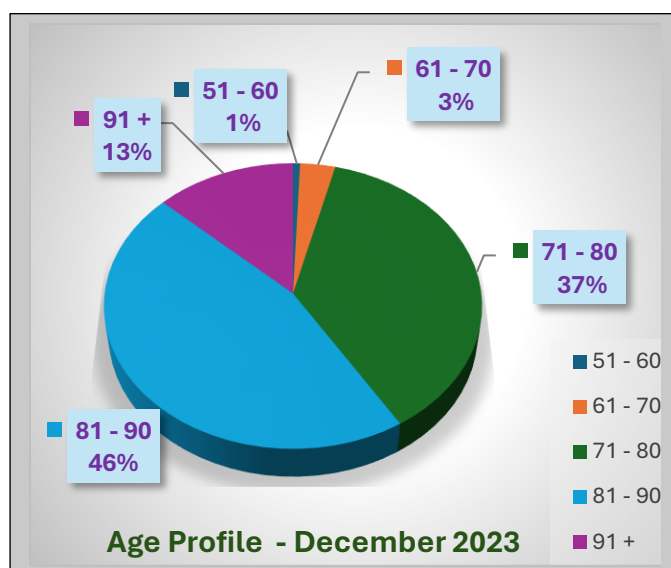
Public Benefit is delivered through religious activities, prayer, ministry activities, the prevention and relief of poverty, support to other charities who alleviate poverty, the promotion of holistic wellbeing, impact investments, overseas aid, ecological awareness and a variety of services provided 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 a communal prayer pattern in their local communities.

All aspects of the Charity's work involve the advancement of religion and the Trustees ensure 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 in the life of the 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. Consequently, Sisters have no independent means of support. Their lives and earnings are devoted 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 promotion of the objects of the Charity, property requirements and prudent management of finances. Residential accommodation is kept under review ensuring a continuum of care appropriate to members' needs. The Charity

provides designated Assisted-living at houses in Ardee, Ballyshannon, Dundalk, Kells and Tullamore.

Faith Development - Parish & 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.

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, retreats, guided prayer, and the offering of experiences in creative forms of prayer are some of the services offered to people in the business of everyday life in the 21st century. In this report two particular Faith ministries are highlighted.

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.

Parish Ministry

Church Music

Sacramental Programmes

Céili Community

Parish Liturgical Ministers

Diocesan Liturgy

Prayer Guidance

Family Support

Spiritual Direction

Interfaith Forum

Diocesan Pastoral Work

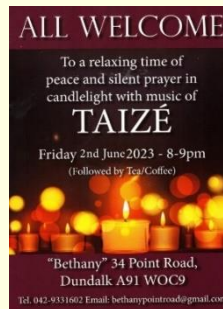
Bethany House of Prayer, Dundalk

“Bethany” House of Prayer in Dundalk provides a warm welcome for all who visit. During 2023, the house maintained its ethos as an open House of Hospitality for all. ‘Bethany’ is a centre of peace and tranquillity and the gardens offer an appreciation of nature in changing season.

The founding Sisters, members of the Charity, continue to be open to responding spiritually to the needs of those who come in-person. The ‘Prayer by Telephone’ ministry which burgeoned during the recent pandemic, has thrived ever since and the members are available 9.00 am – 9.00 pm daily to all who are in contact by telephone for support, a listening ear, a prayer and/or guidance.

The “Garden Room” at Bethany is open for personal prayer and/or meditation Monday to Friday 9.30am – 5.30pm with an average of fifty people visiting weekly. Throughout 2023, counselling was offered to thirty clients and spiritual direction to eighteen others.

Additional support and events included Cancer Prayer Support Group, the Outdoor Crib, monthly ‘Prayer Around the Cross’ with young adults and weekly Scripture Prayer Group. The feedback from those who avail of Bethany House ministry is an encouragement and endorsement of the work.



Pastoral Work, Armagh

A Member of the Charity is a Pastoral Worker in the Archdiocese of Armagh, including Louth. As part of a six-person team, this Sister visited schools to offer catechetical support and resources to teachers. This is a very valuable ministry where the Pastoral Workers meet the teachers in their own environment to offer practical and pastoral support.

In 2023, the Pastoral Worker, with her colleagues promoted synodal engagement with clergy and laity in line with the collaborative listening process emanating from Pope Francis' vision for the Church. This is an on-going process of *“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”*. It was with keen interest and a sense of contributing directly to the Synod Event in Rome that the numerous meetings with so many members of Church involved, generated a new and emerging experience of belonging to the wider faith-family of the Catholic Church and of taking responsibility for the future direction of the Church.



Healthcare and the Compassionate Care of the Sick and those in Need

Many Sisters engage in wellbeing activities: 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 Charity also has a duty to care for its older and frail Sisters who are in need of care. The Trustees continue to ensure that these Sisters, who have selflessly dedicated their lives to the furtherance of the Charity's objectives without any personal remuneration, are cared for in their 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.

Members are involved directly in compassionate care of the sick and those in need by

- i) being part of a Health Care Team for the Charity's care of Sisters.
- ii) acting as 'Mercy Companions' to those in nursing and residential care.
- iii) developing and providing wellbeing programmes to the wider community.
- iv) offering therapeutic programmes through art and other media.
- v) undertaking chaplaincy roles in care facilities.
- vi) faithfully visiting people in the wider local communities who are sick or lonely.
- vii) accompanying individuals in need to medical appointments.

Chaplaincy, Wellbeing and Care

Members of the Charity offer care support to individuals in the wider communities where they live. Some Sisters have established more formal ministry entities in support of wellbeing and care. Other members are volunteers in care support facilities and still others are independent providers who ensure their registration with professional development requirements.

Sample of Health and Wellbeing Activities in 2023

Complementary therapies and 3Keys Work (Laytown)
Art therapy to Artscape Personal Development Group (Castleblayney)
Chaplain six days per week (Care Choice Nursing Home, Trim.)
9-Module Training course in Emotions Metaphysical Kinesiology
'Wellness Evenings' to Reflexologists' Group (Ballybofey)
Guest Input North-West Mental Health Week (Letterkenny)
Mindfulness Sessions to Leaders of CAMHS (Donegal)

New 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 with community, voluntary and statutory organizations. Part of the work of NLD includes Capacitar Multi-Cultural Wellness Education and Training. Additional members of the Charity assist with some of NLD's Wellbeing and Stress Management Programmes also.

A sample of offerings by NLD during 2023 include 'Tai Chi and Wellbeing' weekly at Ballsgrove, Drogheda, Capacitar Wellbeing weekly at Íontas, Castleblayney, 'Tai Chi and Wellbeing' at Annagassan and Hope Castle, Ballsgrove, Drogheda,

NLD also worked in partnership with - among others - Lifestyle Development Group, Drogheda. Connect Family Resource Centre, Drogheda. Blayney Blades, HSE- Eastern Region, Capacitar International; Capacitar Europe and Capacitar Ireland Association, Northern Area Community Health Network (NACHN), Lilac Cancer Support Organisation.

Relief of Poverty, Promotion of Education, Justice and other Charitable Activities including Collaboration and Support of Other Groups

In 2023, 153 Sisters engaged in the Charity's commitment to the relief of poverty. Activities ranged from the practical to systemic, from the local to global, from the personal to environmental, from the Charity's founding ministries to collaboration with other agencies who also address poverty in all its many forms.

Historically, the Sisters of Mercy were involved in the provision of formal education from the establishment of the Congregation. This work of Mercy endured for the first 170 years of the Charity. School Trusteeships have been transferred to CEIST to ensure school communities are places where Christian faith, justice and responsibility are nurtured.

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."

CEIST: In 2007 the Catholic Education and Irish Schools Trust (CEIST) was set up as the overall Trustees Body for Secondary Schools of the Sisters of Mercy and other Religious Congregations. There are 107 Schools in the Trust – 11 of which were under the auspices of this Charity. CEIST networks with other Catholic Trusts involved in formal education.

In 2023 CEIST undertook restructuring to enhance its effectiveness. The principal Trustee of the Sisters of Mercy, Northern Province, Charity is a member of CEIST Ltd.

EDUCENA: The Educena Trust Foundation works with CEIST Trust in resourcing the trusteeship of Catholic Post-Primary education in Ireland, optimising the financial resources that will be needed in the future.

The Charity's ministry engagements involve education in the broadest sense:

- ✚ promotion of right relations at every level
- ✚ the examination of root causes of injustice in the communities in which we minister
- ✚ awareness raising re the care of the Earth
- ✚ the mistreatment of immigrants
- ✚ the oppression of women
- ✚ human trafficking

In addition, the Charity makes an explicit commitment to overseas development and consciously offers support to other Charities or groups who are working to help break cycles of poverty. The Charity connects its efforts on a global scale with the network of Sisters of Mercy Congregations throughout the world. Samples of this work is referenced in the following pages.

In 2023, financial contributions made to Irish and International Charities who help alleviate poverty were:

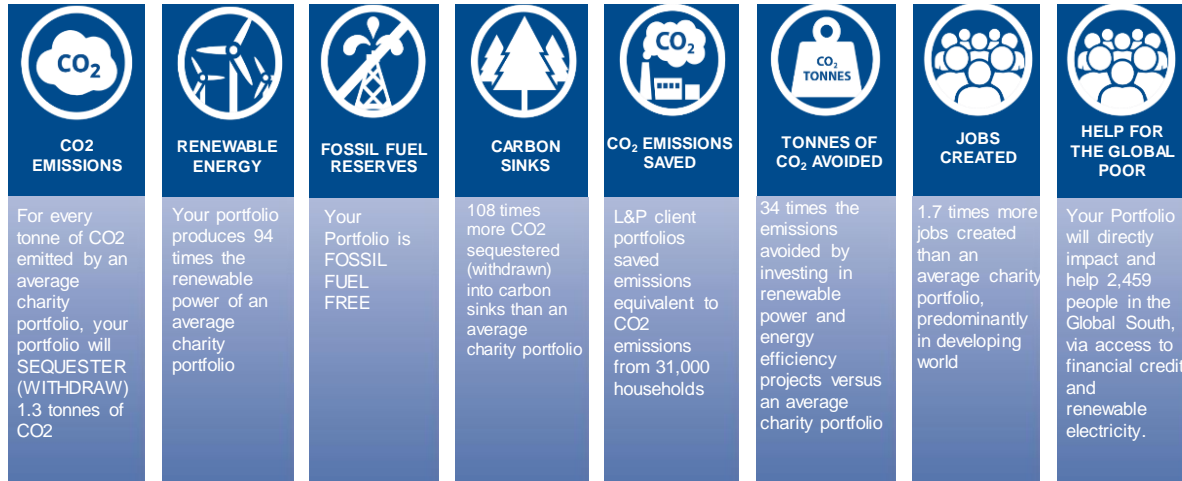
€15,000	Jesuit Refugee Services (Floods in Syria and Turkey)
€1,000	Children Grief Centre
€10,000	Trócaire Turkey Appeal
€10,000	Focus Ireland,
€20,000	Trócaire
€25,000	Médecins Sans Frontières
€20,000	St Stephen's Green Trust
€10,000	Peter McVerry Trust
€15,000	Dundalk Simon Community
€8,000	T.E.A.M. - Temporary Emergency Accommodation, Mullingar
€10,000	Kinnegoe Tree Planting, Donegal
€10,000	Tullamore Children in Need
€20,000	Women's Refuge Support Service, Navan
€10,000	New Life Directions

Positive Impact Investments

We view our investment portfolio as part of our Mission. Alongside our active Ministries, we seek to bring about change through positive impact investing in our investment portfolios. Additionally, our investment portfolio avoids investments deemed to be harmful, such as investments in fossil fuel companies or armaments companies. Avoiding these types of investments is an important step in ensuring that our investment portfolio is not involved in harmful activities.

While avoiding harmful activities is important, we believe that it is even more important to use our investments to bring about positive change in the world. We therefore seek to investment in activities that have beneficial impacts, for both individual wellbeing and for the environment.

We assess these positive impacts under a number of headings that we believe are important measures of 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 of the investments within the Portfolio contribute towards the achievement of the Sustainable Development Goals (SDGs). The SDGs are goals developed and adopted by all member states of the United Nations to 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. The SDGs are as follow:

SUSTAINABLE DEVELOPMENT GOALS



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

Additionally, the SDGs are 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.

To ensure alignment of the SDGs we use a comprehensive Ethical and Positive Impact screen which guarantees the Portfolio remains consistent with the ethos of the charity. 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.

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. 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 contributes to 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 (CO₂) from the atmosphere. Forestry in particular is a very effective carbon sink, as trees absorb carbon dioxide as part of their growing process. Therefore, the presence of forestry funds means that any carbon emissions from the majority of the portfolio are effectively offset entirely by the forestry investments.

Put another way, this means that the Portfolio in aggregate will sequester (withdraw) -1,952 tonnes of CO₂e from the atmosphere per annum while an unscreened portfolio of the same size would produce c. 1,825 tonnes of CO₂e. We believe that these extremely strong carbon emission statistics makes the Portfolio very much part of the solution to climate change, rather than part of the problem.

FOSSIL FUEL RESERVES

Following the Trustees decision to entirely divest from fossil fuels in early 2017, the Portfolio now holds no fossil fuel reserves. The Portfolio ensures no exposure to companies that own thermal coal, oil gas reserves and other unconventional sources of reserves such as oil sands, shale oil, and shale gas. Many of these reserves will become “stranded” and may not be useable if we are to keep the targeted temperature rise (as a result of global warming) below 2 degrees Celsius. Hence, in addition to the impact, not holding these assets reduces the financial risk within the portfolio.

The chart below shows the fossil fuel reserves held by investments within the Portfolio across the major fossil fuels in comparison to an unscreened portfolio. As the chart shows, the Portfolio holds no fossil fuel reserves at all. This is a key metric to ensure that the Portfolio is not supporting fossil fuel activities that are diametrically opposed to the impact the Portfolio is trying to achieve elsewhere in the investments, namely promoting transition from fossil fuels to sustainable energy.

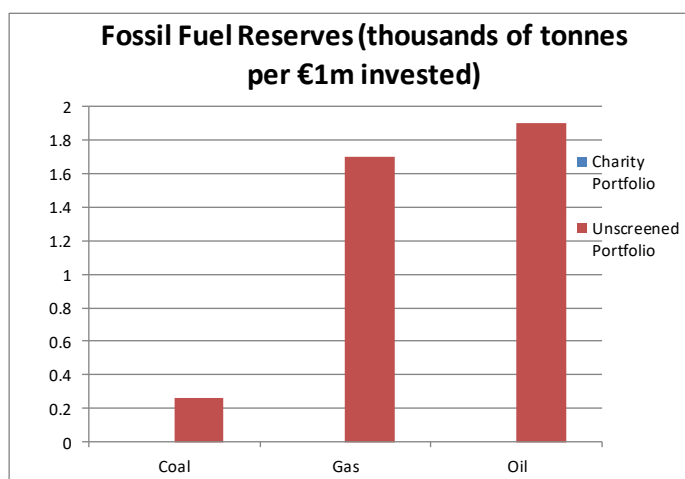


Chart showing the Charity’s Investment Portfolio holds no fossil fuel reserves (no blue bar)

RENEWABLE ENERGY

Given the importance of promoting renewable energy sources to address climate change, any investor interested in impact investing generally seeks a high level of renewable power output from their investment portfolio.

Within the Portfolio, renewable power is produced by a number of investments based in Ireland, Europe, the US and the developing world. We note some of the key impact metrics of these funds below:

Renewable Energy Fund	
<p>Renewable energy fund holding both onshore and offshore projects</p> <ul style="list-style-type: none">• Energy for 300,000 houses per annum• Avoids emissions of 400,000 tonnes of CO₂ per annum• 1,000,000 MWh of renewable power per annum	

Solar Income Fund	
<p>Fund holding approx. 40 solar plants in Europe</p> <ul style="list-style-type: none">• Energy for 150,000 houses per annum• Avoids emissions of 162,000 tonnes of CO₂ per annum• 480,000 MWh of renewable power per annum	

The benefit of generating renewable power can be measured by how much fossil fuel power (and resulting CO₂ emissions) it replaces. In 2023, the Portfolio avoided the release of almost 2,043 tonnes of CO₂e. This is equivalent to:

- Removing 441 cars from the roads every year
- 4,698 barrels of oil saved
- 1,702 acres of pine forest absorbing CO₂ for one year

- 225 round trips around the world by one typical passenger car (travelling at the equator).

In terms of renewable energy produced, the Portfolio produced 5,570 MWh in 2023, enough energy to power approx. 249 homes.

ENVIRONMENTAL PROTECTION AND CARBON SEQUESTRATION

Environmental protection is a critical aspect of sustainability addressed by the Portfolio. The forestry investments within the Portfolio have a mandate to:

- Produce sustainable timber
- Sequester carbon from the atmosphere
- Protect natural resources and biodiversity of the area, in order to minimise the effect on the biodiversity and general environmental welfare.



The managers of the forestry investments in the portfolio review any new forest properties at the outset to record and maintain Biodiversity already present. They have also adopted an approach in their management to enhance biodiversity by planning linkage between features using corridors so that the biodiversity

features on site are conserved and new features being created are all joined and form part of a biodiversity unit within each property. These features are measured and captured on the managers' geographic information system (GIS). A detailed biodiversity classification and ranking system is in place and enhancement targets are being set to enrich diversification in fauna and flora throughout the portfolio.

SOCIAL IMPACT

Job Creation



Providing employment is one of the best methods of reducing poverty, and therefore it has a number of positive beneficial effects across the SDGs, from poverty reduction (SDG1) to providing Decent Work and Economic Growth (SDG8). As the majority of the jobs created by the impact investments are in the developing world, and tend to favour women as much (if not more) than men, then job creation in these areas improves Gender Equality (SDG5) and Reduces Inequalities (SDG10), both between sexes and between the developed and developing regions of the world.

The Portfolio has a number of funds which provide job creation through their economic activity. The equity funds provide capital to companies that employ anywhere between hundreds to hundreds of thousands, and therefore additional capital from investors should enable these companies to create jobs, albeit that the job creation impact from additional investment in these typically large, established businesses is low. However, other funds that operate in the developing world tend to produce far higher job creation and comprise the majority of the additional jobs produced for the portfolio as a whole.

The new jobs created by an unscreened portfolio of the same size as the Portfolio would only create 20 new jobs, while the Portfolio helped create circa 34 direct jobs in 2023.

HOMELESSNESS CRISIS

In Ireland, there were 13,000 homeless people in 2023, and an increase of over 250% of homeless families since 2015. Social housing in Ireland is therefore at crisis levels mainly due to limited supply of residential property and a booming population (at the time of the report writing, the population in Ireland had reached 5 million, the highest level since 1851).

The portfolio now includes the New Haven Social Housing Fund which addresses this chronic shortage of housing for vulnerable groups in Ireland. The goals of the fund are shown below:

Glór na Mara - Ecology Initiative

Glór na Mara is an initiative of the Charity established in Bundoran, County Donegal and is a vibrant practical expression of the Charity's commitment to the promotion of care for our 'Common Home.' The endeavor has a two-strand approach to service delivery:

- i) Ecology education and awareness raising
- ii) Practical engagement in organic growing (as a community gardener or as a renter of an allotment)

Glór na Mara occupies a two-acre site and provides a community garden with 20 beds and 33 allotments.

The Initiative undertakes outreach work to the local school and to many visiting groups within and beyond the county, and further afield. The demand for the allotments has continued to grow.

In addition to the ongoing work of Glór na Mara, in 2023 the following were provided: Nine-month 'Organic Growing' Course (30 gardeners), Production of 10-part video course (groups and individuals), Organic food-growing for parents of local Primary School children (many Ukrainian) , Practical support to Tidy Towns Group; Open Days for a) Trustees of the Charity, b) Members of the Charity c) Key Employees of the Charity.



Commitment to Care of the Earth 2023

Green Sod Ireland Land Trust

A Member of the Charity was a founder of and remains active in the Green Sod Ireland Trust networking with NGOs, community groups, government agencies and AFRI. It is registered with the European Re-wilding Network.

In 2023, a Project Manager was appointed to oversee the re-wilding and biodiversity protection of the 130+ acres held in trust and to enhance wider engagement to help ensure the Project's viability.

Ongoing Awareness Raising

Among and beyond membership of the Charity, ongoing education and awareness raising in relation to the socio-ecological and environmental realities of our time. This includes

- ✚ Regular Webinars presented by two Members
- ✚ Charity's eco-website to guide members throughout the year.
- ✚ Ecology Group to steer priorities.
- ✚ Commitment of Charity to Tree-planting.

GLÓIR

Two Members, along with a SUSC Sister work with groups/leaders both internationally and nationally in facilitating imaginative ways to live justly on this planet; in making greater commitment to social justice and right-relatedness; in having clarity about roles re leadership, management and members; in living/working towards a common aim as part of the community of all of life.

Irish Refugee Council

A Member is a support person for refugees and migrants and a volunteer with the Irish Refugee Council. She works as a Befriender of families who live in Direct Provision. These people come mainly from the Continent of Africa, Syria and Afghanistan as well as come undocumented people and migrants.

MECPATHS

As part of the Sisters of Mercy, the Charity supports the Congregations' MECPATHS project. In partnership with Hospitality Sector in Ireland, the project works to counter child trafficking and sexual exploitation.

Mercy Girl Effect, New York

A Member co-ordinates the Working Group on Girls (UNICEF). The Mercy Girl Effect helps educate and animate advocacy for young women and children vulnerable to being targeted by traffickers. In 2023, MGE with the Asia Foundation and UNICEF provided scholarships to support the SRAK – clandestine network of schools in Afghanistan - to educate 400+ girls.

Warru Jabbe, Nigeria

A Member established this foundation to assist Muslims and Christians in a shared community development project, providing adult literacy and computer programmes. In 2023, €18k was disbursed to the project.

Social Justice Ireland

A Member contributes to the Roundtable Response Group in publishing policy papers: Planning for Climate Change and Migration, Responding to the Ukrainian Crisis and Planning for Forced Migration.

Derry-Donegal Outreach Programme

A member of the Charity works in D-DOP in the North-West of Ireland to fundraise for missionaries and others providing education, healthcare and immediate practical relief in poorer parts of our world. In 2023, D-DOP distributed in excess of €50k to projects in Nigeria, Zambia, Haiti, Kenya (Eldoret & Nairobi) and India

AEFJN

A Member is on the committee of Africa Europe Faith and Justice Network - a faith-based international network. It prioritizes EU policy as it affects Sub Saharan Africa e.g. food security, corporal social responsibility, ecological/environmental rights.

**Charity Members
work with others for
justice and relief of
poverty**

Heritage and Upkeep of Listed Assets

The Charity owns some Listed buildings which are protected structures. These buildings 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.



Glór na Mara,
Gate Lodge, Bundoran

Financial Review (RoI)

RESULTS FOR THE YEAR

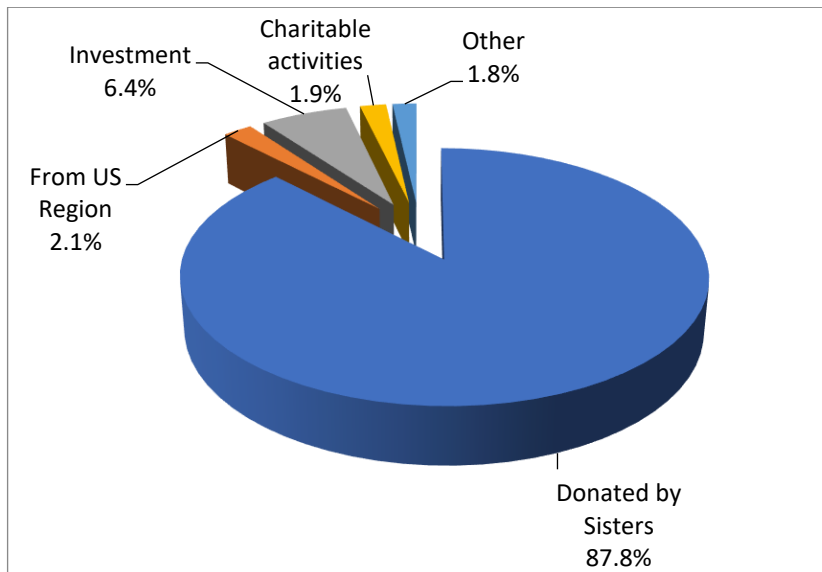
A summary of the year's accounts can be found on page 36 of this report.

Income - where our income came from

Income for the year totalled €4,221,239:

- Voluntary income of €3,795,576: the majority of this, €3,704,955 was the pension, salary, stipend and lump sum income earned by the members of the Sisters of Mercy Northern Province and donated to the Charity. The balance, €90,621, was received from the US Region of the Sisters of Mercy as a contribution towards the costs of members who have return to Ireland from the US.
- Investment Income of €270,066: was the income earned on the Charity's investment portfolio, bank interest and rent received.
- Charitable activities of €81,278: was legacies and other income received.
- Other Income of €74,319: was the gain on the disposal of tangible assets, mainly property.

Breakdown of Income



Expenditure - where the money is spent

Total expenditure for the year was €6,577,591.

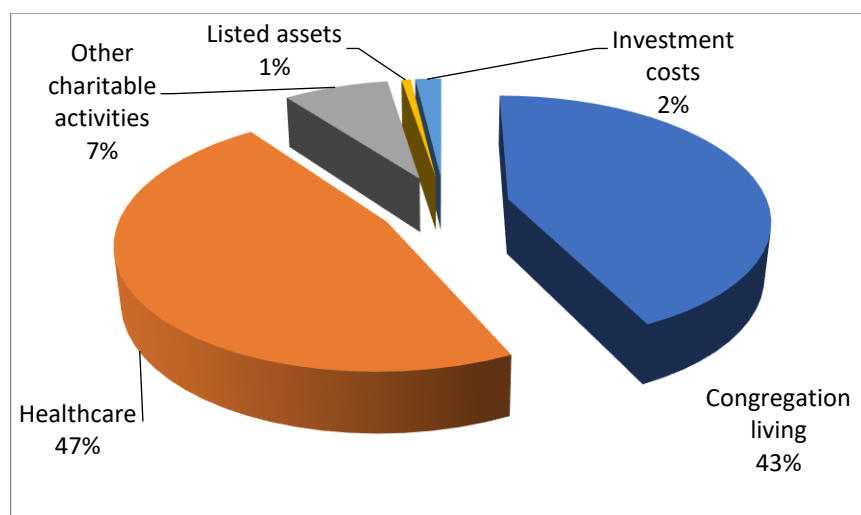
Charitable Activities - of the total, €6,454,241, or 98%, was spent on Charitable Activities:

- Congregational living, the advancement of Religion, €2,825,551: this includes the upkeep and up-skilling and retraining of the members of the Province. 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 also 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, the upkeep, up-skilling and retraining of the members of the Province so that they will be able to continue in their service to the public
- Healthcare and the compassionate care of the sick and those in need, €3,081,526: 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. The 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, €502,465: 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, €44,700: the Charity owns a number of protected structures. The structures are typically buildings that are listed on planning authority's Record of Protected Structures (RPS). By including them in the RPS, 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 development control process.

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 €123,350.

Breakdown of Expenditure



NEW MOVEMENT IN FUNDS

Net expenditure for the year, therefore, was €2,356,352. This was before the gain on investment assets, which when taken into account results in a net decrease in funds in the year of €2,201,897.

INVESTMENTS

On 31st December 2023, the Charity had investments of €21.0m. 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) 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 €35.8m. Of this, €0.4m is restricted for specific purposes - see Financial Statements note 17. Of the balance, €11.6m is represented by properties and other tangible fixed assets essential for the running of the Charity. The Trustees have designated another €23.0m to provide for Mission and Ministry works and Congregation Living needs. Details are given in note 16 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 €0.8m. This equates to less than 2 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 2023

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 work collaboratively with other groups and agencies in responding to global and local needs	On-going. See Activities and Achievements throughout Report.
To create Cluster Communities, each with a 'Hub', to facilitate leadership and maximum engagement of all members.	Six Cluster Communities created with a rhythm of meetings, communication and connection established.
To ensure support programme for Leaders	Process-led programme for all Cluster Leaders (Kinharvie Institute) Leaders availing of Reflective Practice Programme
To undertake an in-depth review of Assisted Living Convents in support of life-giving communities, to maximize our provision of care resources.	Ardee Convent closed. Sisters moved to alternative Convents. Reflective process of engagement for older Sisters at a time of transition devised and delivered.
Support the Congregational Leadership Team in building cohesive channels of communication, shared approaches and common practices with members of Provinces and Regions of the Mercy Congregation	Substantial work done in this regard. PLT members working across the Congregation in bi-lateral manner to harmonize practices where possible.
To establish an Action Plan to address <i>Care of Creation</i> throughout the wider membership.	Open-days at Bundoran Ecology Project for PLT, Sisters, Managers. Bespoke 'live' website designed and maintained for members
To maintain the Safeguarding Structures at National and Provincial levels	See Page 32

Future Plans and Objectives for 2024

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
- Support and strengthen the development of Cluster Communities throughout the Charity
- Continue to review the Assisted Living provision, optimizing care and resources
- Ensure all members engage in discernment for Central Leadership and are familiar with the revised Constitutions
- Put in place process for move to new internal structural change
- Maintain the Safeguarding Structures at National and Provincial levels.

Structure, Governance & Management

GOVERNING DOCUMENT

The governing instrument of the Northern Province (this Charity) 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 an unincorporated association. Within the governmental structure, there are a number of inter-connected units. The authority in each unit is outlined in the Constitutions. The Northern Province is a unit of the Congregation with personnel and resources that support its life, mission and membership.

APPOINTMENT OF TRUSTEES (PROVINCIAL LEADERSHIP TEAM)

The Charity is governed by the Provincial Leader and Team, who are Sisters of Mercy elected for a six-year period by its members. The Provincial Leadership Team are the Trustees of the Charity, chosen for their expertise and skills and knowledge of the Congregation, its nature and mission. The Trustees receive no personal remuneration for their services as Trustees.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Charity Trustees meet regularly. Every six years the Charity convenes a 'Chapter', where Members 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. In addition to annual reporting to the Charity Regulator, formal reporting within the organisation takes place 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 incomes are voluntarily donated to a common fund, administered through a Provincial Stewardship Office.

RESTRUCTURING

This Charity is one of five 'Congregation of the Sisters of Mercy' civil charities in the Republic of Ireland and the Trustees have been working with the wider Congregation on a restructuring process. This is with a view to managing the Congregation's resources more effectively for the purposes of their life and mission today. A decision has been taken to restructure the five civil charities in the Republic of Ireland into one legal entity. This will facilitate more streamlined administration and continued good practice in the future, and this restructuring is expected to take place in 2025.

COLLABORATION AND PARTNERSHIP

As referenced throughout this report, the Charity works in partnership and collaboration with ministry colleagues, statutory and voluntary bodies, and other religious congregations in serving local and wider communities.

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

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.”

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.

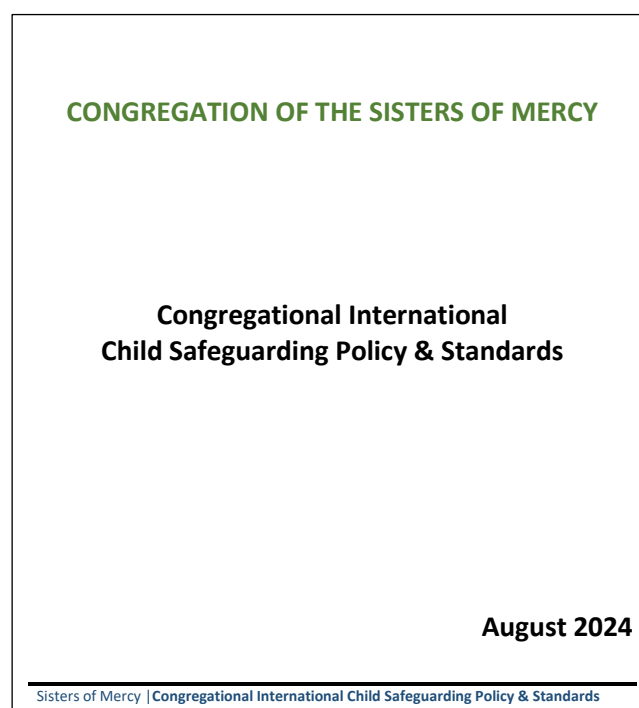
Professional advice is sought in relation to leases and agreements, protected structures, planning, health and safety legislation, acquisition, refurbishment and disposal of property and all legally binding issues and transactions.

POLICIES

The Trustees ensure that policies and good practice guidelines are developed, circulated and implemented, and that these are fully compliant with all legislative requirements. 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 is the Human Resources Co-ordinator and attends to recruitment, employment protocols and procedures, staff induction, etc. Supervision and appraisals are regularly monitored and reviewed. The Charity fully complies with vetting obligations. The HR Co-ordinator ensures all policies in the Staff Handbook are familiar to managers and employees and that the policies are implemented.

From the mid-1990's the Congregation of the Sisters of Mercy has had a Safeguarding Policy in place. The Policy aims to encourage adequate awareness and best practice throughout the Charity, among members and employees, ensuring 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 in the Republic of Ireland. The Trustees review annually the implementation of its 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 Charity. She is assisted by the Safeguarding Co-ordinator and together they promote and oversee the implementation of best practice in safeguarding throughout the Charity, liaising with the Statutory authorities and external agencies as when necessary and appropriate.

THE SAFEGUARDING COMMITTEE

The Safeguarding Committee convenes quarterly. Its members monitor and support the implementation of the Safeguarding Standards and promote 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 best practice in relation to safeguarding children and adults at risk of harm within the Charity. The Safeguarding Annual Audit and Annual 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 information and supporting materials in relation to 'Safeguarding Children' and 'Adult Safeguarding'. Records of completed induction processes are monitored by the Human Resources Co-ordinator and are retained in the workplace.

ANNUAL SAFEGUARDING SELF-AUDIT

The Provincial Safeguarding Self-audit of Sisters' ministry engagements takes place yearly. In 2023 the Audit identified that 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. By August 2023 all audit meetings with members throughout the Charity were completed.

Safeguarding personnel held individual meetings with several Sisters in ministry and, when necessary, carried out appropriate risk assessments.

The Audit also revealed that Sisters are increasingly involved internally in providing and managing care for older or infirmed Sisters who themselves are deemed adults at risk and who 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, 2016. The Charity has adopted the Congregational International Child Safeguarding Policy and Standards and has been approved by the National Board. All Sisters and Staff are required to comply with this Policy.

During 2023 the 'Child Safeguarding Statement' was reviewed in compliance with the requirements of the Children First Act, 2015 and TUSLA. The finalized Statement (dated 5.05.2023) is posted on the Congregational website as are the contact details of the civil authorities and the Safeguarding personnel.

The National Board of the Catholic Church undertook a Review of the Safeguarding Children. In the light of this, and awaiting the Revision of the Policy, the Safeguarding Committee of the Charity deferred the planned training in Safeguarding Children for Staff and Sisters until 2024.

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 any and all allegations and

disclosures of abuse seriously. The Charity adheres to the legislative requirements and the policy guidance in place in the Republic of Ireland.

In 2023, the National Board of the Catholic Church disseminated an Adult Safeguarding Template Policy. The Sisters of Mercy Congregational Policy was reviewed in the line with this and found to be in compliance. The Safeguarding Personnel have made preparations for the delivery of Safeguarding Adults Training to be rolled out throughout the Charity in 2024.

GARDA VETTING

Vetting Policies and Procedures reflect the legal requirements in place in the Republic of Ireland. Records and documentation in relation to vetting are stored securely and managed in accordance with guidance. A *'Verification of Identification Form'* introduced in 2022 supports the vetting process.

8 new staff members were vetted, and 11 staff members were re-vetted.

SAFEGUARDING UPDATES / SAFEGUARDING COMMUNICATION BOARD

The Trustees recognise the importance of keeping Sisters and Staff informed of best practice and developments in relation to safeguarding. Throughout 2023 safeguarding information and updates were provided through newsletters, correspondence and meetings via zoom conferencing.

The Safeguarding Annual Report 2023, was compiled by the Safeguarding personnel and submitted to the Charity Trustees and the Congregational Leadership Team.

SCOPING INQUIRY INTO HISTORICAL SEXUAL ABUSE IN SCHOOLS RUN BY RELIGIOUS ORDERS

The Trustees worked with the Congregation Leadership Team and other relevant bodies to provide the information requested by the Scoping Inquiry. The Scoping Inquiry subsequently published its report in late 2024.

Reference and Administrative Details

Name of Charity	Congregation of the Sisters of Mercy, Northern Province
Charity Number	CHY128 CRA No. 20000318
Address of Principal Office	Sisters of Mercy 1 Mornington Way Trim Co. Meath C15 V064
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	Bank of Ireland Ballybofey Co. Donegal
Investment Managers	Setanta Asset Management Ltd Unigestion SA
Solicitors	Gerrard L. McGowan The Square Balbriggan Co Dublin K32 XN61

Opinion

We have audited the financial statements of Congregation of the Sisters of Mercy Northern Province for the year ended 31st December 2023 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”.

In our opinion the financial statements:

- give a true and fair view of the state of the charity’s affairs as at 31st December 2023, and of its total incoming resources and expenditure of resources, for the year then ended;
- have been prepared in accordance with Generally Accepted Accounting Practices in Ireland;
- have been properly prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) 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 Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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 (Ireland) 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 Acts 1961 to 2009 in the Republic of Ireland 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 (Ireland) 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.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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**

28th August 2024

**Statement of Financial Activities
for the year ended 31st December 2023**

	Notes	Unrestricted funds €	Restricted funds €	2023 Total €	2022 Total €
Incoming resources					
Incoming resources from generating funds:					
Investment income	2	270,066	-	270,066	301,232
Incoming resources from charitable activities	3	81,278	-	81,278	88,004
Voluntary Income	4	3,795,576	-	3,795,576	4,396,946
Other Income	4.1	74,319	-	74,319	410,417
Total incoming resources		<u>4,221,239</u>	<u>-</u>	<u>4,221,239</u>	<u>5,196,599</u>
Resources expended					
Costs of generating funds:					
Investment Management costs	5	123,350	-	123,350	124,353
Charitable activities	6	6,433,403	20,839	6,454,242	6,078,180
Total resources expended		<u>6,556,753</u>	<u>20,839</u>	<u>6,577,592</u>	<u>6,202,533</u>
Net gains/(losses) on investments					
Gains/(Losses) on Investments		154,455	-	154,455	(1,136,261)
		<u>154,455</u>	<u>-</u>	<u>154,455</u>	<u>(1,136,261)</u>
Net incoming resources before transfers		<u>(2,181,059)</u>	<u>(20,839)</u>	<u>(2,201,898)</u>	<u>(2,142,195)</u>
Net movement in funds		<u>(2,181,059)</u>	<u>(20,839)</u>	<u>(2,201,898)</u>	<u>(2,142,195)</u>
Total funds brought forward		38,006,375	402,843	38,409,218	40,551,445
Prior year adjustment		(444,734)	-	(444,734)	-
Restated total funds brought forward		<u>37,561,641</u>	<u>402,843</u>	<u>37,964,484</u>	<u>40,551,445</u>
Total funds carried forward		<u>35,380,582</u>	<u>382,004</u>	<u>35,762,586</u>	<u>38,409,250</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 15 to 24 form an integral part of these financial statements.

**Balance sheet
as at 31st December 2023**

	Notes	€	2023 €	€	2022 €
Fixed assets					
Tangible assets	11		11,557,488		11,474,993
Investments	12		21,005,212		21,360,222
			<u>32,562,700</u>		<u>32,835,215</u>
Current assets					
Debtors	13	197,918		179,693	
Cash at bank and in hand		3,141,569		5,549,938	
		<u>3,339,487</u>		<u>5,729,631</u>	
Creditors: amounts falling due within one year	14	(139,600)		(155,599)	
Net current assets			3,199,887		5,574,032
Net assets			<u>35,762,587</u>		<u>38,409,252</u>
Funds					
Restricted income funds	17		382,004		402,843
Unrestricted income funds	16		35,380,582		38,006,409
Total funds	15		<u>35,762,587</u>		<u>38,409,252</u>

The financial statements were approved by the trustees on 28th August 2024 and signed on their behalf by

Sr Rose Marie Conlan
Trustee

Sr. Rose Marie Conlan

Sr Aine Campbell
Trustee

Sr Aine Campbell

The notes on pages 15 to 24 form an integral part of these financial statements.

**Cash Flow Statement
for the year ended 31st December 2023**

	Notes	2023 €	2022 €
Net (outgoing)/incoming resources for the year		(2,201,898)	(2,142,191)
Adjustments for:			
Depreciation and impairment charges		298,306	302,568
Dividends from investments		(264,392)	(278,829)
Profit on disposal of tangible assets		(74,319)	(410,417)
(Increase)/Decrease in debtors		(18,225)	44,613
(Decrease)/Increase in creditors		(15,999)	8,025
		<hr/>	<hr/>
Net cash inflow from operating activities		(2,276,527)	(2,476,231)
Cash Flows from investing activities			
Dividends from investments		264,392	278,829
Proceeds from disposal of tangible fixed assets		86,107	1,308,480
Capital expenditure		(392,587)	(50,600)
Increase in value of investments		355,010	111,343
		<hr/>	<hr/>
Decrease in cash in the year		(1,963,605)	(828,179)
		=====	=====
Reconciliation of net cash flow to movement in net funds			
decrease in cash in the year		(1,963,605)	(828,179)
Prior year adjustment		(444,734)	-
		<hr/>	<hr/>
Movement in net funds in the year		(2,408,339)	(828,179)
Net Cash at 1st January 2023		5,549,940	6,378,119
		<hr/>	<hr/>
Net Cash at 31st December 2023		3,141,601	5,549,940
		=====	=====

Notes to Financial Statements for the year ended 31st December 2023

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 1st January 2015) - (Charities SORP (FRS102), and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102). In preparing the accounts, the Trustees have considered whether in applying FRS 102 and the accounting policies required by FRS102 and the Charities SORP FRS102 the restatement of comparative items was required. No adjustments to comparatives were identified.

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 expended

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 2023**

1.4. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. 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. Defined contribution pension schemes

The pension costs charged in the financial statements represent the contribution payable by the charity during the year.

1.8. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into euro 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 €	2023 Total €	2022 Total €
Income from investments	264,392	264,392	278,829
Bank interest receivable	2,734	2,734	6
Rent receivable	2,940	2,940	22,397
	<u>270,066</u>	<u>270,066</u>	<u>301,232</u>
	=====	=====	=====

**Notes to Financial Statements
for the year ended 31st December 2023**

3. Incoming resources from charitable activities

	Unrestricted funds €	2023 Total €	2022 Total €
Other Income	71,537	71,537	71,490
Legacies	9,741	9,741	16,514
	<u>81,278</u>	<u>81,278</u>	<u>88,004</u>
	=====	=====	=====

4. Voluntary Income

	Unrestricted funds €	Restricted funds €	2023 Total €	2022 Total €
Salaries donated by Sisters of Mercy	151,558	-	151,558	119,183
Pensions donated by Sisters of Mercy	3,526,897	-	3,526,897	3,419,262
Stipends donated by Sisters of Mercy	26,500	-	26,500	18,404
Retirement Lump Sums donated by S.O.M.	90,621	-	90,621	840,097
	<u>3,795,576</u>	<u>-</u>	<u>3,795,576</u>	<u>4,396,946</u>
	=====	=====	=====	=====

4.1 Other Income

	2023 Total €	2022 Total €
Profit/(loss) on disposal of property	34,935	387,292
Profit/(loss) on disposal of motor vehicles	39,384	23,125
	<u>74,319</u>	<u>410,417</u>
	=====	=====

5. Investment Management costs

	Unrestricted Funds €	2023 Total €	2022 Total €
Investment management costs	123,350	123,350	124,353
	<u>123,350</u>	<u>123,350</u>	<u>124,353</u>
	=====	=====	=====

**Notes to Financial Statements
for the year ended 31st December 2023**

6. Costs of charitable activities	Direct Costs €	Support Costs €	2023 Total €
Congregational Living - the Advancement of Religion			
Congregational Living	2,512,713	54,809	2,567,522
Spirituality, Prayer & Worship	251,939	6,090	258,029
	<u>2,764,652</u>	<u>60,899</u>	<u>2,825,551</u>
Healthcare & the compassionate care of the sick and those in need	<u>3,015,111</u>	<u>66,415</u>	<u>3,081,526</u>
Relief of Poverty, promotion of education, justice and other charitable activities			
Education	89,953	2,421	92,374
Overseas Development & Support	73,664	1,912	75,576
Pastoral, Social Care & Development	109,342	2,931	112,273
Support Other Charities	216,762	5,480	222,242
	<u>489,721</u>	<u>12,744</u>	<u>502,465</u>
Upkeep of Listed Buildings	<u>42,998</u>	<u>1,702</u>	<u>44,700</u>
Total Cost of Charitable activities	<u><u>6,312,482</u></u>	<u><u>141,760</u></u>	<u><u>6,454,242</u></u>

**Notes to Financial Statements
for the year ended 31st December 2023**

7. Support costs

	Legal & Professional €	Admin €	Total 2023 €
Congregational Living – the Advancement of Religion			
Congregational Living	42,512	12,298	54,810
Spirituality, Prayer & Worship	4,723	1,366	6,089
	47,235	13,664	60,899
Healthcare & the compassionate care of the sick and those in need			
	51,513	14,902	66,415
Relief of Poverty, promotion of education, justice and other charitable activities			
Education	1,960	461	2,421
Overseas Development & Support	1,547	365	1,912
Pastoral, Social Care & Development	2,372	559	2,931
Support Other Charities	4,435	1,045	5,480
	10,314	2,430	12,744
Upkeep of Listed Buildings	1,486	216	1,702
Total Costs Allocated	110,548	31,212	141,760

8. Auditors' remuneration

	2023 €	2022 €
Auditors' remuneration - audit of the financial statements	15,856	14,868
	15,856	14,868

**Notes to Financial Statements
for the year ended 31st December 2023**

9. Pension Costs

The charity operates a defined contribution pension scheme in respect of their employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the charity and was as follows:

	2023	2022
	€	€
Pension charge	35,213	32,400
	=====	=====

10. Employees

Employment costs	2023	2022
	€	€
Wages care	408,835	348,900
Community Wages	1,605,145	1,418,862
	-----	-----
	2,013,980	1,767,762
	=====	=====

Number of employees

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

	2023	2022
	Number	Number
	44	50
	=====	=====

Staff costs and key management remuneration

All trustees are members of the Congregation of 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.

**Notes to Financial Statements
for the year ended 31st December 2023**

11. Tangible fixed assets	Land & buildings freehold €	Fixtures, fittings & equipment €	Motor vehicles €	Total €
Cost				
At 1 st January 2023	19,961,529	2,088,750	1,847,008	23,897,287
Additions	285,642	-	106,945	392,587
Disposals	(895)	-	(124,450)	(125,345)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 st December 2023	20,246,276	2,088,750	1,829,503	24,164,529
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Depreciation				
At 1 st January 2023	8,979,458	1,938,982	1,503,854	12,422,294
Charge for the year	201,918	14,976	81,412	298,306
On disposals	-	-	(113,559)	(113,559)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 st December 2023	9,181,376	1,953,958	1,471,707	12,607,041
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net book values				
At 31 st December 2023	11,064,900	134,792	357,796	11,557,488
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 st December 2022	10,982,071	149,768	343,154	11,474,993
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

12. Fixed Asset Investments

	Listed Investments €	Total €
Valuation		
At 31 st December 2023	21,005,212	21,005,212
	<hr/>	<hr/>
At 31 st December 2022	21,360,222	21,360,222
	<hr/> <hr/>	<hr/> <hr/>

**Notes to Financial Statements
for the year ended 31st December 2023**

13. Debtors		2023	2022
		€	€
Prepayments		197,918	179,693
		=====	=====
14. Creditors: amounts falling due within one year		2023	2022
		€	€
Accruals and deferred income		139,600	155,599
		=====	=====
15. Analysis of net assets between funds			
	Unrestricted funds	Restricted funds	Total funds
	€	€	€
Fund balances at 31 st December 2023 as represented by:			
Tangible fixed assets	11,557,488	-	11,557,488
Investment assets	21,005,212	-	21,005,212
Current assets	2,957,483	382,004	3,339,487
Current liabilities	(139,600)	-	(139,600)
	=====	=====	=====
	35,380,582	382,004	35,762,586
	=====	=====	=====

**Notes to Financial Statements
for the year ended 31st December 2023**

16. Unrestricted funds

	At 1 January 2023 €	Incoming resources €	Outgoing resources €	Prior Year adjustment €	At 31 December 2023 €
General Purposes Fund	816,599	82,169	(93,620)	-	805,148
Designated Funds					
Tangible Fixed Asset Fund	11,474,993	267,242	(184,747)	-	11,557,488
Congregational Living Fund	7,921,967	1,232,536	(2,243,316)	-	6,911,187
Health and Care Fund	12,939,502	2,013,141	(3,581,525)	-	11,371,118
Other Ministries Fund	4,853,315	780,605	(453,545)	(444,734)	4,735,641
	<u>38,006,376</u>	<u>4,375,693</u>	<u>(6,556,753)</u>	<u>(444,734)</u>	<u>35,380,582</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.

17. Restricted funds

	At 1 January 2023 €	Outgoing resources €	At 31 December 2023 €
Zambia Fund	402,843	(20,839)	382,004
	<u>=====</u>	<u>=====</u>	<u>=====</u>

**Notes to Financial Statements
for the year ended 31st December 2023**

18. Educena

In 2008 the Congregation of the Sisters of Mercy Northern Province together with a number of other congregations entered into a Master Co-operation and Funding Agreement (the 'Agreement') in respect of their Secondary Schools with the objective of securing the future of the catholic ethos in their schools while transitioning their trusteeship to a lay structure. Under this Agreement they have transferred their trustee and administrative responsibility in respect of their voluntary secondary schools in Ireland to CEIST Ltd and have contractually agreed to transfer, and are currently in the process of transferring, their related school properties to The Educena Foundation.

The Educena Foundation is a company formed to foster and support the religious, missionary and other solely charitable purposes of a number of Religious Congregations in Ireland and in other countries and to further the aims and purposes of Roman Catholic education in the tradition of the combined ethos and philosophies of the Congregations in colleges, schools and other projects in Ireland and in other countries.

The principal activity of The Educena Foundation is to delegate and financially support the obligations of trusteeship in relation to the schools by CEIST Limited and to license or otherwise the property relating to schools to CEIST. Under the terms of the Agreement, the Province will receive loan notes from The Educena Foundation in respect of the school properties transferred to the extent that the value of the properties transferred exceeds the expected future cost of The Educena Foundation and CEIST Limited fulfilling the trustee responsibilities which they have accepted. The property values and future cost of fulfilling the trustee responsibilities have been determined by reference to an agreed Actuarial model as set out in the Agreement. To date, 9 Secondary School properties together with 10 acres for a new school development have been transferred by the Sisters of Northern Province to The Educena Foundation and loan notes have or will be issued based on the methodology outlined above. At the Balance Sheet date, all transfers have been completed.

In addition, loan notes have been issued by The Educena Foundation in respect of interim funding provided by the Congregation of the Sisters of Mercy Northern Province to The Educena Foundation over the 5 year period ended 31st December 2011. The loan notes, which are non-interest bearing for the first 10 years, may only be redeemed in certain limited circumstances after 20 years. No value has been placed on these loan notes in the financial statements. At the Balance Sheet date all transactions have been completed.

19. Charity Restructure

The trustees have been working with the wider congregation on a restructuring process further to the decision which has been taken to restructure the five civil charities in the Republic of Ireland into one legal entity. The restructuring process is expected to take place in 2025.

**Notes to Financial Statements
for the year ended 31st December 2023**

20. Voluntary Contribution following publication of Ryan Report

Following the issue of the report by the Commission to Inquire into Child Abuse (The Ryan Report) on the 20th May 2009 and subsequent meetings with the Government, the Congregation of the Sisters of Mercy indicated its willingness to make financial and other contributions towards a broad range of measures, designed to alleviate the hurt caused to people who were in their care. The Congregation of the Sisters of Mercy Northern Province made an offer to Government of €10,700,000. The offer was comprised of a payment of €1,000,000 and a transfer of property valued at €9,700,000. At the balance sheet date, the €1,000,000 plus accrued interest has been paid. In addition, 9 of the properties had been transferred, while five more had been sold and the proceeds transferred. At the Balance Sheet date all transactions have been completed.

21. Authorisation of Financial Statements

The financial statements were authorised by the trustees for issue on 28th August 2024.