

CHY (Revenue) Number 166
Registered Charity Number (RCN) 20000325
(Ireland)

**CONGREGATION OF THE SISTERS OF MERCY WESTERN
PROVINCE ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**



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**CONGREGATION OF THE SISTERS OF MERCY WESTERN PROVINCE
REFERENCE AND ADMINISTRATIVE INFORMATION**

Trustees	Sr. Breege O'Neill Sr. Aine Barrins Sr. Maura Bane Sr. Una Purcell Sr. Elizabeth Manning (Appointed 7 March 2023)
Provincial Treasurer	Sr. Marie King
CHY (Revenue) Number	166
Registered Charity Number (RCN)	20000325
Principal address	Caoineas, Society Street, Ballinasloe Co. Galway H53 W0V2
Auditors	Walsh O'Brien Harnett Chartered Accountants and Statutory Audit Firm 104 Lower Baggot Street Dublin 2
Bankers	Bank of Ireland Loughrea Co. Galway
Solicitors	Mason Hayes and Curran South Bank House Barrow Street Dublin 4 William F. Semple & Company Lough Corrib House Waterside Co. Galway Concanon & Meagher Solicitors Legal Services Frank Stockwell Road Co. Galway Brendan L Johnson Solicitors 75 John Street Co. Sligo Gearty & Co Solicitors 4-5 Church Street Co. Longford



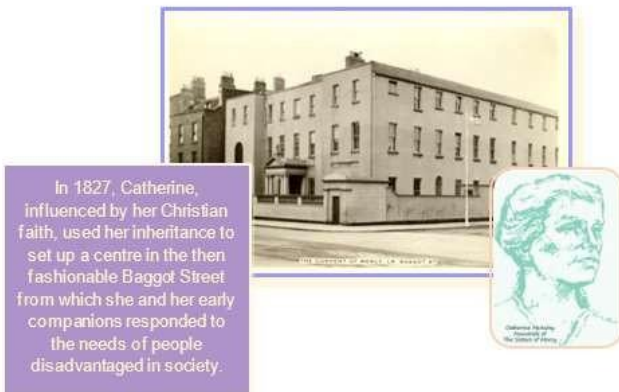
Investment managers	L&P Cantor Fitzgerald Ireland 23 St. Stephen's Green Dublin 2
Investment advisors	L&P Cantor Fitzgerald Ireland 23 St. Stephen's Green Dublin 2



Introduction

The Beginnings of the Sisters of Mercy

The Congregation of the Sisters of Mercy is an international Roman Catholic Religious Congregation founded in 1831 by Catherine McAuley.



In the years that followed the Sisters of Mercy established communities in Ireland and overseas and cared in whatever way possible for the needs of the people who were poorest, setting up many schools that still exist in the Western Province as well as working in State healthcare institutions.

Our Mission Today

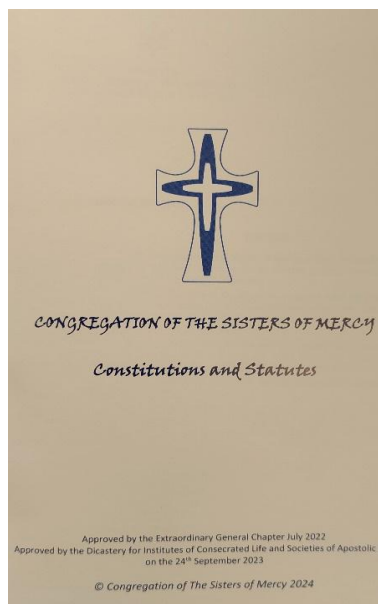
In recent decades, and as State provision in the areas of healthcare and education improved, the work of Sisters became more varied. Sisters work with others, to acknowledge and restore people's relationship with the earth and the whole community of life and promote sustainable living, as well as continuing in areas such as education, pastoral and healing work, addressing addiction, reconciliation and inclusion. Given the age profile of the Province with 57% of the Sisters over 80 years, there is an increasing need to focus on care for frail and infirm members, while resourcing others in keeping with the charism.



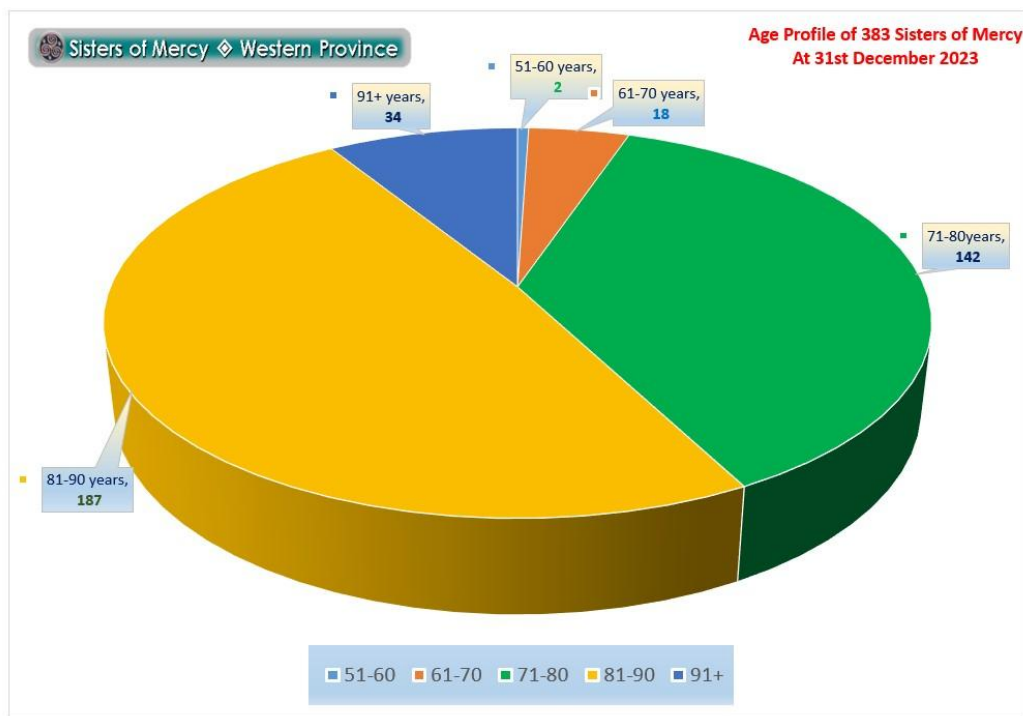
The Western Province Structure Administrative Details

The Western Province ('the Province') is part of the Congregation of the Sisters of Mercy. The Province was formed in 1994 following re-structuring of formerly autonomous Mercy Congregations in the Dioceses of Achonry; Ardagh and Clonmacnois; Clonfert; Elphin; Galway, Kilmacduagh and Kilfenora; Killala; Tuam. There are **383** Sisters in the Province.

Congregation of the Sisters of Mercy Revised Constitutions and Statutes 2024



Link: [Congregational Constitutions and Statutes 2024](#)



Public Benefit

Public Benefit is achieved in a variety of ways, as shown throughout this Report.

The Beneficiaries are peoples of the Republic of Ireland and charities that work for relief overseas, for example, Medecins Sans Frontiers and Trócaire, without distinction on grounds of age, gender, sexual orientation, disability, nationality, ethnic identity, political or religious opinion.

It is delivered through religious activities, overseas aid, promoting ecological awareness and a variety of services to families, older people, children, and people experiencing hunger and poverty.

The Trustees confirm that they have complied with the Duty of the Charities



Object of the Charity

- The advancement of Religion
- The alleviation of poverty or economic hardship including of those in need spiritually as well as materially



ACTIVITIES & ACHIEVEMENTS

1. Congregational Living and 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
4. Collaboration with and support of other Groups
5. Positive Impact Investment
6. Upkeep of Listed Assets

The Charity relies on the support of the 383 Sisters of Mercy who form the Province membership carrying out the objectives/purposes of the Charity through various activities and ministries.

1. Congregational Living and the Advancement of Religion

The activities under this heading include the following:



Community Prayer and Intercession in support of local and global needs

The advancement of Religion is of prime importance to the Trustees and pervades all aspects of the Charity's work. The Trustees continue to assess the Charity's work and to search for appropriate ways of carrying out this ministry in today's world. The work in this area is mainly carried out through daily prayer, compassionate presence and outreach of local communities.



Contributing to Faith Communities through Financial Support and active participation in Faith Development Projects

Faith and spiritual development are central to the Mission of the Charity. Many members collaborate with others in their parish communities, in pastoral visitation, in prayer ministry, with the housebound, sick and dying, in funerals, liturgies and choirs, in faith formation and sacramental preparation and community activities that support and encourage leadership development.

Since the 1990's a Mercy Community collaborates with and supports the Poor Clare Order in Drumshanbo Co. Leitrim. Two Sisters live in an adjoining lodge which offers accommodation, quiet and access to contemplative prayer.

The Charity supports the outreach of the Association of Catholic Priests as a way of contributing to the development of the Catholic Church in Ireland.

Providing opportunities for Theological Reflection and Spiritual Growth

The Sisters participate in an annual retreat, sometimes in-house or in retreat houses elsewhere or with parishes.

Supporting, Upskilling and Re-Training Trustees, Mercy Associates, Employees and Sisters in the Advancement of Religion

Sisters and Mercy Associates were actively involved at many different levels in the Synodal Pathway of the Catholic Church and the Trustees supported them in this endeavour. The Synodal Process was also utilized by Trustees, Leaders and Employees in their approach to ministry.

To further the mission of the Congregation into the future, Sisters were involved in preparation for a Congregational Chapter, planning the restructuring of the Congregation. Zoom meetings maximised involvement.

Trustees and leadership teams availed of Professional Supervision and regularly engaged professional facilitators to assist in ongoing planning.

Members continued to avail of opportunities online to deepen their understanding of the new cosmology and eco- spirituality.



2. Healthcare and the compassionate care of the sick and those in need

Activities include:



Care and Wellbeing of Membership & Trustees' responsibility to resource this

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 of the Province.



Being a Sister of Mercy includes voluntarily donating all earnings and income to the Charity over a lifetime. The Trustees safeguard the Sisters' rights to dignity and comfort in their senior years with aims summarised below, applicable for the foreseeable future.

- Ensuring that all members of the Province receive the appropriate level of care according to age and circumstance
- Maintaining the properties used as Community houses, as well as assessing/reviewing their suitability for an ageing membership, adapting /replacing as feasible
- Judicious management of the finances of the Charity.

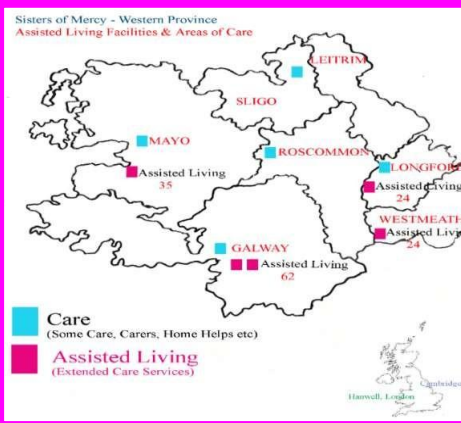


Sisters of Mercy – Western Province Assisted Living Facilities & Areas of Care

Congregation of the Sisters of Mercy Constitutions and Statutes (2024)

*"We show special love and concern
For those who are sick among us,
And special gratitude and care
Towards those who have grown old among
us."*

Constitution 10.



Assisted Living Communities as a means of support and care

Five large purpose-built facilities geographically spread throughout the Province accommodate one hundred and forty-five Sisters in Assisted Living Communities. Each facility is designed, equipped and resourced to meet Sisters' greater dependency needs. Thanks to the suitability of this accommodation and careful management, we remained largely Covid free. A main meal is available in Assisted Living Facilities to other Sisters living in nearby smaller units.

Rationalization of property continues in relation to under-occupied houses. Sisters moved to larger centres from suburban houses no longer fit for purpose. 4 houses in 2023 were closed by the Trustees (in Roscommon, Castlebar, Ballinasloe and Athlone). Proceeds from sales of such surplus property fund daily living costs and supports the ongoing mission of the Province.

Human Resources

Employed Leaders, Coordinators and Managers and Management Companies play a key role in the delivery of care as do all who resource our larger communities. Given the ageing profile of the Sisters in recent years and the members' need for assistance with the activities of daily living the cost of paid employment has increased dramatically. Support is needed at all levels - night care, housekeeping, driving, catering, facilities management/administration - all responsibilities formerly undertaken by Sisters themselves.

In September 2020 the Trustees appointed two Sisters as fulltime Health and Wellbeing Coordinators. In 2022 a third person was employed to join this team. The area of resourcing of care and support needed ever-increasing attention from the Trustees in 2023, a pattern that will continue going forward.



Nursing Home Care

Up to 41 of the Sisters were resident in various Nursing Homes on 31st December 2023 and many members are involved in the pastoral care of Sisters who require such care.

Hope House - Addiction Centre (<https://hopehouse.ie>)

The Sisters of Mercy support the work of Hope House Addiction Treatment Centre in Foxford, Co. Mayo, where a Sister for the past 10 years has provided her professional services full time on a voluntary basis, an annual salary cost saving of approximately €50,000.

Another Sister of Mercy is the Director of Hope House, also providing her time and services far in excess of the standard working week, a cost saving but also a huge benefit in terms of knowledge, expertise and experience.

Community Development

Continuing the vision of Catherine Mc Auley the Trustees support services, projects and endeavours and collaborate with groups other than Mercy in the promotion of health, happiness and the wellbeing of all people. In 2023 members' activities locally included:

- Work with Direct Provision Centres to help with educational needs of children and adults and to provide advocacy where needed
- Pastoral and Advocacy service to immigrant families
- Support to Kurdish families in Carrick-on-Shannon through advocacy and teaching English
- Welcoming Ukrainian families
- Endeavouring to transform Ecological Attitudes (Lifestyle Choices Group)
- Providing Gort Convent at no rent to the State as home to Ukrainian families



Gort Convent closed its doors on 17th August 2021 after 164 years of direct ministry and on 13th April 2022 Gort Convent welcomed 39 Ukrainian Refugees.

VITA House Family Centre, Roscommon

The Sisters of Mercy have for approximately 10 years supported the outreach service to the Brazilian community of Roscommon and surrounds. A portion of the Province allocation of funds from the Congregational Solidarity Fund went to VITA. In 2023 €4,000 was given to this project.

Social Work and Social Services

Many Sisters of Mercy pioneered the development of Social Services in the West of Ireland and the Midlands, and today some continue to be involved as members of multidisciplinary teams and other groups. They also work with Citizens' Advice, Meals-on-Wheels, Charity Shops, St. Vincent De Paul Society, the Samaritans, the Travelling Community, Cancer Care, Day Care Centres.

Properties of the Charity continue to be leased to Social Services at nominal rates e.g. Queen St., Gort.



3. Relief of Poverty, promotion of Education, Justice and other charitable activities

1. Promotion of all aspects of Education
2. Justice, peace & reconciliation
3. Overseas development and support
4. Pastoral and social care and development
5. Collaboration with other charities/groups
6. Involvement in critical global and local issues

1. Promotion of all aspects of Education and Transfer of Trusteeship

The provision of formal education was a major focus of the Sisters of Mercy for over 170 years with special attention given to children who were economically and environmentally stressed or deprived. Mercy Schools were institutions of creativity, innovation and academic excellence, while in an era prior to State- funding Boarding Schools enabled children from rural Ireland to receive an education.

Discernment regarding the rationalisation of schools owned and run by religious began in the 1970's and gained momentum in the 1980's and 1990's, reflected in the gradual transfer of Trusteeship and, in most cases, ownership of the properties concerned.

Voluntary Secondary Schools

CEIST (Catholic Education an Irish Schools Trust) - an independent Entity - was set up in 2007 to act as Trustees for Voluntary Secondary Schools for the Sisters of Mercy in Ireland and for four other Religious Congregations, offering the continued choice of an education in the Catholic tradition in a pluralist society. The Trusteeship of the Charity's 21 schools transferred to CEIST.



The EDUCENA Foundation (Education Enabled) is the property holding company for CEIST, and works to maximize the financial resources needed to finance the Trust now and into the future. The task of finalising the transfer of school properties to EDUCENA continues to involve considerable work, expertise, and cost on the part of the Trustees. In 2023 the Charity committed to donating a vacant property to EDUCENA.

In 2007 two Voluntary Schools were transferred to the Dioceses of Galway and Elphin.

The Trustees consider this work of transfer of both trusteeship and properties an investment in the future of education in the Catholic tradition in Ireland.



Spirit of Mercy Award in CEIST schools

In each former Mercy school this award is granted annually to the student who lives out the Spirit of Mercy in creative and integral ways in home, school and community.

Community Schools and Community Colleges

The Charity is Joint Trustee of 9 Community Schools with the Educational Training Boards and other Religious Orders and is involved in 3 Community Colleges. A Sister is a member of the Board of Governors of Boyle Community College. The Trustees have been considering their capacity to be involved in the future Trusteeship of these schools and in 2017 negotiated an Agency Agreement with CEIST which allows CEIST to exercise the Active Trusteeship on its behalf, work which continues.

Primary Schools

The work of transferring Mercy primary school properties to the dioceses continued in 2023, 14 completed to date, a number still in process of being transferred. The substantial legal and administration work involved is coordinated and managed by the Provincial Team and Province Offices. Professional costs are borne by the Charity.

Sisters' Involvement at School Board and Local Level

Board of CEIST	1 Director & 1 member
Board of Educena	1 Director & 1 member
Members of Boards of Management of Primary and Post Primary level:	Multiple Sisters
Interview Boards	Multiple Sisters
Volunteering at local level	Multiple Sisters

Archives Service



Through our Archives service the Charity aims to preserve the 186 years history of the relationship of the Congregation with the lives of the Irish people. The aim is to collect and preserve resource material that will be available to students and researchers in the future. One member works in managing the Provincial Archive Office in Ballinasloe. Several members contribute through the writing of annals, of personal memoirs, oral recording and the collection of archival material. Other members work on specific projects, researching and writing up the history of particular foundations, events or ministries or recording a series of professionally executed podcasts which highlight some expressions of the charism of Mercy.



2. Justice, Peace and Reconciliation

4-a) Mercy WorldWide



Mercy International Association ('M.I.A.')

<https://www.mercyworld.org/>

The Charity completed its financial commitment to MIA in 2018, a global effort to communicate the vision of Catherine McAuley and to put it into action, done through Mercy Global Action at the United Nations.



Mercy Global Presence ('M.G.P.') This initiative, begun in 2019, focuses on addressing the degradation of earth and the displacement of people.

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a)b) Justice Peace and Reconciliation

The Trustees embrace the deepening global awareness that poverty is rooted in the exploitation of natural resources for the benefit of the very few. The members of the Charity support Justice Issues through education, advocacy and through financial contributions - giving without boundaries, towards the welfare of our planet and the whole community of life. The following figures indicate the Charity's commitment in Ireland.

Relief for Homeless People at national level

- In 2023 the Charity donated
- €10,000 to Galway & Athlone Simon
 - €5,000 to Merchants Quay
 - €5,000 to Peter McVerry Trust
 - €5,000 to the Big Issue
 - €5,000 to Threshold
 - €5,000 to Focus Ireland
 - €5,000 to Capuchin Day Centre





Justice Awareness Group

This Province Group is committed to promoting awareness and education aimed at building a just society inspired by compassion and right relationships. In 2023 this group distributed information notices to the members on the following significant United Nations International days:

- International Day against Human Trafficking 8th February
- Fairtrade Fortnight: 27th February - 12th March
- International Mother Earth Day and Universe Story: 22nd April
- International Day for the Eradication of Poverty: 17th October
- International Human Rights Day/ Ethical Christmas Gift Giving: 10th December.

The purpose of these was to encourage actions, such as:

- Buying locally
- Supporting people in poverty or otherwise marginalised
- Restoring the Earth even in small ways
- Collaborating with other agencies, locally and globally

Solidarity with and support for former residents of Industrial Schools

See Appendix 1 - Story to date

3. Overseas development and support

The Charity resources all charitable works carried out in the name of the Congregation of the Sisters of Mercy, Western Province. This objective is given expression through the involvement of the members on the ground and increasingly in its financial sponsorship of numerous charitable activities.

- €10,000 Médecins Sans Frontières in support of migrant people
- €2,000 VITA community development in Ethiopia
- €30,000 UNICEF
- €25,000 Trócaire
- €5,000 Building for Africa
- €2,000 Self Help Africa



4. Pastoral, Social Care and Development

The Charity is concerned with promoting pastoral and social development initiatives and responding to the needs of our time in line with Christian values.

The aims of the Trustees in this area include:

- α. Encouraging and motivating members at local level to work with and assist poor, elderly and marginalized people.
- β. Enabling all members to carry out meaningful social and pastoral work within the community after assessing their skills and the needs of the local area.

Examples of such work undertaken by individual members include:

- Working with abused and disadvantaged women
- Community social work with the homeless
- Social and pastoral ministry
- Advocacy and support for asylum seekers and refugees
- Support of former residents of industrial schools
- Chaplaincy
- Befriending people in Direct Provision Centres
- Supporting Education of Students
- MECPATHS Link to website: [MECPATHS](#)

5. Support of other charities/groups

The Charity supports/resources local charities and groups other than Mercy. We provide:

- ❖ operational space at no or minimal rent
- ❖ personnel
- ❖ direct cash funding

Mercy Ministry Support Fund

This Fund, in operation since 1998, is an example of one method of providing financial help at local level. €125,000 is set aside each year for ministries and needs where members work in partnership with others for the relief of poverty/support of people in distress in Ireland.





In 2023 €83,600.00 was donated to local needs in the following areas:

➤	€10,000.00	Family support
➤	€14,100.00	Local Social Services
➤	€9,000.00	Educational Ministry
➤	€3,000.00	Spirituality
➤	€5,500.00	Cancer Care / Hospice
➤	€10,000.00	Addiction Centre
➤	€30,000.00	Therapy/Counselling Centres
➤	€2,000.00	Environmental

In addition to the above, the sum of €66, 730.00 was contributed at the discretion of the Provincial to supportspecific families in need.

6. Involvement in critical global and local issues

“Think globally, act locally”

The Charity works collaboratively with Mercy Congregations and other Orders throughout the world, with Statutory and voluntary agencies at all levels to address urgent global challenges.

An Gáirdín Organic and Ecology Centre, Portumna, Co. Galway

Two Sisters of Mercy form a community and operate this Centre established in 1994. Since 2015 the Charity finances the employment of a plant manager, appointed to develop the Centre and its activities.

Activities and programmes of biodiversity interest are manifold as can be seen on The Gáirdín Facebook page: [An Gairdin](#) and website <https://angairdin.ie/>.

A film on the Universe Story was produced at An Gáirdín in collaboration with local Primary School children and students from NUIG in 2022. The film lasts about 12 minutes and, while mainly created for primary and secondary level pupils, is instructive and inspiring for all.



Lifestyle Choices Group

This Province group has been in existence since 2009. Membership is comprised of Sisters and lay colleagues, networking with a wide variety of like-minded groups. They advocate for personal and communal action in the context of the Congregational Policy for Ecological Responsibility.



7. Collaboration with and Support of Other Charities/Groups

Congregation of Sisters of Mercy Constitutions and Statutes 2024

“Together with associates and co-workers,
We collaborate with all who make the Gospel of Justice
and healing live in today’s world.” (Const.44)

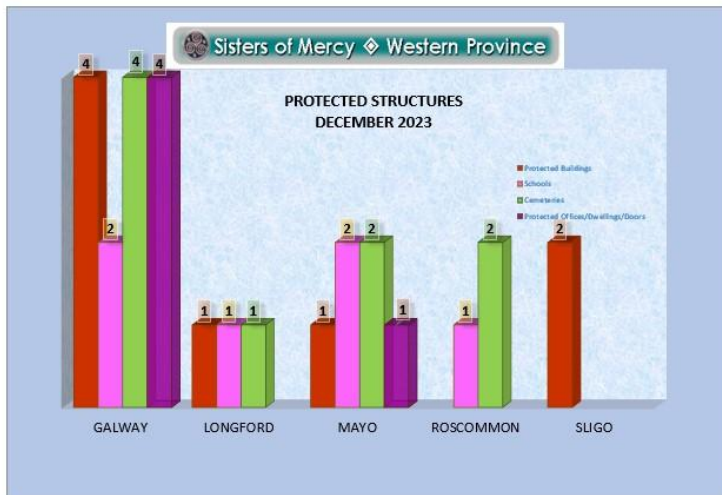


Collaboration and partnership with and support of others pervades all Activities of the Charity – it is how we are and how we operate. We collaborate with the Congregational Leadership, the other Provinces, Mercy International Association, Church Authorities, AMRI. We comply with civil guidelines, The Charity Regulator, GDPR as well as Policies and Public Health guidelines issued by the Government. At local level we work with ministry colleagues, other religious congregations, parish and diocesan groups, statutory and voluntary bodies, in serving the local and wider community, whether as employees or volunteers.



8. Upkeep of listed assets

The Charity owns 19 protected structures and 9 protected cemeteries. 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. When refurbishment needs to be carried out on any of these buildings, more stringent laws are applied by the local Planning Office. Oftentimes such repair works require planning permission. Renovation can prove very costly due to the expertise and materials required.













9. Positive Impact Investment

POSITIVE IMPACT INVESTING

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 a key 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:

 CO2 EMISSIONS	 RENEWABLE ENERGY	 FOSSIL FUEL RESERVES	 CARBON SINKS	 CO2 EMISSIONS SAVED	 TONNES OF CO2 AVOIDED	 JOBS CREATED	 HELP FOR THE GLOBAL POOR
For every tonne of CO2 emitted by an average charity portfolio, your portfolio will SEQUESTER (WITHDRAW) 1.2 tonnes of CO2	Your portfolio produces 97 times the renewable power of an average charity portfolio	Your Portfolio is FOSSIL FUEL FREE	106 times more CO2 sequestered (withdrawn) into carbon sinks than an average charity portfolio	L&P client portfolios saved emissions equivalent to CO2 emissions from 31,000 households	35 times the emissions avoided by investing in renewable power and energy efficiency projects versus an average charity portfolio	1.7 times more jobs created than an average charity portfolio, predominantly in developing world	Your Portfolio will directly impact and help 5,546 people in the Global South, via access to financial credit and renewable electricity.

The Portfolio and the Sustainable Development Goals (SDGs)

All 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 have 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 (SDG10) 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 highly 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) -4,192 tonnes of CO₂e from the atmosphere per annum while an unscreened portfolio of the same size would produce c. 4,102 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 (because 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.

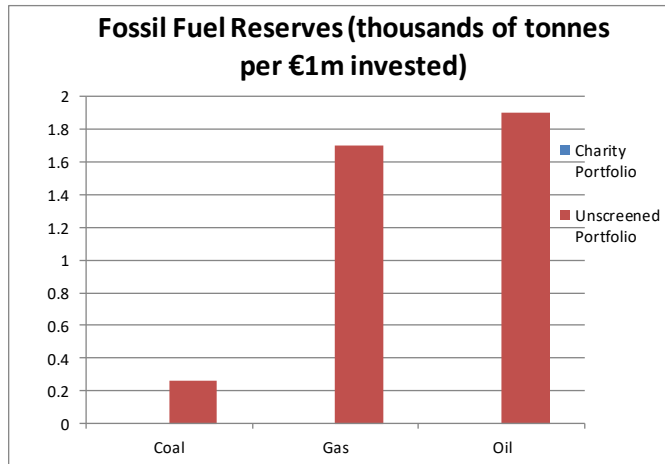


Chart showing the Charity's Investment Portfolio holds no fossil fuel reserves (no blue bar)

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

Renewable energy fund holding both onshore and offshore projects

- 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

Fund holding approx. 40 solar plants in Europe

- 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 4,920 tonnes of CO₂e. This is equivalent to:

- Removing 1,063 cars from the roads every year
- 11,315 barrels of oil saved
- 4,098 acres of pine forest absorbing CO₂ for one year
- 541 round trips around the world by one typical passenger car (travelling at the equator).

In terms of renewable energy produced, the Portfolio produced 13,617 MWh in 2023, enough energy to power approx. 582 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 44 new jobs, while the Portfolio helped create circa 74 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:

Social Housing Fund

Innovative fund acquires properties for social housing purposes

- Provide €100m+ in long term capital to housing sector
- Target high ESG and sustainability standards
- 500+ new homes to be provided for social housing needs





All associated with the Charity

The Trustees wish to record their recognition of the professionalism and commitment of staff, volunteers, members of the Province and all associated with the Charity. Their integrity, dedication and positive approach are very much appreciated.



Financial Review

Results for the year

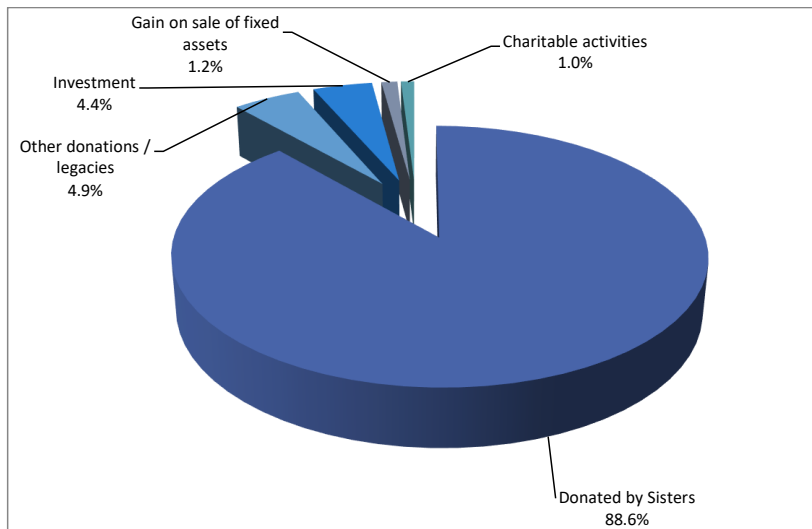
A summary of the year's accounts can be found on [page X](#) of this report.

Income - where our income came from

Income for the year totalled €10,499,169:

- Donations and legacies of €9,817,044: the vast majority of this, €9,298,663, was the salary, pension, stipend and retirement lump sum income earned by the members of the Sisters of Mercy Western Province and donated to the Charity. The balance, €518,381, was a mixture of income received under the Charitable Donations Scheme, third party legacies, bequests, gifts, etc, received.
- Investment Income of €458,213: was the income earned on the Charity's investment portfolio and used to help fund the operating deficit.
- Charitable activities of €101,272: this was the rental income received of €56,683 and the Charity's refund under the VAT Compensation Scheme of €44,589.
- Other income of €122,640: was the gain on disposal of tangible fixed assets

Breakdown of Income





Expenditure - where the money is spent

Total expenditure for the year was € 15,049,439.

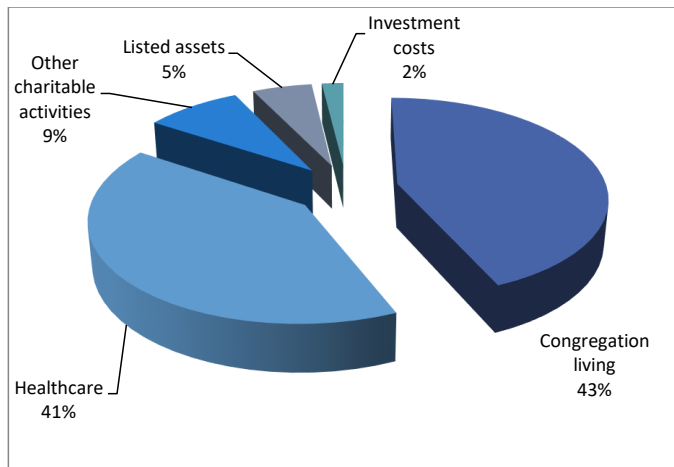
Charitable Activities - of the total, €14,760,437 or 98%, was spent on Charitable Activities:

- Congregation living, the advancement of Religion, €6,548,868: 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 both 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
- Healthcare and the compassionate care of the sick and those in need, €6,126,503: 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, €1,287,446: 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, €797,620: most of the 28 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 €289,002.



Breakdown of Expenditure



Net movement in funds

Net expenditure for the year, therefore, was €4,550,270. This was before the gain on investment assets, which when taken into account results in a net decrease in funds in the year of €4,142,348.

Investments

At 31 December 2023, the Charity had investments of €48.8m. 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 managers, 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 €90.9m. Of this, €36.7m is represented by properties and other tangible fixed assets essential for the running of the Charity. The Trustees have designated another €51.3m to provide for Mission and Ministry works and Congregation Living needs. These designations are based on a *Resource Assessment* study that the Trustees commissioned in 2015. The *Resource Assessment* study is a demographic and financial model for assessing likely future commitments using specialised techniques and processes. It uses qualitative and quantitative methodologies to build a projection of future needs. Details are given in note 22 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 €2.8m. This equates to approximately two 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 approximately equal to between 6 and 12 months' expenditure.

Risk Management

The Trustees undertake a full risk assessment on an annual basis and monitor progress on a half-yearly basis. This process is supported by the Finance Group, which work closely with the Trustees in this area. The Trustees identified the following as being the principal risks to which the Charity is exposed:

- Governance and Management
- Financial
- Operational

Governance and Management Risks are revealed in:

1. **Lack of decisive direction, strategy and forward planning** The steps taken to mitigate the risk:
 - Chapter Statement which inspires and directs the Strategic Plan is reviewed
 - Trustees are updated on the Charities Governance Code
 - Budgets/financial plans are created
 - A financial plan (budget) is prepared annually, reviewed and agreed by the Trustees
 - Actual performance is compared against budget
 - Variances are investigated
 - Financial and operational performance is monitored in light of the purpose of the Charity



2. Lack of relevant skills

The steps taken to mitigate the risk:

- Induction is provided for new Trustees
- Trustees attend formal training courses on the duties of Trustees
- Trustees seek guidance and advice from their legal, investment and property advisors as required

Financial Risks are revealed in:

1. Poor Investment Performance

The Trustees consider variability of investment returns on the investment funds to constitute the Charity's major financial risk.

The steps taken to mitigate the risk:

- The appointment of an investment advisor who has worked with the Trustees on investment strategy / investment objectives that consider diversity, prudence and liquidity criteria
- The investment objectives are considered on an ongoing basis
- Investment reports are received and reviewed by the Trustees/Finance Group at the end of each quarter
- An Investment Policy is in place

2. Budgetary Control and Financial Reporting

The steps taken to mitigate the risk:

- Budgets are linked with the objectives of the Charity and are reviewed at the end of each quarter with the Finance Group and the Financial Advisor
- The Trustees/Finance Group together with the Finance Advisor ensure that the necessary skills are available to produce and interpret financial reports on a quarterly basis
- Cash flow variances are reviewed and explained at the quarterly Finance Meeting treasury management
- Cash flow planning is a key component of the quarterly Finance Meetings

3. Fraud or Error

The steps taken to mitigate the risk:

- Policies and procedures are outlined in the Finance Handbook
- Financial control procedures are reviewed
- Duties are segregated

Operational Risks are revealed in:

1. New Initiatives

The steps taken to mitigate the risk:

- All projects are appraised, budgeted for and costed
- Are authorised by the Charity
- Have expenditure limits



2. Disaster Recovery and Planning The steps taken to mitigate the risk:

- Computer back-ups are carried out on a daily basis and disks are held offsite
- Annual insurance renewal meetings are held to review insurable risks

3. Procedural and Systems Documentation

The steps taken to mitigate the risk:

- Policies and Procedures are documented in the Financial Handbook
- The Financial Handbook is reviewed and updated

Having assessed the major risks to which the Charity/Province is exposed, the Trustees believe that they have established effective systems to mitigate those risks.



POLICIES

The Trustees, in conjunction with the Congregational Leadership Team ensure that policies and guidelines are developed, circulated, implemented and regularly evaluated and updated. The Trustees ensure compliance with all statutory requirements.

Safeguarding Activity 2023

Child Safeguarding – Policy Implementation

- ✓ Safeguarding Manager and DLP in place
- ✓ Annual Audit, Report and Case Review completed
- ✓ Training delivered as per policy including Mandated Persons Training
- ✓ Training on Localised Risk Assessment and NBSCCCI info sessions

Adult Safeguarding – Policy Implementation

- ✓ Annual Audit completed
- ✓ Information sessions conducted for all Sisters, local representatives and employees.



Human Resources

The Province is an employer and in 2023 recruited a General Manager Human Resources. Her work includes the provision of information and the monitoring of our compliance with employment legislation, development and updating of staff handbook, etc. Supported by two other members, she also oversees Health and Safety compliance throughout the Province.





Property Resource

*“For the sake of our Mercy mission,
the Congregation has the right to acquire,
retain, administer and alienate material goods
within the bounds established by the Church’s Universal law,
proper law and civil law....”*



*“We support one another and our mission
through our work and resources,
and willingly share whatever we have.” (Const. 89)*

Members of the Province are committed to a lifestyle reflecting the fact that all possessions are held in trust for the mission of the Congregation. As property trustees the aim is to promote the mission, addressing members’ needs and those of the wider community.

Relevant professional advice is taken into account in the areas of leases and agreements, protected structures, planning, health and safety legislation, acquisition, refurbishment and disposal of property and all legally binding issues and transactions.

Properties in 2023 were held in one or other of the following three Property Trustee Companies

- Sisters of Mercy (Western Province) CLG
- The Convent of Mercy (Ardagh and Clonmacnoise Diocese) CLG
- The Convent of Mercy Trustees Galway CLG

Commented [EM2]: Check accuracy of names with MHC register

Movement of Property transactions

Decisions made by the Trustees were finalized as follows during 2023:

- Property Transfers

- ✓ Old Convent Building, Tuam, Co. Galway to St. Jarlath’s Trust
- ✓ Mercy Primary School, Tuam, Co. Galway to St. Jarlath’s Trust
- ✓ Plot of land at Granard to EDUCENA
- ✓ Cope Building, Francis Street, Galway to EDUCENA
- ✓ Small sliver of land at Ballaghaderreen, Co. Roscommon for Primary Care Centre
- ✓ Scoil Bhríde Secondary School, Tuam, Co. Galway to Educena
- ✓ Social Services Centre, Dublin Rd, Tuam, to Educena

- Property sales

- ✓ 3 Newtown Terrace, Athlone, Co. Westmeath €425,000



Chapter 2019 and looking to the Future

Chapter 2019 set the direction for the Province for six years, its implementation reviewed and updated by the Trustees at least annually.



As Trustees of the Charity the Provincial Leader and Team attend to all governance responsibilities. There is ongoing review of the needs and spending plans and every effort is made to manage existing assets as efficiently as possible in order to generate the income necessary to achieve the Charity's aims. Insofar as possible, the Charity plans to give ongoing support to the various works of the Province, to its members, colleagues and collaborators in ministry.

The Trustees will continue with the transfer of Voluntary Secondary School properties to The Educena Foundation and the transfer of Primary Schools to the relevant Diocesan authorities. They will establish the best way forward for involvement in the Community Schools. Time and monies will be involved in finalising the transfer of the remaining school properties to both the Educena Foundation and the Catholic Church patrons. The Province will continue to support the new Trust Bodies.

In 2023 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.

There is and will be continuing commitment to the ongoing care of all the members of the Province. Concern for the elderly and frail members necessitates the ongoing regular review of community support structures, internal organization systems and housing and related assessment of their suitability for ageing members. We will need to continue to engage Management Companies in facility management and risk assess and review the adequacy and efficiency of supportive services/care in the larger communities. Where necessary, nursing home care will be accessed for those who need it.

The members of the Province, older and younger, are the mainstay of the Charity. They



are its chief agents as well as the source of the funding available to meet its obligations. Devising and monitoring adequate systems to support life in the communities is an ongoing consideration and challenge in a time of unprecedented change in our demographics.

An increasing proportion of finance will need to be allocated to human resources and consultancy services as ageing members, now voluntarily acting in leadership and management roles, are continually needing to be replaced by paid employees/third parties.

In 2022 an Extraordinary General Chapter was held by the Congregation of the Sisters of Mercy, the outcome of which was to seek approval from Rome for a change of Constitutions, leading to having just one canonical entity. This approval was granted by the Dicastery for Institutes of Consecrated life and Societies for Apostolic Life on September 24th 2023. The outcome of this necessitates major organizational change for the constituent parts, including the Western Province, this Charity, one of five 'Congregation of the Sisters of Mercy' civil charities in the Republic of Ireland, planned to be restructured into one legal entity in 2025.

Much of the administrative and Trustee work of 2023/2024, has had and will continue to have as its focus preparation for and careful management of related change, all with a view to managing the Charity's resources more effectively and facilitating more streamlined administration and continued good practice in the future.



Appendix 1

Childcare: Solidarity with and support for former residents of Industrial Schools

The Sisters of Mercy have been engaged in childcare since the opening of the House of Mercy in Baggot Street in 1827. This involvement continued through the years in more formal settings such as in orphanages, industrial schools, group homes and in after-care of those who had left their direct care. Many young people and adults continue to maintain strong bonds of friendship with the Sisters who support them on life's journey and advocate for them when the need arises. This connection with past residents continues through visits, phone calls, attendance at birthday celebrations, weddings and many other social occasions as well as other interactions in the daily events of life.

The findings of the Commission to inquire into Child Abuse evoked a very generous response from the Sisters of Mercy. In light of revelations of the harshness of regimes in industrial schools in the past, the Congregation established a Helpline and Counselling Service in 1996. This was taken over and expanded by CORI the following year and operated as *Faoiseamh* until 2011 when it was replaced by the service called *Towards Healing*, a *One Church* service financed jointly by the Irish Bishops' Conference, IMU and CORI. The services of the Congregational archivist and her staff have been available free of charge to past residents of Mercy institutions who seek their records. A counsellor was employed specifically to meet with those approaching the service in their search for records and she still works part-time with the service.

The Western Province contributed €1,003,942.88 to *Faoiseamh* between 1996 and 2011. *Towards Healing* replaced *Faoiseamh* in 2011. The Western Province contributes to the funding of *Towards Healing* in continuation of support for survivors of Clerical and Religious abuse. To date the Western Province has contributed €324,122.00 to *Towards Healing*.

The Congregation contributed a total of €33,091,114 in property and finance to the 2002 Redress Scheme. The Western Province contributed €1,695,013.00 in cash and properties to the value of €6,685,137.00. It has taken a long time to complete the legal work of transferring some properties and all transfers are now completed.

Following the CICA Report of 2009 the Congregation pledged a voluntary contribution of €20 million in cash as well as property then valued at €11.5 million, to the Statutory Fund which was set up to help those who had complained of abuse in industrial schools. In addition, the Provinces offered to the State properties which were valued at €80,856,800 and to the voluntary sector properties valued at €15,060,000.

The Western Province contribution of €5,000,000.00 together with accrued interest of €78,088.93 was given to the fund.

Two school properties valued at €4,706,800.00 are in the process of being handed over



to DES. Other properties were sold and proceeds donated to the Statutory Fund. To date €1,679,258.60 has been donated. Four properties valued at €2,175,000.00 have been given free of charge to the Voluntary sector.

A valuable property in Galway has been transferred to COPE and a further one pledged to the State has yet to be completed.

The resources of the Congregation which are in the trusteeship of the Provinces are the product of the voluntary commitment and labour of individual Sisters who served their local communities over the past 170 years. Throughout the Congregation's history, the Sisters numbering more than 12,780 have donated all of their resources, including salaries, towards the mission of our Congregation and it is this voluntary giving which has enabled all of its endeavours. Their salaries and stipends also contributed to the purchasing of the properties which were sold in order that they could make these large cash donations.



Financial Support

In 2014 the Charity contributed:

€88,500.00 to *Towards Healing*

€2,000.00 to *Towards Peace*.

€25,000.00 was paid to support families. Additional Information:



2015

Two properties were sold and €329,000 was transferred to DES.

The Charity contributed €67,179 to *Towards Healing* and € 21,380 was paid to support families. €20,000 was paid for the purchase of freehold (Redress Expense).

2016

To date €2,008,258.60 has been donated.

The Charity contributed €62,109 to *Towards Healing* and €15,000 was paid to support families of former residents. The counsellor appointed to work with former residents finished. However the Congregational archivist continues to deal with all enquiries and meets with former residents as necessary.

2017

The Charity contributed €53,231 to *Towards Healing* and €14,000 was paid to support families of former residents.

2018

As part of the voluntary contribution following the Ryan Report, the Charity

1. Transferred the Primary and Secondary Schools in Ennistymon to DES as a site for a new Community School
2. Seamount College and Secondary School, Kinvara was transferred to DES for the Secondary School under the trusteeship of the Galway Diocese
3. Transferred €37,637 to DES - the proceeds from sale of land in Ballinrobe, less fees. The Charity paid €650,000 to DES as part of the Redress Scheme.

The Charity contributed €70,000 to *Towards Healing*.

€41,000 was paid to support families of former residents.

In 2019

As part of the Voluntary Contribution following the Ryan Report, the Charity donated Lenaboy Castle plus 0.97 acres of land to Galway City Council as an Arts and Culture Centre for young people. In 2019 a further €750,000 was transferred to Galway City Council for the refurbishment of the building.

€700,000 of this amount had been awarded to Mercy Sisters Western Province in a court case with the HSE. In addition the Sisters granted €50,000 towards this project.

€70,000.00 was contributed to the counselling service *Towards Healing*

€33,835 was paid to support families of former residents

€31,200 Safeguarding Management expenses



In 2020

€40,000.00 was contributed to the counselling service *Towards Healing*
 €19,030 paid to support families of former residents
 €31,200 Safeguarding Management expenses

In 2021

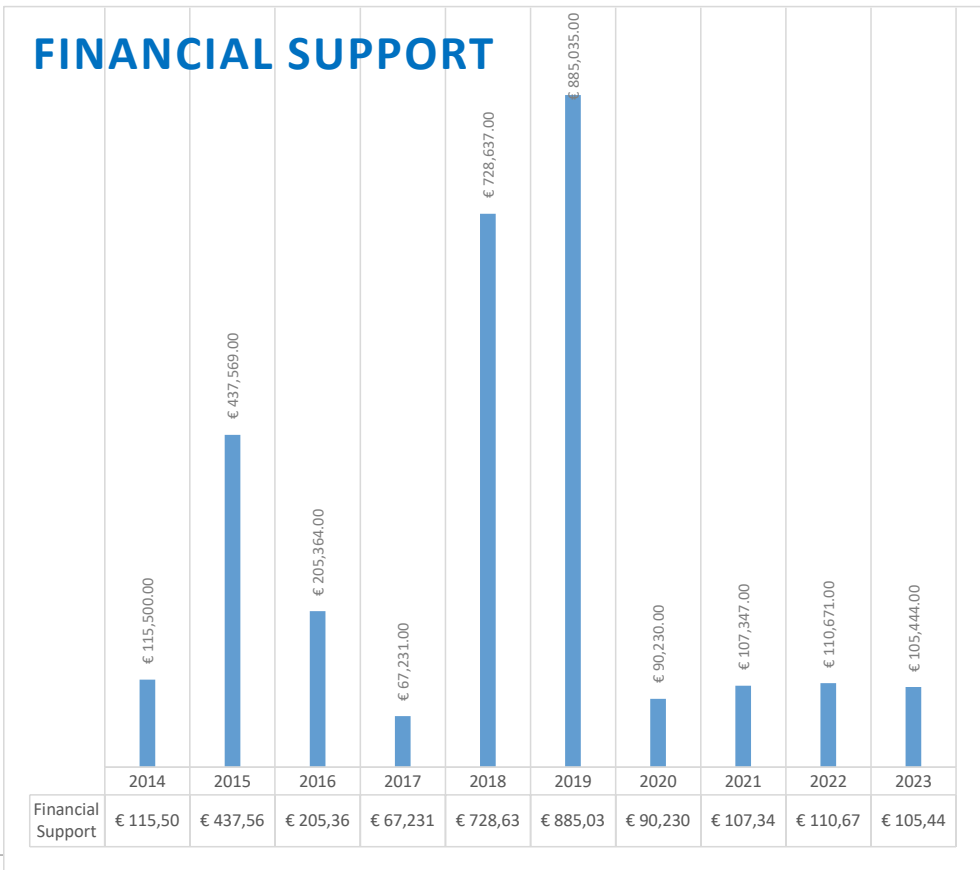
€40,000.00 was contributed to the counselling service *Towards Healing*
 €36,147 paid to support families of former residents
 €31,200 Safeguarding Management expenses

In 2022

€40,000.00 was contributed to the counselling service *Towards Healing*
 €39,471 paid to support families of former residents
 €31,200 Safeguarding Management expenses

In 2023

€40,000.00 to the counselling service *Towards Healing*
 €33, 279.00 to support families of former residents
 €32,165.00 Safeguarding Management expenses





Balance Sheet Events

There have been no significant events affecting the charity since the year end.

The Trustees' report was approved by the Board of Trustees.

.....
Trustee

.....
Trustee

Dated:

Dated:



STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

Commented [EM3]: This section will be replaced in time when auditor's report is received

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in Ireland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the statement of financial activities of the Charity for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Trustees and signed on its behalf by:

.....
Trustee

.....
Trustee

Dated:



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CONGREGATION OF THE SISTERS OF MERCY WESTERN PROVINCE

Opinion

We have audited the financial statements of Congregation of the Sisters of Mercy Western Province (the 'Charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102.

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 incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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

Based on the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified any material misstatements in the Trustees' Annual Report.



INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF CONGREGATION OF THE SISTERS OF MERCY WESTERN PROVINCE

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they 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 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.

A further description of our responsibilities is available on the IAASA's website at: <www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf> . This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Charity's members, as a body. Our audit work has been undertaken so that we might state to the Charity's members 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 any responsibility to anyone other than the Charity and the Charity's members, as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Walsh O'Brien Harnett
Chartered Accountants and Statutory Audit Firm
104 Lower Baggot Street
Dublin 2

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