

# REDEMPTORIS MATER HOUSE OF FORMATION

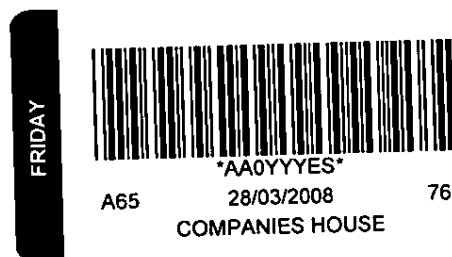
Charitable Company limited by guarantee registered in England

Registered Charity No 104 7443

Company No 296 5770



## DIRECTORS' REPORT AND ACCOUNTS For the financial year ended on 31 August 2007



11 Harewood Avenue, London NW1 6LD  
Tel 020-7723 9364 Fax 07092-356013  
e-mail [rmlondon@lineone.net](mailto:rmlondon@lineone.net)

## **CONTENTS**

	<b>Page</b>
<b>Directors' Report</b>	<b>1 - 4</b>
<b>Independent Accountant's Report</b>	<b>5</b>
<b>Statement of Financial Activities</b>	<b>6</b>
<b>Balance sheet</b>	<b>7</b>
<b>Income and Expenditure Account</b>	<b>8</b>
<b>Notes to the Accounts</b>	<b>9</b>

# REDEMPTORIS MATER HOUSE OF FORMATION

*Registered Charity N 1047443*

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## DIRECTORS' REPORT FOR THE YEAR ENDED ON 31-08-2007

### Reference and Administrative Details

<i>Company name</i>	Redemptoris Mater House of Formation		
<i>Company reg number</i>	2965770		
<i>Registered office</i>	11 Harewood Avenue, London NW1 6LD		
<i>Registered Charity No</i>	1047443	<i>Date of registration</i>	22-06-1995
<i>Object</i>	To promote religion in accordance with the Roman Catholic faith and in particular to form young men and adults to the presbyterate for the new evangelisation and for that purpose to establish a House of Formation ( <i>Memorandum of Association</i> , §3 <sup>2</sup> )		
<i>Company secretary</i>	Geraldine Rae		
<i>Directors of the Company</i> (= Members of Administrative Council)	Michael James Anderson Anthony Matthew Cook Francesco Donega Remo Finaldi Terence Fergal Martin Peter John Wallach		
<i>Chief Executive Officer (Rector)</i>	Francesco Donega		
<i>Bankers</i>	Barclays Bank PLC Baker Street Branch 93 Baker Street - London W1A 4SD		
<i>Reporting accountant</i>	David Griffith F C A 149 Glenfron Road Eastville Bristol BS5 6XF		
<i>Solicitors</i>	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH		

### Structure, Governance and Management

The charity is constituted as a charitable company limited by guarantee and not having a share capital. Governing document: memorandum and articles of association incorporated on 7th September 1994 (as amended by special resolution on 19th June 1995).

The members of the Pastoral Council (= Members of the charitable company) are appointed by the Archbishop of Westminster.

The members of the Pastoral Council give the general guidelines for the company activities, appoint the directors and other company officials and staff, adopt the accounts and represent the Redemptoris Mater House of Formation before the Archbishop of Westminster

The company is run by an Administrative Council, whose members are the directors of the company. The Administrative Council is chaired by the rector

The rector of the House of Formation is the chief executive of the company. He is appointed by the Archbishop of Westminster and is *ex officio* member and chairman of both Administrative and Pastoral Council

All members of the Administrative Council (= the directors of the company) are appointed by the Pastoral Council, i.e. by the members of the company. No person other than a resigning member of the Administrative Council is eligible for election unless his nomination is made by a member of the Pastoral Council. Any member of the Pastoral Council is entitled to submit nominations. (*Cf Articles of Association, §24*)

Directors are chosen for their expertise in administration, legal matters and/or for their direct experience of working in the charity field. An induction process is carried out by other directors on a one-to-one basis, with the support of material provided by the Charity Commission

Day to day administration is delegated to the rector, who takes relevant advice from Council members and other professionals before making important decisions

### **Objectives and Activities**

The main object of the charity is to promote religion in accordance with the Roman Catholic faith, in particular by forming young men as priests for the new evangelisation of Europe and the whole world (*Cf Memorandum of Association, §3<sup>2</sup>*)

For that purpose the company is renting a property known as St Edward's Convent, located at 11 Harewood Avenue, London NW1 6LD. The building houses the registered office of the charity and a House of Formation where the students and some members of staff are in residence. The House is run under the direct supervision and responsibility of the rector

In the year 2006-2007 thirteen seminarians from a number of countries of Europe and America have been residing full time in St Edward's Convent, while attending courses of General English, Philosophy and Theology in preparation for the priesthood. The House of Formation has provided them with food and lodging, met their expenses (studies, clothing, health care, travelling in London and abroad, etc.) and offered them a training programme which includes studies, pastoral activities and spiritual formation

Redemptoris Mater believes that, alongside with receiving intellectual and spiritual formation, students need to be actively involved in serving the people to whom they will be ministering after ordination. Adult catechesis, spiritual and human assistance to families, ministry in hospitals and assisting young people – both in schools and in parish-based groups and initiatives – are among the activities undertaken by the students and the staff of the House of Formation

Students training at Redemptoris Mater are introduced to the universal dimension of the Church mission. They prepare to serve not only in the United Kingdom but anywhere in the world. After a few years in formation they dedicate two or more years to itinerancy, a

period of full time missionary service in any country of the world where their services are needed, as part of a small team made up of some lay missionaries – single men and women or couples with their children – and a priest. The main activity carried out is adult catechesis, together with assistance and support to families and young people

Redemptoris Mater also welcomes priests returning from their missionary posts or preparing to go on missionary service together with the students, offering them support, opportunity for quiet periods in a prayerful environment, access to information and material related to their missionary work

Many activities of the House of Formation – such as teaching auxiliary courses, providing learning support for foreign students, cleaning, cooking, administration, and most maintenance works – are carried out by volunteers. In the year 2006-2007 there have been 6 volunteers residing full time in the House. Another 6 have offered their services part-time

Following the Sisters of Mercy's decision to enter into a ten-year lease agreement with Redemptoris Mater it has been possible to provide the House of Formation with a new library. Other works included a new laundry and the refurbishment of a meeting room

### **Achievements and performance**

One of the students was ordained a priest by Cardinal Murphy-O'Connor for the Archdiocese of Westminster in June 2007 and now is on active pastoral duties in the diocese. He joins the seven who have been ordained in the last ten years after having been trained at the House of Formation

Students on pastoral placement in London have been assistant chaplains at Royal London Hospital, St Bartholomew and West Middlesex Hospital. They have worked in the parishes of Brook Green, Bayswater, White City, Whitton and Watford

One of the students in itinerancy has been working full time in India and Pakistan for the third year in a row, a second student spent the whole year in Israel, assisting pilgrims and working with the local population. A third has been assisting parish based groups of families and young people throughout Ireland. A fourth student was sent to the West Indies where he ministers to both the English-speaking and the Spanish-speaking population in the island of Nevis, together with a priest of the Archdiocese of Westminster trained at Redemptoris Mater

### **Financial Review**

The charity has adopted a policy on reserves, thereby designating a £5,000 fund to be used in the event of winding up, to meet legal and administrative expenses and settle payments to staff (if any no paid staff are presently employed)

Direct charitable expenditure refers to funds used exclusively for

- (a) covering the maintenance costs for the House (rent, electricity, gas, water, telephone, repairs, etc ),
- (b) paying for food, travel, studies and any other expenses necessary to provide the required training and ensure adequate living conditions for the beneficiaries,
- (c) paying travel expenses for the students involved in missionary work abroad,

- (d) providing food for the voluntary helpers (the Rector and five others) who have been living full time in the House for the sole purpose of running it in accordance with the charitable object of the Company,

None of the directors or members was remunerated. Money spent for the charity management and fund raising amounted to £1416

The funds made available to the charity during the year 2006-2007 have all come from unrestricted voluntary donations. Fundraising events and personal contacts with regular and potential donors in the UK have significantly improved the Charity's revenue in comparison with the previous year

### **Plans for the future**

The plan for the immediate future is to continue running the House for the academic year 2007-2008, and to make provision for the studies, pastoral activities and field-work training in UK and abroad for the students attached to the House

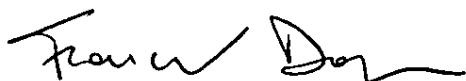
Students and staff will continue to carry out pastoral activities and assistance in various London parishes, hospitals and schools

Students on a missionary placement will be working in Ireland, the West Indies, Tanzania and India

The House of Formation will continue to offer hospitality to missionary priests and lay people who work with the students on itinerancy

The Charity, in agreement with the Sisters of Mercy, will carry out further ameliorations to St Edward's Convent

Approved by the Directors of the Company on 29 February 2008  
and signed on their behalf by



**Francesco Donega**  
**(Rector)**

## INDEPENDENT ACCOUNTANT'S REPORT TO REDEMPTORIS MATER HOUSE OF FORMATION

I report on the accounts for the year ended 31 August 2007 set out on pages 6 to 9

### *Respective Responsibilities of Directors and Reporting Accountants*

As described on page 7 the Company's directors are responsible for the preparation of the accounts, and they consider that the Company is exempt from an audit. It is my responsibility to carry out procedures designed to enable me to report my opinion.

### *Basis of Opinion*

My work was conducted in accordance with the SORP – Recommended Practice for Examination by an Independent Examiner, and so my procedures consisted of comparing the accounts with the accounting records kept by the Company and making such limited enquiries of the officers of the Company as I considered necessary for the purposes of this report. These procedures provide only the assurance expressed in my opinion.

### *Opinion*

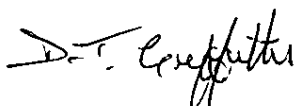
In my opinion

a) the accounts are in agreement with the accounting records kept by the Company under section 221 of the Companies Act 1985,

b) having regard only to, and on the basis of, the information contained in those accounting records

i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act, and

ii) the Company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act as modified by section 249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).



David Griffith F C A  
149 Glenfome Road  
Eastville  
Bristol BS5 6XF

Date 29 February 2008

REDEMPTORIS MATER HOUSE OF FORMATION

Registered Charity N 1047443

**STATEMENT OF FINANCIAL ACTIVITIES**  
**for the year ended on 31 August 2007**

	2007 £	2006 £
<b>Income and Expenditure</b>		
<b>Incoming Resources</b>		
Donations (unrestricted)	142,484	117,668
(restricted)	-	-
Bank interest received	181	177
<b>Total Incoming Resources</b>	<b>142,665</b>	<b>117,845</b>
<b>Resources Expended</b>		
Direct Charitable Expenditure	124,619	114,938
Fund raising	1,134	23
Charity management	282	391
<b>Total Resources Expended</b>	<b>126,034</b>	<b>115,352</b>
<b>Net Movement of Funds</b>	<b>16,631</b>	<b>2,493</b>
Balance brought forward from 31 August 2006	34,927	32,434
<b>Total carried forward at 31 August 2007</b>	<b>51,558</b>	<b>34,927</b>
<b>Reserves analysis</b>		
Restricted Funds ( <i>Note 4a</i> )	-	16,999
Designated liquidation reserve ( <i>Note 4b</i> )	5,000	5,000
General Funds	46,558	12,928
<b>Reserves at year end</b>	<b>51,558</b>	<b>34,927</b>



# REDEMPTORIS MATER HOUSE OF FORMATION

Registered Charity N 1047443

## BALANCE SHEET AS AT 31 AUGUST 2007

	2007		2006	
	£	£	£	£
<b>Fixed Assets (note 1c and 3)</b>				
Initial cost of tangible Fixed Assets		20,880		8,773
Accumulated Depreciation	(1,919)		(8,557)	
		<b>18,961</b>		<b>216</b>
<b>Current Assets (note 2a)</b>				
Pre-payments	1,112		175	
Cash at Bank (unrestricted)	35,028		16,880	
(restricted) (note 4a)	-		16,999	
Cash in Hand	497		1,851	
		<b>36,637</b>		<b>35,905</b>
<b>Current Liabilities (note 2b)</b>		<b>(4,040)</b>		<b>(1,193)</b>
<b>Net total assets</b>		<b>51,558</b>		<b>34,927</b>

These Accounts have been prepared by accrual method (cf notes to the accounts)

For the financial year in question the Company was entitled to the exemption conferred by Subsection (2) of section 249A

No notice from members requiring an audit has been deposited under Subsection (2) of Section 249B in relation to its accounts for the financial year

The Directors acknowledge their responsibilities for

- 1 ensuring that the Company keeps accounting records which comply with section 221 of the Companies Act 1985, and
- 2 preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Act relating to the accounts, so far as applicable to the Company

Advantage has been taken of the exemption conferred by Section A of Part III of Schedule 8, and in the opinion of the Directors, the Company is entitled to those exemptions on the basis that it qualifies as a small company

Approved by the Administrative Council on 29/02/2008 and signed on its behalf by



Michael Anderson  
Director



Francesco Donega  
Director

# REDEMPTORIS MATER HOUSE OF FORMATION

Registered Charity N 1047443

## INCOME AND EXPENDITURE ACCOUNT For the year ended on 31 August 2007

	2007		2006	
	£	£	£	£
<b>Incoming Resources</b>				
Donations (UK)	132,708		112,402	
Donations (overseas)	9,776		5,266	
Bank Interest Received	181		177	
<b>Total</b>	<b>142,665</b>	<b>142,665</b>	<b>117,845</b>	<b>117,845</b>
<b>Resources Expended</b>				
Rent	35,004		35,004	
Electricity	4,539		1,311	
Gas	16,231		11,505	
Water & General Rates	3,199		3,058	
Telephone	2,021		2,430	
Services & Repairs	999		3,208	
Household	4,837		4,845	
Urban Travel	6,169		5,049	
Other Travel	11,656		15,324	
Motor Expenses	8,045		7,373	
Food	10,514		9,013	
Education	12,220		7,719	
Books/Newspapers	1,021		842	
Office stationery and computer	721		408	
Seminarians Personal	2,090		2,654	
Medical	1,005		340	
Liturgical	865		431	
Pastoral	645		1,151	
Sundries	448		33	
Bank Charges	100		70	
Foreign exchange (gain) loss	(102)		25	
Depreciation	1,847		2,434	
Legal	544		711	
Charity management	282		391	
Fund raising	1,134		23	
<b>Total</b>	<b>126,034</b>	<b>126,034</b>	<b>115,352</b>	<b>115,352</b>
<b>Net (Loss) Income for the year</b>		<b>16,631</b>		<b>2,493</b>

## **Notes to the Accounts for the year ended on 31 August 2007**

### *1 Accounting Policies*

The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in October 2002 ("SORP") and with the Financial Reporting Standard for Smaller Entities (effective June 2002) under the historical cost convention, modified by the revaluation of investments

#### *a) Donations*

Donations received for the general purposes of the Charity are included as unrestricted funds. Donations for activities restricted by the wishes of the donor are taken as restricted funds

#### *b) Resources expended*

These are accounted for on an accrual basis

#### *c) Depreciation*

Depreciation of assets in the category "Household appliances" is calculated straight line over three years

Depreciation of assets in the category "Renovations" is calculated over 5 years from the date of completion of each one of the three phases of renovation works

### *2 Accruals*

#### *a) Pre-payments*

£ 1,112 for school fees

#### *b) Liabilities*

£ 4,040 liabilities for Utilities, Travel, Services, Office & Repairs.

### *3 Assets*

A new category has been created "Renovations." It includes capital expenditures for the refurbishment of St Edward's Convent. The depreciation period was calculated on the basis of the shortest possible tenancy term (5 years, in case a break clause is invoked) under the new ten-year lease contract for St Edward's Convent agreed with the Sisters of Mercy, owners of the building. The contract start date will be not earlier than 1 April 2008

### *4 Reserves*

#### *a) The £16,999 building fund has been used to cover the expenses of the building refurbishment*

#### *b) A £5,000 reserve has been designated to cover the costs in the event of the dissolution of the Charity*