

Company registration number: 3205602

Charity registration number: 1058718

# **Catholic Truth Society (Diocese of Salford)**

(A Company Limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2023

# Catholic Truth Society (Diocese of Salford)

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# Catholic Truth Society (Diocese of Salford)

## Reference and Administrative Details

Trustees	Bishop John Stanley Kenneth Arnold Cannon Michael David Jones Reverend Christopher Dawson Canon Michael James Gerard Cooke Bishop John Stanley Kenneth Arnold Reverend Peter Hopkinson Mary Hunter Elizabeth Therese Lilley Brendon Eamon McCafferty Edward Nally Sir Peter Fahy Eamonn Sean O’Neal
Secretary	Mr Edward Nally
Company registration number	3205602
Charity registration number	1058718 The Charity is incorporated in England and Wales
Registered and Principal Office	Cathedral Centre 3 Ford Street Salford Greater Manchester M3 6DP
Auditors	Crowe UK LLP 3rd Floor St George's House 56 Peter Street Manchester M2 3NQ
Bank	Barclays Bank Plc PO Box 357 51 Mosely Street Manchester M60 2AU

# Catholic Truth Society (Diocese of Salford)

## Trustee’s Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2023.

### Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Bishop John Stanley Kenneth Arnold
	Rev Canon Michael James Gerard Cooke
	Rev Christopher Dawson
	Rev Peter Hopkinson
	Sir Peter Fahy
	Mr Edward Nally
	Ms Mary Hunter
	Rev Michael David Jones
	Mr Eamonn Sean O’Neal
	Mr Brendan Eamon McCafferty
	Mrs Elizabeth Therese Lilley
Secretary:	Mr Edward Nally

### Structure, governance and management

#### Nature of governing document

The charity is constituted as a company limited by guarantee and is therefore governed by a Memorandum and Articles of Association as amended by special resolution on the 13th September 1996.

The Charity operates in conjunction with the Diocese of Salford, and the policies, processes and procedures of the Charity and the Diocese of Salford are aligned.

The charity is governed by the trustees, day to day management of the CTS Bookshop is delegated to the Bookshop Manager supported by Chief Operating Officer of the Diocese of Salford. The trustees have oversight of the financial statements of the charity and any major changes in the management or operations of the charity are reported via the Trustee’s Meeting. Remuneration of all staff within the charity is determined and agreed by the COO of the Diocese of Salford and ratified by the Trustees HR Committee.

#### Recruitment and appointment of trustees

The trustees of the charity are the trustees of the Salford Diocesan Trust. The trustees are chosen according to their experience of the Trusts Ministry and of its need to function in accordance with both Canon and Civil Law.

#### Induction and training of trustees

New trustees attend training sessions with current trustees to provide them with all necessary information.

# Catholic Truth Society (Diocese of Salford)

## Trustee's Report

### Organisational Structure

The charity is organised the trustees manage its affairs. The CTS bookshop had one full time administrator, who managed the day-to-day administration of the retail and mail-order business.

### Relationships with related parties

#### The Salford Diocesan Trust

The Trustees consider the Salford Diocesan Trust to be a related party by virtue of it having common trustees.

#### CARITAS Diocese of Salford

The Trustees consider CARITAS Diocese of Salford to be a related party by virtue of it having common trustees.

### Objectives and activities

#### Objects and aims

The charity's object and its principal activity continues to be the advancement of religion by promoting knowledge of the Catholic Faith and its practice among both Catholics and Non Catholics via the circulation of books and publications. The activity is aimed at schools and parishes with the Diocese of Salford, and the general public, which has typically been conducted through the retail outlet (bookshop) and online. The charity works closely with the schools and parishes to ensure that the offering meets their need and the objectives of the charity.

#### Objectives, strategies and activities

The charity continued with its principal activity promoting the Roman Catholic Faith among members of the Roman Catholic congregation and to the wider public at large.

For over half a century the Catholic Truth Society has been serving the Manchester and Salford parishes, schools and broader community providing a wide range of Catholic books and an extensive range of gifts, including statues, rosaries, icons etc.

The Catholic Truth Society bookshop stocks resources for schools including RE curriculum and supporting material and also provides a service to parishes for their piety stalls. Each school and parish in the Diocese has an account with the shop and the bookshop staff have provided help and advice.

#### Achievements and performance

During 2023 the charity continued to promote the Roman Catholic Faith, both through sales in the Bookshop and also via the provision of resources to parishes and schools. It has also supported Diocese-wide initiatives.

# Catholic Truth Society (Diocese of Salford)

## Trustee's Report

### Plans for future periods

In 2023 The Trustees made the decision to close the bookshop with effect from February 2024, the company will remain dormant whilst Trustees consider the future of the charity.

### Going concern

In February 2024 the charity closed its bookshop and mail order business. All stock was fully impaired, and the charity has paid off outstanding creditors and intercompany balances owed to group entities. From 1 March 2024, the charity ceased trading and became dormant. The Trustees are currently considering whether to wind up the charity.

Due to the above, the Trustees do not consider the charity to be a going concern and a basis other than going concern has been adopted for the preparation of these financial statements.

### Public benefit

The charity regularly reviews its activities and the benefits the activities bring to the public. All activities undertaken are for the public benefit.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

### Financial Review

Turnover from the sale of goods increased in the year to £108,620 (2022 £105,346)

Total resources expended amounted to £178,068 (2022 - £129,756) with the result for the year being a (deficit) of £(69,447) (2022 - £(24,410)).

The net position at 31 December 2023 are charity reserves in surplus of £62,777 (2022 £132,224)

### Policy on reserves

The Management Committee has examined the charity's requirements for reserves in light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be a minimum of 6 months of the expenditure. In light of the decision to close the bookshop in February 2024 management consider the level of reserves are adequate for the expenditure expected.

Approved by the trustees of the charity on the 19<sup>th</sup> September 2024 and signed on its behalf by:



Bishop John Stanley Kenneth Arnold  
Trustee

# Catholic Truth Society (Diocese of Salford)

## Trustee's Report

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of Catholic Truth Society (Diocese of Salford) for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on the 19<sup>th</sup> September 2024 and signed on its behalf by:



Bishop John Stanley Kenneth Arnold  
Trustee

## **Independent Auditor's Report to the Members of Catholic Truth Society (Diocese of Salford)**

### **Opinion**

We have audited the financial statements of Catholic Truth Society (Diocese of Salford) for the year ended 31 December 2023 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of matter – financial statements prepared on a basis other than going concern**

We draw attention to note 1 of the financial statements which explains that the trustees have ceased operations and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in note 1. Our opinion is not modified in respect of this matter.

### **Other information**

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the 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.

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 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.

### **Opinions on other matters prescribed by the Companies Act 2006**



In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

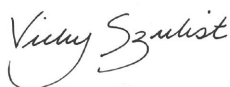
We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities and reviewing accounting estimates for biases.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Vicky Szulist

Senior Statutory Auditor

For and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

3rd Floor  
St George's House  
56 Peter Street  
Manchester  
M2 3NQ  
27th September 2024

# Catholic Truth Society (Diocese of Salford)

## Statement of Financial Activities for the Year ended 31 December 2023

(Including income and Expenditure Account Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £	Total 2023 £
<b>Income and Endowments from:</b>			
Charitable activities	3	108,620	108,620
Total income		108,620	108,620
<b>Expenditure on:</b>			
Charitable activities	4	(178,068)	(178,068)
Total Expenditure		(178,068)	(178,068)
Net income		(69,448)	(69,448)
Net movement in funds		(69,448)	(69,448)
<b>Reconciliation of funds</b>			
Total funds brought forward		132,224	132,224
Total funds carried forward	14	62,776	62,776

	Note	Funds £	2022 £
<b>Income and Endowments from:</b>			
Charitable activities	3	105,346	105,346
Total income		105,346	105,346
<b>Expenditure on:</b>			
Charitable activities	4	(129,756)	(129,756)
Total Expenditure		(129,756)	(129,756)
Net income		(24,410)	(24,410)
Net movement in funds		(24,410)	(24,410)
<b>Reconciliation of funds</b>			
Total funds brought forward		156,634	156,634
Total funds carried forward	14	132,224	132,224

All of the charity's activities derive from operations that were closed in February 2024.

The funds breakdown is shown in note 14.

# Catholic Truth Society (Diocese of Salford)

(Registration number: 3205602)

## Balance Sheet as at 31 December 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	9	-	664
<b>Current assets</b>			
Stocks	10	29,066	68,513
Debtors	11	4,602	5,513
Cash at bank and in hand	12	69,929	75,465
		<u>103,597</u>	<u>149,492</u>
<b>Creditors: Amounts falling due within one year</b>	13	<u>(40,820)</u>	<u>(17,931)</u>
<b>Net current assets</b>		<u>62,777</u>	<u>131,561</u>
<b>Net Assets</b>		<u>62,777</u>	<u>132,224</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted income	14	<u>62,777</u>	<u>132,224</u>
<b>Total Funds</b>		<u>62,777</u>	<u>132,224</u>

The financial statements were approved by the trustees, and authorised for issue on 19th September 2024 and signed on their behalf by:



Bishop John Stanley Kenneth Arnold  
Trustee

# Catholic Truth Society (Diocese of Salford)

## Statement of Cash Flows for the Year ended 31 December 2023

		2023	2022
	Note	£	£
<b>Cash flows from operating activities</b>			
Net cash income/(expenditure)		(69,448)	(24,410)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		663	170
		(68,785)	(24,240)
<b>Working capital adjustments</b>			
(Increase)/decrease in stocks	10	39,447	(688)
Decrease/(increase) in debtors	11	912	241
Increase/(decrease) in creditors	13	27,435	6,939
Net cash flows from operating activities		(991)	(17,747)
<b>Cash flows from financing activities</b>			
Purchase of fixed assets	9	-	(613)
<b>Cash flows from financing activities</b>			
Repayment of loans and borrowings	13	(4,547)	(791)
Net decrease in cash and cash equivalents		(5,538)	(19,152)
Cash and cash equivalents at 01 January		75,465	94,617
Cash and cash equivalents at 31 December		69,928	75,465

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 12 to 20 form an integral part of these financial statements

# Catholic Truth Society (Diocese of Salford)

## Notes to the Financial Statements for the Year Ended 31 December 2023

### 1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 toward the asset of the charity in the event of liquidation.

The address of its registered office is:

Cathedral Centre

3 Ford Street

Salford

M3 6DP

These financial statements were authorised for issue by the trustees on xx xxx 2024.

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

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 (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

#### Basis of preparation

Catholic Truth Society (Diocese of Salford) meets the definition of a public benefit entity under FRS 102. Assets and Liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### Going concern

The trustees state that a basis other than going concern has been used in preparing the financial statements. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

The current main operating activity under the bookshop ceased trading in February 2024. This was following a Trustee decision made in November 2023. In the short term we are not expecting any trading to take place while the Trustees review intended activity.

#### Judgements

The critical judgements that management have made are as follows:

- assessing the recoverability of outstanding debtors and the need for any provision for bad or doubtful debts.

# Catholic Truth Society (Diocese of Salford)

## Notes to the Financial Statements for the Year Ended 31 December 2023

### Key sources of estimation uncertainty

The charity does not have any estimates that are subject to estimation uncertainty that require disclosure.

### Income and endowments

Income from charitable activities includes income recognised as earned as the related goods are provided, it is shown net of value added tax.

### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control at the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator / executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

### Government and other grants

Grants are recognised under the performance model. Income is recognised when the grant's performance-related conditions are met. A grant that does not impose specified future performance-related conditions on the recipient is recognised in income when the grant proceeds are received or receivable.

### Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, its probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

### Charitable activities

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.

### Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

### Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The notes on pages 12 to 20 form an integral part of these financial statements

# Catholic Truth Society (Diocese of Salford)

## Notes to the Financial Statements for the Year Ended 31 December 2023

### Tangible fixed assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Furniture and fittings	10% straight line basis
Computer and office equipment	20% straight line basis

### Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO) method.

### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### Trade creditors

business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the



# Catholic Truth Society (Diocese of Salford)

## Notes to the Financial Statements for the Year Ended 31 December 2023

### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions, even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### **Financial instruments**

#### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

#### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the financial arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### ***Financial assets are derecognised***

When and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

#### ***Financial liabilities are derecognised***

Only when the obligation specified in the contract is discharged, cancelled or expires

# Catholic Truth Society (Diocese of Salford)

## Notes to the Financial Statements for the Year Ended 31 December 2023

### 3 Income from charitable activities

	Unrestricted funds	Total
	£	£
Bookshop Sales	108,620	108,620
	<u>108,620</u>	<u>108,620</u>
	Unrestricted funds	Total
	£	£
Bookshop Sales	105,346	105,346
	<u>105,346</u>	<u>105,346</u>

### 4 Expenditure on charitable activities

	Unrestricted funds	Total
	£	£
Cost of Sales	113,915	113,915
Employment costs	46,567	46,567
Establishment costs	2,197	2,197
Subscriptions	125	125
Computer Expenses	2,424	2,424
Printing,postage and stationery	1,729	1,729
Sundry and other costs	400	400
Advertising and promotion	248	248
Legal & Professional	25	25
Bad and doubtful debts	50	50
Bank charges	2,625	2,625
Depreciation	264	264
	<u>170,568</u>	<u>170,568</u>
	Unrestricted funds	Total
	£	£
Cost of Sales	76,611	76,611
Employment costs	38,276	38,276
Establishment costs	3,016	3,016
Subscriptions	125	125
Computer Expenses	2,275	2,275
Printing,postage and stationery	445	445
Sundry and other costs	268	268
Advertising and promotion	225	225
Bad and doubtful debts	(3,269)	(3,269)
Bank charges	4,013	4,013
Depreciation	170	170
	<u>122,156</u>	<u>122,156</u>

The notes on pages 12 to 20 form an integral part of these financial statements

# Catholic Truth Society (Diocese of Salford)

## Notes to the Financial Statements for the Year Ended 31 December 2023

In addition to the expenditure analysed above, there are also governance costs in 2023 of £7,500 (2022 £7,600) which relate directly to charitable activities. See note 7 for further details.

### 5 Analysis of governance and support costs

#### Governance costs

	Unrestricted funds £	Total funds £
Audit fees		
Audit of the financial statements	7,500	7,500
<b>Total for 2023</b>	<b>7,500</b>	<b>7,500</b>
<b>Total for 2022</b>	<b>7,600</b>	<b>7,600</b>

### 6 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2023 £	2022 £
Audit fee	7,500	7,600
Depreciation of fixed assets	264	170

### 7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

The aggregate payroll costs were as follows:

	2023 £	2022 £
<b>Staff costs during the year were:</b>		
Wages and salaries	31,424	33,658
Social security costs	2,689	2,958
Pension costs	1,512	1,660
	<b>35,625</b>	<b>38,276</b>

The monthly average number of persons (including senior management / leadreship team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Managerial	1	1
Administrative	0	1
	<b>1</b>	<b>2</b>

No employee received emoluments of more than £60,000 during the year

# Catholic Truth Society (Diocese of Salford)

## Notes to the Financial Statements for the Year Ended 31 December 2023

### 9 Tangible fixed assets

	Furniture and Equipment £	Computer equipment £	Total £
<b>Cost</b>			
At 1 January 2023	93,516	23,711	117,227
Additions	-	-	-
Disposals	(93,516)	(23,711)	(117,227)
At 31 December 2023	-	-	-
<b>Depreciation</b>			
At 1 January 2023	93,397	23,167	116,564
Charge for the year	119	145	264
Charge in Disposal	(93,516)	(23,312)	(116,828)
At 31 December 2023	-	-	-
<b>Net Book Value</b>			
At 31 December 2023	-	-	-
At 31 December 2022	119	544	664

### 10 Stock

	2023 £	2022 £
Stocks	29,066	68,513

### 11 Debtors

	2023 £	2022 £
Trade Debtors	2,312	3,022
Prepayments	2,290	2,491
	4,602	5,513

### 12 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	448	127
Cash at bank	69,481	75,338
	69,929	75,465

### 13 Creditors: amounts failing due within one year

	2023 £	2022 £
Trade creditors	4,634	1,983
Other loans	8,422	3,875
Other taxation and social security	2,435	1,914
Other creditors	2,333	2,139
Accruals	22,996	8,020
	40,820	17,931

The notes on pages 12 to 20 form an integral part of these financial statements

# Catholic Truth Society (Diocese of Salford)

## Notes to the Financial Statements for the Year Ended 31 December 2023

### 14 Funds

The charity only holds unrestricted funds - the charity does not have any restricted or designated funds.

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Balance at 31 December 2023 £
<b>Unrestricted</b>				
General	<u>132,224</u>	<u>108,620</u>	<u>(178,068)</u>	<u>62,776</u>

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Balance at 31 December 2022 £
<b>Unrestricted</b>				
General	<u>156,634</u>	<u>105,346</u>	<u>(129,756)</u>	<u>132,224</u>

### 15 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31-Dec 2023 £
Tangible fixed assets	-	-
Current assets	103,597	103,597
Current liabilities	<u>(40,820)</u>	<u>(40,820)</u>
Total net assets	<u>62,777</u>	<u>62,777</u>

	Unrestricted funds General £	Total funds at 31-Dec 2022 £
Tangible fixed assets	664	664
Current assets	149,492	149,492
Current liabilities	<u>(17,931)</u>	<u>(17,931)</u>
Total net assets	<u>132,224</u>	<u>132,224</u>

### 16 Analysis of net funds

	At 1 January 2023 £	Financial cash flow £	At 31 December 2023 £
Cash at bank and in hand	75,465	(5,536)	69,929
Debt due within one year	<u>(17,931)</u>	<u>(22,889)</u>	<u>(40,820)</u>
Net debt	<u>57,534</u>	<u>(28,425)</u>	<u>29,109</u>

	At 1 January 2022 £	Financial cash flow £	At 31 December 2022 £
Cash at bank and in hand	94,618	(19,153)	75,465
Debt due within one year	<u>(11,784)</u>	<u>(6,147)</u>	<u>(17,931)</u>
Net debt	<u>82,834</u>	<u>(25,300)</u>	<u>57,534</u>

The notes on pages 12 to 20 form an integral part of these financial statements

# Catholic Truth Society (Diocese of Salford)

## Notes to the Financial Statements for the Year Ended 31 December 2023

### 17 Related party transactions

During the year the charity made the following related party transactions:

#### **Salford Diocesan Trust**

The Trustees consider The Salford Diocesan Trust to be a related party by virtue of it having common Trustees

During the year, Catholic Truth Society have repaid wage recharges from the prior year as well as current year wage recharges and postage costs. These transactions formed part of the loan to the Catholic Truth Society.

At the balance sheet date the amount due to Salford Diocesan Trust was £8,422 (2022 - £3,875).

#### **CARITAS Diocese Salford**

(The trustees consider the CARITAS Diocese of Salford to be related party by virtue of it having common Trustees).

During the year there were no transactions with Caritas Diocese of Salford. At the balance sheet date the amount due from CARITAS Diocese of Salford was £NIL (2022 £11).