



**DIOCESE OF BRENTWOOD**  
**The Brentwood Roman Catholic Diocesan Trust**  
**Registered Charity 234092**  
**Annual Report**  
**2021/2022**



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### **Diocesan Vision: Building On Our Past**

The Diocese of Brentwood was formally erected in 1917. Our first bishop, Bishop Ward had a great personal devotion to Our Lady's shrine at Lourdes and Brentwood was the first diocese in England & Wales to have Our Lady of Lourdes as its Principal Patron. His devotion to St Edmund of Abingdon (or Canterbury), led to the choice of that saint as a Secondary Patron of the new diocese (together with St Erconwald and subsequently St Cedd).

Our present Father in God is Bishop Alan Williams, a Marist Father and formerly Rector of the National Shrine of Our Lady at Walsingham. He has responsibility for a diocese of rich diversity: East End and suburbs, towns ancient and modern, seaside resorts, rural parishes comprising dozens of villages, as well as schools, religious houses, and chaplaincies in hospitals, prisons and universities.

It is our prayer that as we give thanks for the witness of past generations, we also pray for a fresh outpouring of the Holy Spirit that we may be evermore faithful to proclaiming the Gospel of Christ.



### **Diocesan Vision: Shaping Our Future**

The Stewards of the Gospel initiative has been a period of discernment for us as we seek the best response we can give to God's love for us in an ever-changing society. Following the publication of our Diocesan Vision: Shaping Our Future, parishes and parish partnerships took time to interpret it in their local context and submit their plans for Bishop Alan's consideration. After an initial delay due to the COVID-19 pandemic, plans were put in place during 2021/22 in order to relaunch the process in 2022/23.

The full document can be read at <https://www.dioceseofbrentwood.net/wp-content/uploads/2017/04/Diocese-of-Brentwood- Vision-Document-1.pdf>

## **OUR VISION**

**“Proclaim the Good News of Jesus Christ in Essex and East London”**

**The Church in Essex and East London working better and differently together to evangelise our diocese: it is a vision of the people of God here and now collaborating to use our various Grace-given gifts to evangelise our diocese to the best of our combined ability with the help of God**

## **OUR OBJECTIVES**

**Maximise the opportunities for evangelisation**

**Maximise sacramental provision**

**Maximise the opportunities for putting faith into action through charitable works**

## **OUR STRATEGY**

**Renewal and Restructuring**

## **IMPLEMENTATION**

**Renewal: A 12-Strand Plan**

**Restructuring: Parish Partnerships**

## Diocesan Vision: Our Legal Objects

Our objects as set out in our legal constitution are *"the advancement the Roman Catholic religion in the Diocese by such means as the Bishop may think fit and proper for the service and support whether in the Diocese or outside the Diocese of charitable works and objects promoted by the Church."*

The Vision Document: Shaping Our Future represents a new way for us to work together for the advancement of the Roman Catholic religion in our Diocese. It commits us to focusing on restructuring ourselves and renewing ourselves, so that in turn we may best proclaim the Good News of Jesus Christ.

### Restructuring

Our restructuring takes the form of placing 86 of our 87 parishes in 21 Parish Partnerships. These partnerships consist of people working together with the help of God to achieve a common goal. Thus, our Parish Partnerships are intended to actively work together to achieve renewal. The Cathedral parish stands alone to best allow it to be the mother church and a beacon for our whole Diocese.

The work of the parishes and the parish partnerships has been supported during the year by the Director of Development, and all the other vicariates and their respective executive departments. Redesigned Internal structures which better align with the vision, were formally put in place in 2020/21.

### Renewal

Our work and our achievements are reported in the context of our Diocesan Vision Document: Shaping Our Future, so that for this year and moving forward we

can report against the 12 Strands of Renewal.

## Strand One: Charity, Justice and Social Action

### CARITAS

*"God's answer to the poor is always a saving act that heals wounds of body and soul, restores justice and helps to live life anew in dignity. God's answer is also a summons to those who believe in him to do likewise, within the limits of what is humanly possible."*

Since launching on the "World Day of the Poor", November 2018, Caritas Diocese of Brentwood has become established within the Diocese.

A full time Diocesan Caritas Co-Ordinator was in post by April 21, the costs being met by legacy funding.

The initial priority was communication, developing a strong social and digital media presence, and regularly communicating with parishes in order to enable the publicity and support of the many Social Action projects happening across the Diocese and beyond.



- In October 2021 we launched 'Laudato Si' Invitations, Commitments and Actions', our response to the heartfelt plea from Pope Francis to 'Listen to the Cry of the Earth, the Cry of the Poor'. This included the development of a

Laudato Si' Network- representatives from over 20 parishes gathering to provide updates on recent events, be sustained by others and share good practise. We also joined the Southern Dioceses Environment Network which meets monthly, to discuss ways we can work towards the long term task of stabilising our climate and protecting our common home.

- We continued to champion the Real Living Wage, ensuring that this is the minimum paid (since 2018) to every employee in the Diocese.



- We launched further Community Sponsorship projects in Essex in order to support the settlement of refugees in our communities.
- We continue work with our Charities within the Diocese of Brentwood

## **Strand Two: Christian Life and Worship**

*The celebration of the Eucharist is the source and summit of our faith, and so all other liturgies flow from and to the celebration of Mass*

Our Diocese consists of 87 parishes. The number has reduced in recent years, and we anticipate that as Parish Partnerships evolve the number will further reduce.

The sacramental celebrations and other religious services, proclaiming the Gospel,

exercise of the ministry of charity all take place in our parishes. Furthermore, engagement with society, the pastoral care of, and service to, the Roman Catholic, and the broader community within our diocese, the provision, maintenance and upkeep of places of worship and, of course, prayer are largely undertaken by parishioners, priests and deacons in our parishes.

In most cases, parishes are in the pastoral care of diocesan priests and in several cases, the parishes are in the pastoral care of priests from Religious Orders or The Personal Ordinariate of Our Lady of Walsingham. All our parishes are supported by an administration, referred to as the "Curia", which is organised into Vicariates supported in turn by an executive made up of paid lay people.



Each Sunday an average of 26,117 people (15,284 last year), attended services. Attendance had started to recover from the previous year, which was severely impacted by the COVID restrictions in place, but has not recovered to pre-



pandemic levels. During 2021, with the help and support of our parish priests and catechists, 1894 people (748 in the previous year) were either baptised or received into the Church- back almost to pre-pandemic levels.

With our Liturgy Office, our Chancery Office is involved with the administration side of the Rite of Christian Initiation of Adults programme, the reception of hundreds of people, from across the Diocese, who have followed the "Journey of Faith", and wish to be received into the Catholic Church.

During the year, our parishes raised over £78,000 to support international causes, including natural disasters and overseas mission work, a significant increase when compared to the previous year.

Parish volunteers contributed countless hours of work to good causes both within and beyond our diocese.

### **Strand Three: Education**

*Supporting Catholic schools to provide excellent education where pupils flourish and Christ is made known to all.*

During the year we further developed our online training program , and at the same time increased our face to face training offerings. We have also worked collaboratively with other Dioceses to deliver online training resources. We continued to develop resources for schools, making those resources accessible via the website. Our Racial Justice Conference was attended by over 100 participants, and a Racial Justice Working Group was established.

By the end of the year school visits and face to face meetings were approaching pre-COVID levels, and the type of support provided to schools has become more bespoke in nature as we respond to specific needs and evolving circumstances. School inspections restarted after February 22 half term.

Mentor support has continued to be provided for each new headteacher under the newly established Headteacher programme.

We continued to work closely with the Catholic Education Service (CES), Department for Education (DfE), Ofsted, Teaching Unions and the Regional Schools Commissioner (RSC) as well as relevant Local Authorities. As a religious authority, specific responsibilities remain in relation to the essential functions around Governance, Admissions, Reserved posts, RE and Collective Worship.

We've established a regular communications link with schools and Advisers to ensure that all relevant information received from the CES and other sources is disseminated on a timely basis. This has been greatly appreciated by school leaders.

The prime focus for the work of BDES is in securing, preserving and developing Catholic education into the future, as well as supporting schools when difficulties have arisen, where schools have experienced decline or turmoil and where schools have become more vulnerable. Our work is summed up in our Mission Statement; *"Supporting Catholic schools to provide excellent education where pupils flourish and Christ is made known to all."*

Six Catholic Multi Academy Trusts (MATs) now exist in our Diocese. They operate under distinctly Catholic names (Rosary Trust, Assisi Catholic Trust, Christus Catholic Trust, Good Shepherd Catholic Trust, Our Lady of Grace Catholic Trust and Our Lady of Fatima Trust). This approach remains the preferred structure for Catholic schools within the Diocese of Brentwood. Currently there are fifty-three Academies out of a total of eighty-two state maintained primary and secondary schools, with the balance being Voluntary Aided Catholic schools. There are eight independent schools.

Catholic Social Teaching and our commitment to it underpins our commitment to employee rights, school standards and partnership with various local authorities.

## ADMISSIONS

Admissions remained an area of on-going work. We continued to support our schools through group training sessions and individual advice and guidance.

## SCHOOL GOVERNANCE

Governance is an area of key importance to our Diocese and continued to represent an opportunity for lay people to take on leadership roles.

Training opportunities became increasingly accessible for governors via on-line provision including our GIFT-ED App.

### **Strand Four: Family**

*Support for marriage and family is a crucial part of the Church's ministry, and of great importance for society as a whole.*

As a department of the Vicariate for Adult Formation, our mission is to proclaim the good news of God's love, revealed in a special way through the love of husband and wife, and the love for their children. Recognising that family life brings many challenges and is often undermined by the values of the contemporary world, the church has a special duty to accompany our families and offer whatever support is needed.

Anna McCormick, our part time project worker works alongside Fr Matthew Bemand-Qureshi is the Diocesan Director and Chaplain, provide guidance and support in this area.

Where ongoing support is required, couples are introduced to other appropriate organisations such as Marriage Care or Retrouvaille, or their own parish.

During the period our online and social media presence was further developed, which was of increased importance due to the pandemic. This provided a means of sharing resources and ideas, not only for parishes but for couples and families themselves.

On a very practical level, our Chancery Office processes marriage papers for marriages taking place inside and outside the Diocese, and supported a significant increase in the process of marriage papers when compared to the previous year:

- **45 (last year 26)** sets of marriage papers for marriages taking place outside the Diocese, mostly overseas.
- **66 (last year 13)** sets of marriage papers where one party belonged to another religion.



- **56 (last year 3)** sets of papers, where one party had not been baptized;
- **95 (last year 26)** sets of marriage papers for Catholics wishing to convalidate their civil marriage in the Catholic Church.

Although the number of marriages has increased from the previous year, we expect a further increase in the future due to the number of postponements in 2020 and 2021.

In addition, the work of the Chancery enabled people to marry in Churches of other denominations, but with the necessary dispensations to allow the marriages to be recognised as valid by the Catholic Church.

#### **Strand Five: Formation**

*Formation is a life-long process of listening to what the Holy Spirit is calling us to be and to do*

To support our catechists, The Bishop's Certificate in Catechesis and Youth Ministry is a yearlong course of 12 modules, covering different aspects of faith and Church teaching, as well as practical skills in Youth Ministry. It is an entry-level qualification to help in the ongoing formation of adults who are involved in sacramental preparation or youth ministry in our Diocese. It includes development of practical skills and the deepening of theological knowledge. A cohort of 19 catechists from 15 parishes embarked on the course during the year. The development of the course was a three year project, and has already been purchased by other Dioceses. We see the course as ideal preparation and training for the recently instituted 'Ministry of Catechist'

During our discernment process leading up to our vision, we committed to making the process of faith formation for catechists and youth leaders more accessible than ever before by harnessing the power of digital media. Therefore, this course is taught through short, engaging videos with expert interviews on a custom-built website, complete with online questionnaires and journaling for assessment purposes.

The Vicariate for Adult Formation is led by Fr Martin Boland. The Vicariate aims to provide a variety of resources and support for those lay men and women who wish to develop a more mature understanding of their Catholic Faith and to deepen their relationship with Christ through a life of prayer and service. Inspired by the Holy Spirit, it is hoped that lay men and women will find ways to grow in confidence as disciples and be better witness to the Church's mission of hope.

A dedicated website was launched in June 21.

<https://thresholdsofhope.co.uk/>

#### **Strand Six: Integration**

*Make sure that every person of whatever background can find in you a welcoming heart.*

In our Vision we seek to build on the rich diversity of people in our Diocese through a generous inclusivity. We look to work together with people of all faiths and none where the opportunity arises.

#### **INTERNATIONAL TWINNING**

Our Diocese is twinned with the Diocese of Dundee, Kwa-Zulu Natal, South Africa. Our solidarity with our fellow Catholics in Kwa-Zulu Natal is demonstrated by parishes and schools in both dioceses having twinned with each other. They

build practical relationships beyond friendship and spiritual support.

Fr Gerry, a Brentwood Diocese priest returned to the UK during the year after many years of distinguished service in Dundee, and continues to help support the Twinning Project.

During the year parishes raised over £4,000 for the Twinning Project.

### **Strand Seven: Leaders**

*By right of baptism all are called to fulfil their vocation as the people of God.*

During the year leaders continued to support our parishes and wider communities.

School Governorship is an important role for lay people who have appropriate skills to perform, and we continue to encourage people to come forward and train. Our education team continued to support our Governors remotely during the period.

Also, in education leaders have been appointed to be Trustees of our Catholic Multi Academy Trusts. This is a key role for people to play in the future of our children and of catholic education and anyone who is interested in either of these opportunities is encouraged to contact Debbie Botham.

The Diaconate is a key area where leadership can be exercised in our Diocese. During the period four men were in preparation for this ministry on the Southern Diaconate Formation Programme.

Could you be a deacon in our diocese? – Brentwood Diocese ([dioceseofbrentwood.net](http://dioceseofbrentwood.net))

### **Strand Eight: Material Assets**

*As stewards of all that God has given to us, it is our responsibility to use those gifts as well as we can.*

Parishes and Parish Partnerships have been looking at their material assets as a whole to see how they can be best used to fulfil our objectives and our Vision in their local context.

Central Finance Team: Our work focussed on increased support to the parishes, recognising that most of the work of our Diocese occurs through the parishes and that many regulatory burdens fall on them. Finance and Administration guidelines are circulated on a regular basis to parish, to ensure that the most up to date guidance is available for Parish Priests, parish administrators, and volunteers.

During the year we offered a central payment facility for parishes as more suppliers request payment electronically. Alternative methods of giving continue to be considered across the Diocese as the banking network continues to shrink and the process of banking cash becomes more problematic.

Following the easing of restrictions, the Finance Team were able to visit parish offices and deliver 1.1 training to new employees when required. The Team also provide online training on a regular basis.

The Finance and Property Teams worked together to manage a project to revalue all investment properties included in the Annual Accounts.

Property Team: The Property Sub-Committee has delegated responsibility for both advising and making

recommendations to the Board on all property matters taking account of both the civil law of England and Wales and Canon Law.

The Property Sub-Committee met on a monthly basis throughout the year, considering a number of projects including urgent repairs, and more long term development projects. Our Director of Property and members of the Sub-Committee visit parishes on a regular basis to provide support and advice in respect of property issues.

The Diocesan Curia offices, which were developed in the 1980s, had been identified as being in need of essential refurbishment and repair. Following the successful completion of a boiler replacement project, further planned refurbishment has been deferred.

#### Health & Safety

The Health and Safety Sub-Committee continued to advise the Board on matters of significance relating to the Diocesan Health and Safety Policy and Management Plan.

The statutory inspection process was relaunched during the year and the external Health and Safety consultants worked closely with the Director of Property to provide regular updates and guidance to parishes and staff. The online Health & Safety management system enables the Diocese to provide an essential resource for parishes to access immediate health and safety support and guidance.

The Property Office continued to roll out the new online Diocesan Health & Safety Management system and promote engagement across parishes. Health and Safety Training for Clergy and Parish

Representatives has been planned for 22/23.

#### **Strand Nine: Prayer and Spirituality**

*Our relationship with God in Jesus Christ will only continue to develop and grow if we pay attention to it.*

Prayers of intercession are made continuously throughout the year and during the year.

<https://www.brentwoodvocations.co.uk> has many resources including prayers for vocations to the priesthood, <https://www.brentwoodvocations.co.uk/prayers-2/>

#### **Strand Ten: Priests and People**

*We will explore new ways to recognise each other's gifts and to collaborate to bring our vision to reality.*

We are thankful for the priests serving our Diocese. During the year, our clergy found new ways of keeping in contact with our parish communities. More masses were live streamed, and where possible, social media and online facilities were utilised in order to maintain contact and provide support for the local parish communities.

Compulsory Safeguarding training now takes place for all clergy. Planned face to face sessions had to be cancelled due to COVID-19, but a non-mandatory online training event was arranged at short notice in November 21. This was attended by 39 clergy members.

#### **Strand Eleven: Vocations to the Priesthood**

*We have continued to recognise that our first duty to encourage vocations as Catholics is to pray for priests and those considering priesthood.*

During the Summer of 2021 the Diocesan Presbyterate welcomed two new priests: After completing his priestly formation in Oscott, Fr Michael Barwick was ordained priest at Brentwood Cathedral on 10<sup>th</sup> July 2021 and then appointed assistant priest at Our Lady and St. George's, Walthamstow.

Fr Tony Grant completed four years of study at the Pontifical College in Rome and was ordained on 23<sup>rd</sup> July 2021 at St. Antony's Forest Gate and was appointed assistant priest at St. Margaret's Canning Town.

The vocations website includes interesting and inspirational vocation stories told, by our diocesan priests and some of our seminarians. These powerful witnesses were recorded live as part of the holy hours to pray for vocations held throughout our diocese

[www.brentwoodvocations.co.uk/vocations-stories/](http://www.brentwoodvocations.co.uk/vocations-stories/).

The stories are also available via @BrentwoodVocs

During the year, our Vocations Promotor, Fr Mark Swires held regular online enquirers meetings via 'Zoom' for those interested in learning more about the priesthood the process of discernment.

We continue to pray for our seminarians and that many more will listen and respond to the call of Jesus to share in his priesthood.

### **Strand Twelve: Young People**

*You too, dear young people, can be joyful witnesses of his love, courageous witnesses of his Gospel, carrying to the world a ray of his light.*

Following a period of limited activity due to the COVID-19 restrictions, the volunteer team returned to Walsingham House in April 21. Up until that point, the team had delivered virtual assemblies to Primary and Secondary schools, providing support to school staff through what had been an incredibly challenging time.

Following two weeks of training and formation, the team started to once again run retreats at the beginning of May, and by the end of July had worked with 21 Year 6 classes as well as Years 7 and 8 Form groups from

Retreats for schools and parishes both at Walsingham House and out-reach were fully booked in the Summer of 2021.

Unfortunately, due to the ongoing risk of the COVID-19 pandemic, the annual Lourdes Pilgrimage did not take place. In its place we ran 'Lourdes at your local' with masses being celebrated in five locations around the Diocese with over 800 people attending and more accessing the Masses and Morning Prayers online. The masses were attended by Bishop Alan and included the Anointing of the Sick.

A sponsored sleepout was held with groups from Colchester, Lexden, Shoeburyness, Romford, Basildon and Wanstead taking part. The amount raised exceeded £4,000, some of the proceeds being distributed to Caritas homelessness charities across the Diocese.

In November 2021 the annual Training and Resources day was held for First Holy Communion and Confirmation Catechists, with approximately 70 Catechists attending.

Young people are the future of our church and we are committed to ensure that where possible we provide help and support wherever we can.

### **Structure, Governance and Management**

The Brentwood Roman Catholic Diocesan Trust (the Charity) was constituted by Trust Deed in 1947. It is a registered charity, number 234092. Its objects are the advancement of the Roman Catholic religion in the Diocese by such means as the Bishop may think fit and proper for the service and support, whether in the Diocese or outside the Diocese, of charitable works and objects promoted by the Church. In addition, there are two separate funds which are registered as individual charities:

- The Brentwood Ecclesiastical Education Fund (BEEF) – the fund of the Diocese which meets the cost of educating and training seminarians – is a separately constituted charity under a Trust Deed, dated 11 July 1922, and registered under number 1067745. It is accounted for as a restricted fund within the Diocesan accounts.
- The investments of our Diocese are managed as a Pooled Fund, which is separately registered with the Charity Commission under number 1067742.

An order of the Charity Commissioners under S96(6) Charities Act 1993 permits the three charities, which have the same Trustee, to be treated as a single entity for accounting purposes.

**Administration of the Charity** is through the Brentwood Roman Catholic Diocese Trustee (the Corporate Trustee). The Brentwood Roman Catholic Diocese Trustee, a company limited by guarantee, was set up in 1948 to act as custodian trustee in relation to the Charity and the ecclesiastical trusts of the Diocese. Its company number is 450897.

All parish property is in civil law held by the Corporate Trustee, subject to the Charity Trust Deed. The acquisition or disposal of parish property therefore has to be sanctioned by the Directors of the Corporate Trustee, and all relevant documentation must be drawn up in the name of the Corporate Trustee.

### **Directors of the Corporate Trustee**

In keeping with the Charity's objectives, it is a requirement that candidates for Directorship are committed Roman Catholics. The power to appoint Directors is vested in the Bishop of the Diocese.

Where additional Directors are required, the Bishop will consider the range of skills and experience required on the Board (such as finance, investments, strategic planning etc.), and will approach individuals in the Diocese who are likely to meet these requirements. Prospective Directors are provided with full information on the Charity's constitution, objects and finances. Training material is made available as necessary, and Directors are encouraged to complete online training modules which have been approved by the Charity Commission.

### **Governance of the Charity**

The Charity is governed by the Board of Directors of the Brentwood Roman Catholic Diocese Trustee (the "Corporate Trustee") which consists of the President of the Corporation (the Bishop of Brentwood) and up to fourteen other Directors.

The Board, in conjunction with the canonical bodies established by the Bishop to be his advisors and consultors, is responsible for the development and implementation of policies which ensure compliance with civil legislation and canon law. The key policies are safeguarding, health and safety, risk management, the production of financial budgets, the exercising of financial controls through regular financial reporting, the management of Diocesan properties, policies relating to employment and the compliance of the Charity with relevant company and charity legislation.

Authority for the management of the day-to-day business of the Diocese and compliance with civil legislation is delegated by the Board to the respective departmental Directors and parish priests in accordance with their directions.

In March 2014, the Finance Board (now known as the "Board") approved revised Articles of Association for the Corporate Trustee, establishing the Bishop of Brentwood as the sole Member of the Corporate Trustee; the Board cannot implement a decision with which the Bishop disagrees. In December 2020, following an internal governance review, the Articles of Association were further revised, inter alia removing references to the 'Finance Board' and replacing these with the "Board".

### **Sub-Committees of the Board**

The Board has established a number of Sub-Committees delegating to them the consideration of specific areas of importance to the Diocese and authorising them to make some decisions and to submit recommendations to the main Board for approval:

- Adult Formation
- Education
- Finance and Administration (including Investments)
- Health & Safety
- Human Resources & Diversity
- Property
- Safeguarding
- Youth Ministry and Pastoral Care

A separate committee (not a Sub-Committee of the Board) reviews the provision of support to sick and retired clergy and meets on a regular basis.

### **Key Management Personnel**

The Trustee considers that the Directors of the Corporate Trustee, together with the Director of Finance, the Director of Education, the Diocesan Safeguarding Coordinator, the Diocesan Director of Development and the Director of Property, comprise the key management personnel of the Charity, in charge of directing, controlling, running and operating the Charity on a day to day basis. Salaries are reviewed on an annual basis by the Human Resources Team and authorised by the Board.

All Directors of the Trustee gave of their time freely, and no Director received remuneration in respect of their services as Directors of the Corporate Trustee. Details of the Trustee Directors' expenses are disclosed in Note 18 of the accounts.

### **Financial Review**

**Investment policy** The Diocese follows a total return investment policy, to achieve long term capital and income growth, to provide sufficient income to support today's beneficiaries whilst still seeking 'real' growth in capital to meet the future needs of the Charity.

The Trustee is empowered within the Trust Deed to invest any monies as authorised by law for the investment of trust monies, in a manner which it thinks fits with the consent of the Bishop. The provisions of the Trustee Act 2000 apply.

Under section 26 of the Charities Act 1993, an Order was made by the Charity Commission on 5 December 1999 granting the Trustee power to appoint an investment manager, and to appoint a corporate body as the Trustee's nominee to hold the investments of the Charity. The General Power of Investment in the Trustee Act 2000 allows 'Trustees to invest trust funds in any kind of investment, excluding land [except under certain provisions], in which they could invest if they were the absolute owner of those funds'.

**Diocesan Ethical Policy for investments:** The Diocesan investment portfolio avoids investment in tobacco, arms, alcohol, gambling and pornography. Investment is also to be avoided in companies which support oppressive regimes, or trade in products which are produced by child labour or in forced labour camps, or companies which have been involved in the exploitation or unjust treatment of employees.

**Our investment managers,** Sarasin and Partners LLP, monitor any investments made by their Endowment Fund in companies which generate any revenue from the direct or indirect manufacture of pharmaceutical products, the use of which would contravene the Catholic Church's teaching on the sanctity of life. Our investment managers take a pro-active approach in respect of voting on company resolutions, in order to promote responsible long-term stewardship. The Sarasin Endowment Fund will not invest in tobacco and will also avoid investment in companies that have more than 10% of their turnover from the following:

- Alcohol Manufacture
- Armaments
- Gambling
- Pornography

The Portfolio has performed better when compared to the ARC Peer Groups.

**Risk Management:** The Directors of the Corporate Trustee have assessed the major risks to which the Charity is exposed and are satisfied that adequate systems are in place to mitigate exposure to these risks. Risks are recorded, by department, and a RAG status applied. Actions to mitigate the risks are identified and a timescale for completion assigned. The major risks are considered to be health and safety (ensuring that our buildings are maintained to an adequate standard, and policies adhered to), and pastoral (the falling number of priests in ministry). To mitigate the health and safety risks, a Health and Safety Committee meets on a regular basis to ensure that policies are being communicated and applied appropriately, risks are reviewed and action taken where appropriate. Health and Safety representatives are appointed at parish level. In respect of the falling number of priests in ministry, the Diocesan Vision addresses this issue and sets out plans in order to mitigate this risk going forward.

### **Covid-19 Pandemic**

The global Coronavirus pandemic continued to present a number of risks to the Diocese during the period, specifically those of adverse health and safety, operational and financial impacts.

The safety of our clergy, employees, volunteers and parishioners has continued to be a priority during the pandemic.

The government restrictions put in place in order to mitigate the impact of the pandemic led to the closure of churches for communal worship in the previous year. The resultant fall in the number of parishioners attending our churches has in turn led to a significant fall in cash collections, which historically has represented 36% of our revenues. Although some recovery is evident during the period, the donation income continues to be adversely affected. Demand for the use of our parish halls during the period had not recovered to pre-pandemic levels.

### **Risk Mitigations**

A COVID-19 working group was formed early in the pandemic in order to issue guidance and co-ordinate the response to the risks presented by the pandemic. The working group included representatives from the Clergy, Health and Safety, Finance and Safeguarding teams. Throughout the pandemic the Bishops' Conference has continued to issue specific guidelines in respect of how to implement the latest government guidance, and, when churches have been allowed to open, has provided specific guidance to help Parish Priests facilitate collective worship safely.



The working group continued to meet during 2021/22 and ensured that Parishes, Clergy and staff throughout the Diocese received regular communications during the pandemic from both the Covid-19 working group and the Bishop's office, in order to disseminate the most up to date information on an ongoing basis.

In parishes where online services had been introduced during periods of lockdown, many parishes continued these after churches were allowed to open, allowing those parishioners who were not able to attend mass, to feel connected to those services and the community.

The use of social media has continued to allow our clergy to maintain contact with parishioners, providing much needed communication and a positive impact on well-being.

A central online donation platform has been made available on the Diocesan website, allowing parishioners who would normally make cash donations, to make donations electronically. This, together with the promotion of donations by standing order, has helped to reduce the potential shortfall in donation income. During the period individual parish donation platforms were made available to parishes wishing to have an individual platform in place.

The Diocese utilised the Coronavirus Job Retention Scheme. Where staff were not been able to attend work due to social distancing restrictions, and home working was not feasible, or where work was not available, employees were furloughed. Approximately 40% of the workforce was furloughed at some time during the pandemic.

**Financial Control Policy:** Our Diocese has a series of financial controls and signing limits in place (in the parishes and at the Curia) in order to enable the Corporate Trustee to exercise its legal duties:

- To ensure we are carrying out our purposes for the public benefit
- To comply with our governing document and the law
- To act in the best interests of our Diocese
- To manage responsibly the resources of our Diocese
- To act with reasonable care and skill
- To ensure that we are accountable.

During 2021/22, we reviewed the support we provide to parishes, and our associated controls and procedures continue to be reviewed on an ongoing basis.

**Public Benefit:** The Board Members confirm that they comply with the duty in S 17 of the Charities Act 2011 to have due regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant. Details of the main activities undertaken to further the charity's purposes for the public benefit are noted earlier in this document.

**Fundraising Policy:** Our Diocese is registered with the Fundraising Regulator and is committed to the Fundraising Promise. We do not use any external fundraisers.

- We will commit to high standards, adhering to the Fundraising Code of Practice at all times, monitoring any person that raises funds on our behalf, and complying with the law as it applies to charities and fundraising.
- We will be clear, honest and open, in respect of what we will do with donations, how gifts can be made or amended, and the purpose of our Charity.
- We will be respectful of the rights and privacy of any donor.
- We will treat donors and the public fairly and reasonably, and not accept donations from those individuals who we believe may lack the capacity to make an informed decision

- We will hold ourselves accountable and responsible, ensuring that our resources are managed responsibly and that we have a complaints procedure in place. No complaints about fundraising activities were received during the year.

**Reserves Policy:** Unrestricted reserves, including parochial funds, totalled £50m. Restricted and endowment funds totalled £8.9m.

Central Diocesan reserves are held to meet the future needs of the Diocese as a whole and absorb the impact of any material risk.

Parochial reserves are held to meet the cost of future repairs and maintenance or major building projects which cannot be met out of expected income. The Diocese considers parish funds to be designated at parish level, for parish requirements.

The policy of the Diocese is to maintain its reserves at a level that will provide the income necessary to assist it in implementing its future objectives, including but not limited to the increased cost of caring for the Sick and Retired Clergy of the Diocese. The Diocese aims to hold cash reserves of £10m. Cash reserves as at 5/4/22 stood at £10.6m. Due to the size of the Diocese and the number of parishes within the Diocese, the Directors feel that this is a reasonable amount to cover expenditure for the period of one year. Should cash reserves fall below this, depending on the projected cash flow, investments may be liquidated.

**Funds invested, and how they will be applied**

**Restricted funds £7.9m** The two largest funds are as follows:

- The Brentwood Ecclesiastical Education Fund (BEEF), a fund for the support and training of seminarians, was valued at £4.1m as at 5 April 2022. As at April 2022 there were six seminarians, each normally costing just under £50,000 p.a. During 2021-2022, total gains in investments were in excess of the costs incurred by the fund.
- The second largest restricted fund is the Sick and Retired Clergy Fund standing at £1.88m. The Diocese is planning how best to finance the support of priests due to retire over the next 10-15 years.

**Designated funds £2.6m**

- The largest designated fund is the General Education Fund which stands at £2.3m. With the development of a new diocesan vision and strategy for Education, the Trustee will be considering how best to utilise these funds.

**Permanent Endowment funds £1m**

- The largest endowment fund is the Crowhurst legacy which stands at £0.5m – these funds are to be used to buy a suitable property for sick or retired priests. These funds have been used to purchase properties in order to meet the housing requirements of sick and retired priests.

**Unrestricted funds held by the centre £9.6m**

- Non-parochial unrestricted funds are invested in the Sarasin Endowment Fund (formerly Alpha CIF for Endowments) in order to generate investment revenue which contributes to the work of the Curia. The fund value has increased year on year.

**Financial Performance:** With reference to the statement of financial activities in the financial statements.

At the end of the financial year 2021-22 diocesan funds as a whole totalled £58.9m. Income has increased to £13m from £8.9m in the prior year. Donation income has started to recover from the effects of the COVID-19 pandemic. There was also a £1m gain on a land disposal.

As part of the Diocesan Renewal process, we are reviewing our material assets in order to decide how best to use them for the future.

Expenditure increased to £11.2m from £10.5m in the previous year. The majority of this increase related to the reopening of places of worship following the COVID-19 pandemic.

**Parish Reserves** As at 5 April 2022, parish fixed assets totalled £16.6m and free Parochial reserves £21.2m.

#### **Plans for the Future**

Our Diocesan Vision (on pages 3-12) details our plans for the future.

### **STATEMENT OF TRUSTEE'S RESPONSIBILITIES**

The Trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

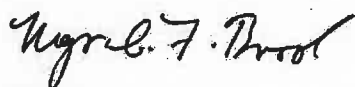
The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the Trustee is are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Report Regulations) 2008 and the provisions of the trust deed. It is 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 the Corporate Trustee on <sup>20<sup>th</sup></sup> July 2023 and signed on its behalf by:



Director

## Reference and administrative details of the charity, sole trustee and advisers

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, SOLE TRUSTEE AND ADVISERS

REGISTERED NAME	Brentwood Roman Catholic Diocesan Trust
CHARITY REGISTRATION NUMBER	234092
SOLE TRUSTEE	The Trust is administered by the Brentwood Roman Catholic Diocese Trustee (Trust Corporation – a company incorporated 13 <sup>th</sup> March 1948, Company Registration 450897)
PRINCIPAL OFFICE AND REGISTERED OFFICE OF THE SOLE TRUSTEE	Cathedral House Ingrave Road Brentwood Essex CM15 8AT
DIRECTORS OF THE SOLE TRUSTEE (known as Members of the Board)	<p>The Directors who have served during the year, and since, are as follows:</p> <p>Rt Rev Alan Williams S.M. Rt Rev Mgr Kevin Hale VG Rt Rev Mgr Christopher Brooks Rev Canon Patrick J Sammon (resigned 16 December 2021 ) Rev Stephen Myers Rev Dominic Howarth Rev Martin Boland (resigned 17 February 2022) Mr Peter Johnson Mrs Nicolina Lyon Mr Michael L'Estrange (resigned 12 September 2021) Sir Ian McAllister CBE (resigned 17 March 2022) Mrs Maureen Okoye (appointed 15 December 2022) Ms Liz Toher (resigned 20 May 2021)</p>
DIOCESAN FINANCIAL SECRETARY	Anne-Marie Stokkereit
BANKERS	HSBC PLC Fenton House 85-89 New London Road Chelmsford Essex CM2 0PP
SOLICITORS	Stone King Boundary House 91 Charterhouse Street London EC1M 6HR
AUDITORS	Price Bailey LLP Tennyson House Cambridge Business Park Cambridge CB4 0WZ
INVESTMENT ADVISORS	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU

# INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF THE BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

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## Opinion

We have audited the financial statements of The Brentwood Roman Catholic Diocesan Trust (the 'charity') for the year ended 5 April 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows 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 charity's affairs as at 5 April 2022, 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 Charities Act 2011.

## Basis for opinion

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

## Conclusions relating to going concern

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 trustees' 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, 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 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.

# AUDITORS' REPORT TO THE TRUSTEE OF THE BRENTWOOD ROMAN INDEPENDENT CATHOLIC DIOCESAN TRUST

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement in the Trustees' Report, 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditor under section 1443 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 gained an understanding of the legal and regulatory framework applicable to the Charity and the sector in which it operates and considered the risk of the Charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting, safeguarding and GDPR and health and safety tax legislation. In relation to the operations of the Charity this included compliance with the Charities Act 2011 and SORP 2019.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

# INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF THE BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

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- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness.
- We reviewed key authorisation procedures and decision making processes for any unusual or one-off transactions;
- We reviewed minutes of Trustee Board meetings and agreed the financial statement disclosures to underlying supporting documentation;
- We have made enquiries of management and officers of the charity regarding laws and regulations applicable to the organisation;
- We reviewed the risk management processes and procedures in place.
- We have reviewed any correspondence with the Charity Commission and reviewed the procedures in place for the report of incidents to the Trustee Board including serious incident reports of any such matter if necessary.

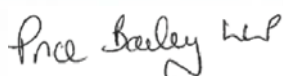
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of the instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

## Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



## PRICE BAILEY LLP

Chartered Accountants  
Statutory Auditors  
Tennyson House, Cambridge Business Park, Cambridge, CB4 0WZ

Date: 11 September 2023



# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2022

	Notes	Unrestricted Funds £	Parochial Funds £	Restricted Funds £	Endowment Funds £	2022 Total £	2021 Total £
Income from:							
Donations and legacies	1	137,505	8,188,566	1,086,532	-	9,412,603	7,052,764
Other trading activities	2	83,621	1,093,763	-	-	1,177,384	612,401
Investment income	3	355,966	220,312	174,416	-	750,694	764,361
Charitable Activities	4	8,225	453,838	111,163	-	573,226	,249,527
Other income							
Surplus on sale of fixed assets			976,388	-	-	976,388	-
Coronavirus Job Retention Scheme Grant		25,683	79,209	-	-	104,892	311,046
<b>Total Income</b>		<b>611,000</b>	<b>11,012,076</b>	<b>1,372,111</b>	<b>-</b>	<b>12,995,187</b>	<b>8,990,099</b>
Expenditure on:							
Raising funds		79,291	58,353	-	-	137,644	83,745
Charitable activities		2,152,734	7,025,448	1,872,732	-	11,050,914	10,453,387
<b>Total Expenditure</b>	5	<b>2,232,025</b>	<b>7,083,801</b>	<b>1,872,732</b>	<b>-</b>	<b>11,188,558</b>	<b>10,537,132</b>
		(1,621,025)	3,928,275	(500,621)	-	1,806,629	(1,547,033)
Investment Gains/(Losses)							
Unrealised	8	2,488,660	1,163,047	96,190	(136,189)	3,611,708	4,427,895
<b>Net income/(expenditure) before transfers</b>		<b>867,635</b>	<b>5,091,322</b>	<b>(404,431)</b>	<b>(136,189)</b>	<b>5,418,337</b>	<b>2,880,862</b>
Transfers:							
From Parochial Funds	15	1,625,679	(1,625,679)	-	-	-	-
To/from Restricted Funds	15	(122,789)	(138,755)	261,544	-	-	-
<b>Net Movements on Funds</b>		<b>2,370,525</b>	<b>3,326,888</b>	<b>(142,887)</b>	<b>(136,189)</b>	<b>5,418,337</b>	<b>2,880,862</b>
Reconciliation of funds							
Funds brought forward		9,840,535	34,482,236	8,085,625	1,094,846	53,503,242	50,622,380
Prior year adjustment		-	-	-	-	-	-
<b>Funds Carried Forward</b>		<b>£12,211,060</b>	<b>37,809,124</b>	<b>£7,942,738</b>	<b>£958,657</b>	<b>£58,921,579</b>	<b>£53,503,242</b>

The statement of financial activities includes all gains and losses in the period. All operations are continuing and there are no discontinued operations in either year. The comparative year's Statement of Financial Activities is included in note 24.

The notes form part of these accounts.

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

## BALANCE SHEET

AS AT 5 APRIL 2022

	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	7	19,335,560	18,164,858
Investments	8	28,898,121	26,819,131
		<u>48,233,681</u>	<u>44,983,989</u>
<b>CURRENT ASSETS</b>			
Debtors	9	2,908,518	2,079,852
Cash at bank and in hand		10,642,014	9,477,618
		<u>13,550,532</u>	<u>11,557,470</u>
<b>CREDITORS: Amounts falling due</b>			
Within one year	10	(2,862,634)	(3,038,217)
<b>NET CURRENT ASSETS</b>			
		<u>10,687,898</u>	<u>8,519,253</u>
		<u>£58,921,579</u>	<u>£53,503,242</u>
<b>FUNDS</b>			
Unrestricted – General	12	9,606,453	7,343,542
- Designated	12	2,604,607	2,496,993
- Parochial	12	37,809,124	34,482,236
		<u>50,020,185</u>	<u>44,322,771</u>
Restricted	13	7,942,738	8,085,625
Permanent Endowment	13	958,657	1,094,846
		<u>£58,921,579</u>	<u>£53,503,242</u>

The financial statements were approved and authorised for issue by the Trustee on 28<sup>th</sup> July 2023 and were signed below on its behalf by:

*Mr. E. F. Brock*

Director of the Brentwood Roman Catholic Diocese Trustee

The notes form part of these accounts.

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 5 APRIL 2022

	2022	2021
	£	£
<b>Net Cash flow from Operating Activities</b>		
Net Income/(expenditure)	1,806,629	(1,547,033)
Depreciation	415,376	384,721
Investment income and interest received	(527,382)	(570,199)
Loss(surplus) on sale of fixed assets	-	7,747
Decrease/(increase) in debtors	(828,666)	332,646
(Decrease)/Increase in creditors	(175,583)	2,418,325
	<u>690,374</u>	<u>1,026,207</u>
<b>Cash flows from investing activities</b>		
Investment income and interest received	527,382	570,199
Proceeds from sale of investments	-	-
Purchase of tangible fixed assets	(53,360)	(711,870)
Proceeds from sale of tangible fixed assets	<u>-</u>	<u>-</u>
	<u>474,022</u>	<u>(141,671)</u>
	<u>1,164,396</u>	<u>884,536</u>
<b>Cash flows from financing activities</b>		
Movements on loans to parishes from third Parties	-	(3,000)
Change in cash and cash equivalents in the year	<u>1,164,396</u>	<u>881,536</u>
Cash and cash equivalents at the beginning of the Year	<u>9,477,618</u>	<u>8,596,082</u>
Cash and cash equivalents at the end of the year	<u><u>£10,642,014</u></u>	<u><u>£9,477,618</u></u>

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

## STATEMENT OF ACCOUNTING POLICIES

### FOR THE YEAR ENDED 5 APRIL 2022

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The financial statements have been prepared in accordance with all statutory requirements and with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS102) (Effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102). The particular accounting policies adopted are described below. The financial statements are prepared under the historical cost convention, as modified to include certain tangible fixed assets at a valuation and fixed asset investments at market value. Figures are presented in sterling and rounded to the nearest pound.

The Brentwood Roman Catholic Diocesan Trust meets the definition of a public benefit entity under FRS102 and was constituted by Trust Deed in 1947. The Brentwood Ecclesiastical Education Funds (BEEF) is separately constituted under Trust Deed dated 11 July 1922 and registered with the Charity Commission under number 1067745. The Brentwood Diocesan Investment Pooled Fund is separately registered with the Charity Commission under number 1067742. Under S26 (6) of the Charities Act 1993, these three charities which have the Same Trustee are permitted to be treated as a single entity for accounting purposes. The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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 from 1 January 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

#### **a) Preparation of accounts on a going concern basis**

Having considered the cash reserves as at June 2023, future budgets and cash flows, the Trustee confirms that there are no material uncertainties about the entity's ability to continue as a going concern for the foreseeable future.

The Directors of the Corporate Trustee have reviewed the cash reserves as June 2023 and the projected cash outflow over the next twelve months. Despite continued uncertainty in respect of future income, due to the level of investments held, the Directors are confident that the Charity continues to be a going concern.

#### **b) Legacies, Donations and Grants**

Legacies and donations are recognised when receivable or when the Diocese becomes legally entitled to them and receipt is probable, and they can reasonably be measured in financial terms. Receipts of property, investments or other gifts in kind are included at market value. Grants are recognised when the charity has entitlement and when the amount is measurable.

#### **c) Investment Income**

Investment income is accounted for as it accrues.

#### **d) Expenditure**

Costs of raising funds comprise those costs associated with attracting voluntary income and the management of the Charity's investments.

Costs of charitable activities consist of all expenditure directly relating to the objects of the Charity. Support costs which cannot be directly allocated are apportioned between charitable activities and governance costs on the basis of the Trustee's estimate of the time spent on the relevant functions.

Employment benefits, including holiday pay, are recognised in the period in which they are earned. Termination benefits are recognised in the period in which the decision is made and communicated to the relevant employee(s).

Governance costs include expenditure on management and compliance with constitutional and statutory requirements together with an allocation of support costs.

Irrecoverable VAT is included with the category of expenses to which it relates.

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

## STATEMENT OF ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 5 APRIL 2022

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### d) Expenditure (continued)

Redundancy and termination costs are recognised as an expense in the Statement of Financial Activities and a liability on the Balance Sheet immediately at the point the charity is demonstrably committed to either:

- Terminate the employment of an employee or group of employees before normal retirement date; or
- Provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The charity is considered to be demonstrably committed only when it has a detailed formal plan for the termination and is without realistic possibility of withdrawal from the plan.

### e) Tangible Fixed Assets

Prior to 6 April 1996 the cost of fixed assets was written off in the year of acquisition and no comprehensive cost records were maintained. In order to arrive at a reasonable valuation of parish property, taking into account age, type, condition and life expectancy, the Trustee considered that insured values at 6 April 1997 should be discounted by 90% and in subsequent years be depreciated at 2% per annum. This valuation will not be updated in the future. Properties acquired after 6 April 1996 are capitalised at their actual cost of acquisition.

The school properties (land and buildings) are vested in the name of the Diocesan Trustee. The Diocesan Trustee cannot take a unilateral decision to dispose of these properties. Disposal can only occur if the school governors and the Secretary of State for Education decide that all or part of a school site is no longer required for education. In most circumstances, where a disposal occurs, the Secretary of State or the local authority may be entitled to recoup grant. Although no rights of ownership vest in the school governing body, most other rights and obligations, such as for the maintenance and repair of the school and its facilities, are passed to the governors. The Trustees therefore consider that, for the purposes of these financial statements, the nature of their ownership is that of a custodianship, however these properties have been purchased and written off in the Diocesan accounts for the amounts that the Diocese contributed in the past and the costs involved have not been separately identified and are not considered material in the overall context of the accounts.

The estimated cost of furniture, equipment and motor vehicles held at 6 April 1996 has been capitalised in the financial statements. Subsequent additions are capitalised at cost. Individual works of art, historical treasures and plate are not depreciated as they have extremely long lives and are considered to be worth preserving indefinitely.

Depreciation is calculated by the straight line method to write off the cost/value less anticipated residual value, over the expected useful lives of assets as follows:-

Freehold buildings additions since 6 April 1996	50 years
Fixtures and fittings	10 years
Furniture and equipment (> £5,000)	5 years
Motor vehicles	4 years

The residual values of buildings held at 6 April 1996 are considered to be significantly higher than their carrying value in the accounts resulting in a nil value for depreciation charge.

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

## STATEMENT OF ACCOUNTING POLICIES (Continued)

FOR THE YEAR ENDED 5 APRIL 2022

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**f) School Building Programme**

The Diocese assists schools undertaking major projects by meeting the costs and claiming grants on behalf of the schools. These grants are netted off against the cost and only the net costs to the Diocese are included in the financial statements

**g) Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. Fixed assets are recorded at depreciated historical cost or revaluation, investments are recorded at their fair value which is the market value as disclosed in note 11 and all other assets and liabilities are recorded at cost which is their fair value.

**Investments**

Pooled investments are valued at fair value on the balance sheet date. Investment properties are valued at fair value and stated at a Trustee's valuation. Unrealised gains/losses on investments are calculated as the difference between opening market value and closing market value after adjusting for additions and disposals during the year, less investment management and administration costs.

**Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**Creditors**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

## STATEMENT OF ACCOUNTING POLICIES (continued)

### FOR THE YEAR ENDED 5 APRIL 2022

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#### **h) Fund accounting**

##### **General funds**

These comprise the accumulated surplus or deficit from the Statement of Financial Activities which is not restricted nor designated funds. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity

##### **Designated Funds**

These funds are unrestricted funds earmarked by the Trustee for particular purposes. Details of the funds designated by the Trustee are set out in note 12.

##### **Restricted Funds**

These funds are subject to restrictions imposed by the donor. Details of funds subject to legal restriction are set out in note 13.

##### **Parochial Funds**

For the purposes of the civil administration of the charity, parishes are not distinct legal entities, but branches forming part of the administrative machinery of the main Diocesan charity, albeit that they have a degree of independence. Parish funds and assets, unless held on distinct and express special trusts clearly evidenced in law, will be held as part of the Diocesan charity and will be the responsibility of the diocesan charity trustee (who, under normal legal principles, may of course appropriately delegate its management to parish priests with limited authority). Such funds will be designated funds. Unless there are distinct and express special trusts declared under the law of England and Wales, they will not be restricted funds. Parochial funds are therefore shown as unrestricted but designated funds.

In Canon Law, however, the parish is firmly set within the context of the diocese C.515(1) and the parish priest exercises his ministry under the authority of the bishop C.519. A parish which has been erected in accordance with the law, possesses public juridical personality by the law itself C.515(3). In Canon Law, therefore, it has the right to acquire, retain, administer and alienate temporal goods C.1255 which, as ecclesiastical goods, are subject to the norms of Canon Law C.1257(1).



# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

## STATEMENT OF ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 5 APRIL 2022

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### **i) Pensions**

All eligible staff are members of an Aegon group personal pension scheme to which the Charity makes contributions. Employees may contribute an additional amount. As a defined contribution scheme, no liability falls upon the Charity, as employer, to make good a shortfall of funding other than contributions due.

Some staff employed in the educational work of the Diocese are members of the Teacher's Pension Scheme ("TPS") which is a defined benefits scheme. Diocesan contribution levels are determined by the TPS. The TPS is a multi-employer scheme, and, as there is insufficient information available to use defined benefit accounting, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

### **j) Significant judgements and estimation uncertainty**

In preparing these financial statements the trustees have had to make estimates and assumptions that affect the amounts recognised in these financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Key areas subject to judgement and estimation are as follows:

Fixed asset depreciation. Judgement is applied when assigning anticipated average lives to the fixed assets of the charity.

Investment properties are included at a value determined by at a desktop valuation conducted by a property management company, or with reference to similar properties in the area of each respective property.

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 5 APRIL 2022

<b>1. DONATIONS AND LEGACIES</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Legacies	956,113	241,807
Donations including plate collections	8,431,490	6,810,957
Grants	25,000	-
	<u>£9,412,603</u>	<u>£7,052,764</u>
<b>2. INCOME FROM TRADING ACTIVITIES</b>		
Parish hall and other rents received	805,623	360,941
Fundraising events	366,503	248,056
Other	5,258	3,404
	<u>£1,177,384</u>	<u>£612,401</u>
<b>3. INVESTMENT INCOME</b>		
Arising on quoted investments	527,382	570,199
Income from investment properties	222,875	192,550
Bank interest	437	1,612
	<u>£750,694</u>	<u>£764,361</u>
<b>4. INCOME FROM CHARITABLE ACTIVITIES</b>		
Altar society and repository sales	439,875	180,562
Chaplaincies	13,963	2,974
Retreat and course contributions	111,163	54,956
Educational courses & fees	8,225	11,035
	<u>£573,226</u>	<u>£249,527</u>

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2022

5.

	Unrestricted Funds £	Parochial Funds £	Restricted Funds £	2022 Total £	2021 Total £
<b>Raising Funds</b>					
Fundraising and social	-	58,353	-	58,353	30,050
Investment property repairs	79,291	-	-	79,291	53,695
	<u>79,291</u>	<u>58,353</u>	<u>-</u>	<u>137,644</u>	<u>83,745</u>
<b>Charitable Activities</b>					
<b>Provision of worship</b>					
Upkeep of buildings	122,880	2,793,595	33,480	2,949,955	2,678,377
Depreciation	-	281,971	-	281,971	281,111
Support costs allocated	184,037	-	29,615	213,652	196,168
	<u>306,917</u>	<u>3,075,566</u>	<u>63,095</u>	<u>3,445,578</u>	<u>3,155,656</u>
<b>Clergy and parish support</b>					
Sick and retired clergy	-	-	319,348	319,348	282,029
Clergy and church costs	213,750	3,071,674	534,537	3,819,961	3,850,451
Education and training	-	-	191,463	191,463	251,716
Parish administration	-	605,729	-	605,729	513,299
Support costs allocated	322,065	-	51,826	373,891	343,294
	<u>535,815</u>	<u>3,677,403</u>	<u>1,097,174</u>	<u>5,310,392</u>	<u>5,240,789</u>
<b>Pastoral Care and Community Support</b>					
Pastoral support	-	-	11,523	11,523	5,774
Other vicariates	342,946	-	(2,866)	340,080	283,074
Retreat centres	136,583	-	105,900	242,483	186,092
Local community centre	55,145	-	-	55,145	63,397
Cathedral music	24,750	-	-	24,750	10,443
Donations paid	142,588	241,104	6,826	390,518	270,258
Support costs allocated	322,065	-	51,826	373,891	343,294
	<u>1,024,077</u>	<u>241,104</u>	<u>173,209</u>	<u>1,438,390</u>	<u>1,162,332</u>
<b>Schools programme</b>					
Building programme	(5,212)	31,375	-	26,163	86,448
Vicariate for education	199,118	-	524,447	723,565	710,078
Support costs allocated	92,019	-	14,807	106,826	98,084
	<u>285,925</u>	<u>31,375</u>	<u>539,254</u>	<u>856,554</u>	<u>894,610</u>
	<u>2,152,734</u>	<u>7,025,448</u>	<u>1,872,732</u>	<u>11,050,914</u>	<u>10,453,387</u>
<b>Total Expenditure</b>	<u><u>£2,232,025</u></u>	<u><u>£7,083,801</u></u>	<u><u>£1,872,732</u></u>	<u><u>£11,188,558</u></u>	<u><u>£10,537,132</u></u>

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2022

## 5. EXPENDITURE (continued) Analysis of expenditure for the comparative year:

	Unrestricted Funds £	Parochial Funds £	Restricted Funds £	2021 Total £
<b>Raising Funds</b>				
Fundraising and social	-	30,050	-	30,050
Investment property repairs	53,695	-	-	53,695
	<u>53,695</u>	<u>30,050</u>	<u>-</u>	<u>83,745</u>
<b>Charitable Activities</b>				
<b>Provision of worship</b>				
Upkeep of buildings	136,318	2,542,059	-	2,678,377
Depreciation	-	281,111	-	281,111
Support costs allocated	169,402	-	26,766	196,168
	<u>305,720</u>	<u>2,823,170</u>	<u>26,766</u>	<u>3,155,656</u>
<b>Clergy and parish support</b>				
Sick and retired clergy	-	-	282,029	282,029
Clergy and church costs	220,742	3,251,860	377,849	3,850,451
Education and training	-	-	251,716	251,716
Parish administration	-	513,299	-	513,299
Support costs allocated	296,454	-	46,840	343,294
	<u>517,196</u>	<u>3,765,159</u>	<u>958,434</u>	<u>5,240,789</u>
<b>Pastoral Care and Community Support</b>				
Pastoral support	886	-	4,888	5,774
Other vicariates	308,899	-	(25,825)	283,074
Retreat centres	130,607	-	55,485	186,092
Local community centre	63,397	-	-	63,397
Cathedral music	10,443	-	-	10,443
Donations paid	179,085	83,075	8,098	270,258
Support costs allocated	296,454	-	46,840	343,294
	<u>989,771</u>	<u>83,075</u>	<u>89,486</u>	<u>1,162,332</u>
<b>Schools programme</b>				
Building programme	31,660	54,788	-	86,448
Vicariate for education	196,359	-	513,719	710,078
Support costs allocated	84,702	-	13,382	98,084
	<u>312,721</u>	<u>54,788</u>	<u>527,101</u>	<u>894,610</u>
	<u>2,125,408</u>	<u>6,726,192</u>	<u>1,601,787</u>	<u>10,453,387</u>
<b>Total Expenditure</b>	<b>£2,179,103</b>	<b>£6,756,242</b>	<b>£1,601,787</b>	<b>£10,537,132</b>

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2022

## 5. EXPENDITURE (continued)

	2022 £	2021 £
Governance expenditure includes:		
Current Auditors' remuneration	42,000	34,950

Auditors'- Other services included in professional fees

Governance costs below include audit fees and legal advice received in respect of governance

### Analysis and allocation of support costs:

	Provision of Worship £	Support of Clergy £	Pastoral Care & Community Support £	Schools Programme £	2022 Total £	2021 Total £
Finance Office	51,611	90,320	90,320	25,806	258,057	316,271
Human Resources	9,899	17,323	17,323	4,949	49,494	-
Curial Administration	28,847	50,483	50,483	14,424	144,237	142,998
Chancery & Tribunal	18,039	31,568	31,568	9,020	90,195	88,936
Mensal	12,687	22,202	22,202	6,343	63,434	61,821
Rates, insurance and utilities	13,249	23,185	23,185	6,624	66,243	96,991
Maintenance and repairs	3,864	6,762	6,762	1,932	19,320	40,097
Professional fees	25,491	44,610	44,610	12,745	127,456	51,179
Governance	15,294	26,764	26,764	7,646	76,468	43,031
Bank Interest	1,055	1,847	1,847	528	5,277	-
Depreciation	26,201	45,851	45,851	13,101	131,004	108,957
Other	7,415	12,976	12,976	3,708	37,075	30,559
	<u>£213,652</u>	<u>£373,891</u>	<u>£373,891</u>	<u>£106,826</u>	<u>£1,068,260</u>	<u>£980,840</u>

### Analysis and allocation of support costs for the previous year:

	Provision of Worship £	Support of Clergy £	Pastoral Care & Community Support £	Schools Programme £	2021 Total £
Finance Office	63,254	110,695	110,695	31,627	316,271
Curial Administration	28,600	50,049	50,049	14,300	142,998
Chancery & Tribunal	17,787	31,127	31,128	8,894	88,936
Mensal	12,365	21,637	21,637	6,182	61,821
Rates, insurance and utilities	19,398	33,947	33,947	9,699	96,991
Maintenance and repairs	8,019	14,034	14,034	4,010	40,097
Professional fees	10,236	17,913	17,912	5,118	51,179
Governance	8,606	15,061	15,061	4,303	43,031
Depreciation	21,791	38,135	38,135	10,896	108,957
Other	6,112	10,696	10,696	3,055	30,559
	<u>£196,168</u>	<u>£343,294</u>	<u>£343,294</u>	<u>£98,084</u>	<u>£980,840</u>

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

## NOTES TO THE ACCOUNTS (Continued)

### FOR THE YEAR ENDED 5 APRIL 2022

#### 6. STAFF

The average number of employees of the Diocese during the year and their aggregate emoluments are shown below:

	2022	2021
	£	£
Staff Costs:		
Wages and salaries	2,412,296	2,480,452
Social security	161,699	163,661
Pension costs	251,879	267,437
Redundancy costs	1,003	18,810
	<u>£2,826,877</u>	<u>£2,930,360</u>
	2022	2021
	No	No
Average Number of Employees:		
Administration	43	41
Parish employees	145	155
	<u>188</u>	<u>196</u>
Number of employees who earned £60,000 or more during the year were:		
£60,000 - £70,000	3	3
£100,000 - £110,000	1	1

Employer contributions totalling £42,642 (2021 £ 42,480) were made to personal pension schemes on behalf of the above employees.

Key management personnel received salary, benefits and pension contributions of £422,582 (2021, £422,340) during the year.

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2022

<b>7. TANGIBLE FIXED ASSETS</b>	<b>Freehold</b>	<b>Fixtures &amp;</b>	<b>Furniture &amp;</b>	
	<b>Buildings</b>	<b>Fittings</b>	<b>Equipment</b>	<b>Total</b>
<b>VALUATION AND COST</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 6 April 2021	25,469,747	744,668	1,322,635	27,537,050
Additions	53,360	-	-	53,360
Transfers from Investments	1,532,718			1,532,718
Disposals	-	-	(117,451)	(117,451)
At 5 April 2022	27,055,825	744,668	1,205,184	29,005,677
<b>DEPRECIATION</b>				
At 6 April 2021	7,871,586	222,748	1,277,858	9,372,192
Charge for year	315,409	74,467	25,500	415,376
Disposals	-	-	(117,451)	(117,451)
At 5 April 2022	8,186,995	297,215	1,185,907	9,670,117
<b>NET BOOK VALUE</b>				
At 5 April 2022	£18,868,830	£447,453	£19,277	£19,335,560
At 5 April 2021	£17,598,161	£521,920	£44,777	£18,164,858

The Charity also owns a number of schools where the Trustee considers that their ownership is that of a custodianship. The assets have a net book value of NIL, having been written off in the past and not capitalised. A list of the schools in the Diocese is set out in the annual Diocesan Directory.

Apart from a small proportion used for management and administration, all fixed assets are used in direct furtherance of the charity's objects.



# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

## NOTES TO THE ACCOUNTS (Continued)

### FOR THE YEAR ENDED 5 APRIL 2022

8. INVESTMENTS	2022	2021
	£	£
Investment properties	9,628,799	8,091,096
Stocks, shares and unit trusts (see below)	19,269,320	18,728,033
Subsidiary company (See note 16)	2	2
	<u>£28,898,121</u>	<u>£26,819,131</u>
Analysis of stocks, shares and unit trusts		
Income Units in Sarasin Alpha CIF	19,065,487	18,558,846
Cash awaiting investment	13,682	41
COIF Charities Investment Fund Accumulation Units	190,151	169,146
	<u>£19,269,320</u>	<u>£18,728,033</u>
Analysis of Investment Properties		
Opening Balance	8,091,096	6,971,219
Additions	-	353,968
Transfers to fixed assets	(1,532,718)	-
Property revaluations carried out by Chartered Surveyors	3,070,421	765,909
Closing Balance	<u>£9,628,799</u>	<u>£8,091,096</u>
Total investments at market value:		
Opening Balance	26,819,131	22,037,268
Additions	-	353,968
Transfers to fixed assets	(1,532,718)	-
Unrealised (losses)/gains during the year	3,611,708	4,427,895
Closing Balance	<u>£28,898,121</u>	<u>£26,819,131</u>

All the above investments (other than cash and property) are quoted on a recognised UK Stock Exchange or are valued by reference to investments listed on a recognised Stock Exchange. One property asset was valued by a registered RICS valuer at Cluttons LLP during 22/23. All other properties have been valued during 22/23 by RICS valuers at Strettons Ltd. All properties have been reindexed as required.

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

## NOTES TO THE ACCOUNTS (Continued)

### FOR THE YEAR ENDED 5 APRIL 2022

9. DEBTORS	2022	2021
	£	£
School related receivables	175,951	222,008
Tax due on Gift Aid and legacies receivable	1,037,384	1,121,502
Parish receivables including legacy income and income from land sales	1,567,696	653,290
Other debtors and prepayments	127,487	83,052
	<u>£2,908,518</u>	<u>£2,079,852</u>
	<u><u>£2,908,518</u></u>	<u><u>£2,079,852</u></u>
10 CREDITORS	2022	2021
	£	£
Amounts falling due within one year:		
Bank overdraft and other loans	-	-
Loans to parishes from third parties	9,000	9,000
Trust funds to be paid out	10,906	10,833
Other creditors and accruals	2,842,728	3,018,384
	<u>£2,862,634</u>	<u>£3,038,217</u>
	<u><u>£2,862,634</u></u>	<u><u>£3,038,217</u></u>

Creditors include VASCA funds being held as at 5/4/22 in the amount of £2,038,000 (2021 £2,462,000). These funds had been received from the DfE and were awaiting distribution to schools to fund capital projects.

The Diocese has a loan from the Cathedral and Choral Trust Fund (a separate charity), which is interest free, and is repayable on a change of use of the Choir School (whether it is sold or not), and the repayment is inflation linked. The likelihood of a change of use of the Choir School is considered to be remote, therefore the loan has a fair value of £Nil. If the loan had become repayable at 5 April 2022, it would have had a value of £302,791 (2021 £282,881)

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2022

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11. FINANCIAL INSTRUMENTS	2022 £	2021 £
Financial assets measured at fair value	19,269,321	18,728,034
Financial assets measured by amortised cost	2,908,517	1,426,562
	<u>          </u>	<u>          </u>
Financial liabilities measured by amortised cost	2,862,634	3,038,217
	<u>          </u>	<u>          </u>

Financial assets measured at fair value comprise listed investments. Financial assets measured at amortised cost comprise grants due on school projects and other debtors. Financial liabilities measured at amortised cost comprise loans and other creditors.

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2022

12. UNRESTRICTED FUNDS	Balance at 6 April 2021 £	Net (Exp)/Income Before Gains £	Transfers £	Gains/ (Losses) on Investments £	Balance at 5 April 2022 £
General Fund	7,343,542	(1,677,127)	1,502,890	2,437,148	9,606,453
General Education Fund	2,163,595	48,386	-	43,702	2,255,683
Parishes in Need Fund	333,398	7,716	-	7,810	348,924
Total Designated Funds	2,496,993	56,102	-	51,512	2,604,607
Parochial Funds	34,482,236	3,928,275	(1,764,434)	1,163,047	37,809,124
	<u>£44,322,771</u>	<u>£2,307,250</u>	<u>£(261,544)</u>	<u>£3,651,707</u>	<u>£50,020,184</u>
For the comparative year:					
	Balance at 6 April 2020 £	Net (Exp)/Income Before Gains £	Transfers £	Gain (Losses) on Investments £	Balance at 5 April 2021 £
General Fund	5,444,611	(1,646,999)	1,553,789	1,992,141	7,343,542
General Education Fund	1,844,244	14,910	-	304,441	2,163,595
Parishes in Need Fund	270,666	8,323	-	54,409	333,398
Total Designated Funds	2,114,910	23,233	-	358,850	2,496,993
Parochial Funds	34,800,701	782,318	(1,752,061)	651,278	34,482,236
	<u>£42,360,222</u>	<u>£(841,448)</u>	<u>£(198,272)</u>	<u>£3,002,269</u>	<u>£44,322,771</u>

## General Education Fund

This fund has been set up by the Trustee to generate income to meet the cost of building and improving schools in the Diocese. Transfers are made from the General Fund for this purpose.

## Parishes in Need Fund

At its September 2013 meeting, the Finance Board agreed that the £196k received from the Catholic Church Insurance Association as its membership award should be ring fenced to be used to provide financial and other support to Parishes defined as being "in need".

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2022

13. RESTRICTED FUNDS	Balance at 6 April 2021	Net (Exp)/Income Before Gains	Transfers	Gains/(losses) On Investments	Balance at 5 April 2022
Walsingham House	-	5,264	-	-	5,264
Sick and Retired Clergy Fund	2,060,628	(273,804)	145,600	(57,031)	1,875,393
Mensal Fund	615,050	(43,815)	64,200	19,859	655,294
BEEF	4,049,329	(66,071)	-	115,681	4,098,939
Vocations	77,629	5,375	-	-	83,004
Mass Fund	214,228	3,334	-	6,892	224,454
Parish Restricted Funds	248,382	(8,982)	-	-	239,400
Caritas (merged with Social Welfare Fund previously in Other Restricted)	311,352	(63,627)	-	7,824	255,549
BRCDT Education Fund	75,505	(20,691)	-	-	54,814
Other Restricted Funds	433,522	(37,604)	51,744	2,965	450,627
	<u>£8,085,625</u>	<u>£(500,621)</u>	<u>£261,544</u>	<u>£96,190</u>	<u>£7,942,738</u>
Permanent Endowment Fund					
Crowhurst Legacy	615,690	-	-	(112,772)	502,918
Sullivan Special Trust	479,156	-	-	(23,417)	455,739
	<u>£1,094,846</u>	<u>£-</u>	<u>£-</u>	<u>£(136,189)</u>	<u>£958,657</u>

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2022

## Restricted Funds for the comparative year:

	Balance at	Net		Gains/(losses)	Balance at
	6 April	(Exp)/Income		On	5 April
	2020	Gains	Transfers	Investments	2021
	£	£	£	£	£
Walsingham House	(48,087)	(529)	48,616	-	-
Sick and Retired Clergy Fund	1,908,313	(230,888)	147,141	236,062	2,060,628
Mensal Fund	517,051	(40,342)		138,341	615,050
BEEF	3,367,577	(124,107)	-	805,859	4,049,329
Vocations	75,239	2,390		-	77,629
Mass Fund	162,977	3,239	-	48,012	214,228
Parish Restricted Funds	229,956	18,426	-	-	248,382
Caritas (merged with Social Welfare Fund previously in Other Restricted)	312,701	(55,855)	-	54,506	311,352
BRC DT Education Fund	384,776	(309,271)	-	-	75,505
Other Restricted Funds	378,999	31,354	2,514	20,655	433,522
	<u>£7,289,502</u>	<u>£(705,583)</u>	<u>£198,271</u>	<u>£1,303,435</u>	<u>£8,085,625</u>
Permanent Endowment Fund					
Crowhurst Legacy	539,505	-	-	76,185	615,690
Sullivan Special Trust	433,151	-	-	46,005	479,156
	<u>£972,656</u>	<u>£-</u>	<u>£-</u>	<u>£122,190</u>	<u>£1,094,846</u>

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

## NOTES TO THE ACCOUNTS (Continued)

### FOR THE YEAR ENDED 5 APRIL 2022

#### 13. RESTRICTED FUND (continued)

##### Walsingham House

This house is used for the provision of youth retreats.

##### Sick and Retired Clergy Fund

Income is used to help support fully retired, partially retired and sick priests. Transfers represent contributions to the fund from the Diocese.

##### Mensal Fund

This fund is used to support the Diocesan activities of the Bishop. Transfers represent contributions to the fund from the Diocese.

##### BEEF (Brentwood Ecclesiastical Education Fund)

This fund meets the costs of training priests for the Diocese. Transfers represent contributions from collections on its behalf from the parishes.

##### Mass Fund

Income received from donors is paid to priests who celebrate masses for the donors. Transfers represent mass stipends paid over to parishes.

##### Parish Restricted Funds

These funds consist of donations and other contributions to parishes for specific purposes within the parish.

##### BRCDT Education Fund

These funds are used to finance the provision of education advisors to schools within the Diocese.

##### Caritas

This fund is used to promote and support Catholic Social Teaching. As such, the pre-existing Social Welfare Fund (previously reported within Other Restricted Funds) has been incorporated into the Caritas Fund.

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

## NOTES TO THE ACCOUNTS (Continued)

### FOR THE YEAR ENDED 5 APRIL 2022

#### 13. RESTRICTED FUND (continued)

##### Other Restricted Funds

Other restricted funds consist of donations for specific purposes.

##### Permanent Endowment Funds

##### Crowhurst Legacy

This fund consists of a property donated to the Diocese to be used as a home for Roman Catholic Priests suffering from sickness or who have retired by reason of old age. The property may be sold but the proceeds must be invested in another property to be used for the same purposes. The property was sold during 2005. The proceeds have been invested with Sarasins until a suitable replacement property has been found.

##### Sullivan Special Trust

This fund comprises an investment property the income of which is for the benefit of the parish priest at Southend parish.

#### 14. ALLOCATION OF THE CHARITY NET ASSETS

	Fixed Assets £	Investments £	Net Current Assets/ (Liabilities) £	Total £
Unrestricted funds	2,722,515	14,691,238	(5,202,693)	12,211,060
Parish funds	16,608,245	6,567,170	14,633,709	37,809,124
Restricted funds	4,800	6,756,656	1,181,282	7,942,738
Permanent Endowment fund	-	883,057	75,600	958,657
<b>Total Net Assets</b>	<b>£19,335,560</b>	<b>£28,898,121</b>	<b>£10,687,898</b>	<b>£58,921,579</b>
For the comparative year				
	Fixed Assets £	Investments £	Net Current Assets/ (Liabilities) £	Total £
Unrestricted funds	1,751,149	13,304,950	(5,215,564)	9,840,535
Parish funds	16,406,509	5,834,469	12,241,258	34,482,236
Restricted funds	7,200	6,660,466	1,417,959	8,085,625
Permanent Endowment fund	-	1,019,246	75,600	1,094,846
<b>Total Net Assets</b>	<b>£18,164,858</b>	<b>£26,819,131</b>	<b>£8,519,253</b>	<b>£53,503,242</b>



# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2022

15. TRANSFERS			2022 £	2021 £
From/(To) Parochial Funds				
Diocesan Quota			1,572,707	1,609,559
Other			52,972	4,121
			<u>£1,625,679</u>	<u>£1,613,680</u>
To/(From) Restricted Funds				
	Restricted £	General £	Permanent Endowment £	Parochial £
Sick and Retired Clergy	140,800	-	-	(140,800)
Mensal	-	-	-	-
Restricted funds spent on				
Other	120,744	(122,789)	-	2,045
	<u>£261,544</u>	<u>£(122,789)</u>	<u>£-</u>	<u>£(138,755)</u>
For the comparative year:				
	Restricted £	General £	Permanent Endowment £	Parochial £
Sick and Retired Clergy	140,841	-	-	(140,841)
Mensal	-	-	-	-
Restricted funds spent on				
Other	57,430	(59,890)	-	2,460
	<u>£198,271</u>	<u>£(59,890)</u>	<u>£-</u>	<u>£(138,381)</u>

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

## NOTES TO THE ACCOUNTS (Continued)

### FOR THE YEAR ENDED 5 APRIL 2022

#### 16. RELATED PARTY (TRADING COMPANY)

The Charity beneficially owns 100% of the share capital of Brentwood Diocese (Trading) Limited, company number 2571381, which manages building contracts for the Diocese on a no profit/no loss basis. Consolidated accounts have not been prepared because the figures shown would not in the opinion of the Trustee, be materially different from those shown in the charity's accounts. Its trading results for the year ended 31 March 2022 were as follows:

	2022 £	2021 £
Turnover	-	-
Cost of Sales	-	-
Profit on ordinary activities	<u>£-</u>	<u>£-</u>
Interest in Brentwood Diocese (Trading) Ltd	<u>£2</u>	<u>£2</u>
Aggregate capital and reserves	<u>£2</u>	<u>£2</u>

#### 17. BRENTWOOD ROMAN CATHOLIC DIOCESE TRUSTEE

The Charity is governed by the Board of Directors of the Corporate Trustee, The Brentwood Catholic Diocese Trustee (company number 450897).

#### 18. TRANSACTIONS WITH DIRECTORS OF THE CORPORATE TRUSTEE

A majority of the Directors of the Corporate Trustee are also parish priests in the Diocese. As priests they receive income from their parishes together with living accommodation, living expenses and reimbursement of costs incurred on behalf of their parish on the same basis as other priests within the Diocese. They do not receive any remuneration or benefits from their trusteeship other than the purchase by the Diocese of trustees' indemnity insurance providing cover of up to £5,000,000 during the year (the premium is paid as part of public liability insurance). Travel costs totalling £NIL (2021: £NIL) and consultancy costs in respect of courses arranged by the Vicariate for Education in the amount of £1,200 (2021 £1,200) were reimbursed to one (2021: one) Director during the year. During the year, Directors of the Corporate Trustee donated £5,130 (2021 £5,015) in aggregate, to the Diocese.

#### 19. COMMITMENTS

	2022 £	2021 £
Authorised and contracted for	<u>-</u>	<u>-</u>

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

## NOTES TO THE ACCOUNTS (Continued)

### FOR THE YEAR ENDED 5 APRIL 2022

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#### 20. THIRD PARTY COLLECTIONS

Parishes hold collections on behalf of third party charities. Because the Diocese is acting as agent for these charities, these collections have been excluded from these financial statements. During the year £763,867 (2021:£105,082) was collected on behalf of third party charities. At 5 April 2022 £167,841 (2021 £126,673) was held on behalf of third party charities.

#### 21. RELATED PARTY TRANSACTIONS

Related Party transactions with the Directors of the Corporate Trustee are disclosed in Note 18 of these Accounts. There were no other related party transactions during the year (2021, none).

#### 22. PENSION COMMITMENTS

The charity's academic and related staff belong to the Teachers' pension Scheme England and Wales. This is a multi-employer defined benefit scheme. The latest actuarial valuation of the TPS related to the

period ended 31 August 2019. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

##### Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

##### The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases).

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

## NOTES TO THE ACCOUNTS (Continued)

### FOR THE YEAR ENDED 5 APRIL 2022

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From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

#### Valuation of the Teachers' Pension Scheme

As a result of the latest scheme valuation employer contributions were increased in September 2019 from a rate of 16.4% to 23.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

The next valuation is expected to take effect in 2023.

A copy of the latest valuation report can be found by following this link to the Teachers' Pension Scheme website: <https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>

#### Scheme Changes

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, rejected the Government's application for permission to appeal the Court of Appeal's ruling and subsequently referred the case to an Employment Tribunal to determine a remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

Since then, claims have also been lodged against the main public service schemes including the TPS. The Department has conceded those in line with the rest of the government. In July 2020 HM Treasury launched a 12-week public consultation which will provide evidence to support the delivery of an appropriate remedy for the affected schemes, including TPS.

A final remedy will be determined once the results of the consultation are established.

In December 2019, a further legal challenge was made against the TPS relating to an identified equalities issue whereby male survivors of opposite-sex marriages and civil partnerships are treated less favourably than survivors in same-sex marriages and civil partnerships. The Secretary of State for Education agreed not to defend the case. In June 2020, the Employment Tribunal recorded its findings in respect of the claimant. DfE is currently working to establish what changes are necessary to address this discrimination.

Any impact of these events will be taken into account when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.

# BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2022

## 23. STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2021

	Notes	Unrestricted Funds £	Parochial Funds £	Restricted Funds £	Endowment Funds £	2021 Total £
Income from:						
Donations and legacies	1	79,557	6,330,027	643,180	-	7,052,764
Other trading activities	2	50,928	561,473	-	-	612,401
Investment income	3	366,717	199,892	197,752	-	764,361
Charitable Activities	4	11,035	183,536	54,956	-	249,527
Other income						
Coronavirus Job Retention Scheme Grant		47,098	263,632	316	-	311,046
Total Income		555,335	7,538,560	896,204	-	8,990,099
Expenditure on:						
Raising funds		53,695	30,050	-	-	83,745
Charitable activities		2,125,408	6,726,192	1,601,787	-	10,453,387
Total Expense	5	2,179,103	6,756,242	1,601,787	-	10,537,132
Investment Gains/(Losses)		(1,623,768)	782,318	(705,583)	-	(1,547,033)
Realised		-	-	-	-	-
Unrealised		2,350,992	651,278	1,303,435	122,190	4,427,895
Net income/(expenditure)		727,224	1,433,596	597,852	122,190	2,880,862
Transfers:						
From Parochial Funds	15	1,613,680	(1,613,680)			-
To/from Restricted Funds	15	(59,890)	(138,381)	198,271	-	-
Net Movements on Funds		2,281,014	(318,465)	796,123	122,190	2,880,862
Reconciliation of funds						
Funds brought forward		7,559,521	33,821,726	7,289,502	972,656	49,643,405
Prior year adjustment			978,975			978,975
Funds Carried Forward		£9,840,535	£34,482,236	£8,085,625	£1,094,846	£53,503,242

