

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

England & Wales · Charity number 232709

Details

Other names ARCHDIOCESE OF LIVERPOOL

Status Registered

Legal form Trust

Registered 1965-08-23

Register [View on the Charity Commission register](#)

Contact

Address Liverpool Archdiocesan Office
St Margaret Clitherow Centre
Croxteth Drive
Liverpool
L17 1AA

Phone 01515221020

Email webmaster@rcaol.co.uk

Website www.liverpoolcatholic.org.uk

Activities

Objects: THE ADVANCEMENT OF THE ROMAN CATHOLIC RELIGION IN THE DIOCESE IN SUCH WAYS BEING CHARITABLE AS THE ARCHBISHOP SHALL FROM TIME TO TIME DIRECT AND FOR THE SERVICE AND SUPPORT WHETHER IN THE DIOCESE OR OUTSIDE THE DIOCESE IN SUCH WAYS AS AFORESAID OF ANY LAWFUL CHARITABLE PURPOSES WHETHER EDUCATIONAL OR OTHERWISE PROMOTED OR SUPPORTED BY THE CHURCH.

Activities: To provide support to the clergy in training, ministry and retirementTo support pastoral work in parishes and local communitiesTo support and direct lifelong Christian education in parishes and schoolsTo preserve and invest in the property infrastructure of the Archdiocese and parishes, facilitating worship and enabling the charitable work of the Church to take place

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Other Charitable Activities
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- Isle Of Man
- Peru
- Halton
- Knowsley
- Lancashire
- Liverpool City
- Sefton
- St Helens
- Warrington
- Wigan

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£38,660,000	£44,932,000	£218,296,000	480
2023-12-31	£39,497,881	£50,656,547	£213,152,268	382
2022-12-31	£38,620,950	£41,545,710	£211,662,185	469
2021-12-31	£35,090,395	£36,150,087	£221,627,960	499
2020-12-31	£20,412,569	£28,027,228	£192,278,821	621

Trustees

Name	Role	Appointed
Rev John Francis Sherrington	Chair	2025-05-27
Carol LAWRENCE		2020-11-05
Colette O'Brien		2020-11-05
Ian Hollows		2020-11-05
REV Provost ANTHONY O'BRIEN		
Rev Canon Aidan Prescott		2021-05-27
Rev Canon Michael Fitzsimons		2019-10-24
Rev GERARD JAMES CALLACHER		2023-12-19
Rev GRAEME MICHAEL DUNNE		2024-06-18
Rev PHILIP INCH		
Rt Rev THOMAS NEYLON		
Sean Christopher Keyes		2020-11-05

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

England & Wales - Charity number 232709

Accounts



Archdiocese of Liverpool
Annual Report
31 December 2024

Charitable incorporated organisation

Registered charity number: 1199714



Archdiocese of
Liverpool



Annual Report and accounts for the year ended 31 December 2024

Contents

About the Archdiocese	3 - 4
Report of the Trustees	5 – 29
Statement of Trustees' Responsibilities	30
Independent Auditor's Report to the Trustees	31 – 34
Consolidated Statement of Financial Activities	35 – 36
Consolidated Balance Sheet	37
Charity Balance Sheet	38
Consolidated Cash Flow Statement	39
Notes and Accounting Policies	40 - 77

Archdiocese of Liverpool

About the Archdiocese

About the Archdiocese of Liverpool

The Archdiocese of Liverpool is the Metropolitan See for the Roman Catholic Church in the North of England, providing pastoral care for the Roman Catholic community in an area which includes Merseyside, parts of Lancashire, Cheshire, Greater Manchester, and the Isle of Man.

The Diocese of Liverpool was established in 1850 stretching north to Lancaster and the Lake District, south to Widnes and Warrington, and including the Isle of Man. In 1911, Liverpool was established as a Metropolitan See and became an archdiocese. In 1924 the Diocese of Lancaster was established taking territory from the north of the archdiocese with the River Ribble becoming the border between the two.

In the early years of the diocese and archdiocese, there was an emphasis on building up the expanding Catholic community with a programme of school and church building. The seminary at St Joseph's College was founded by Bishop O'Reilly to train students to the priesthood.

Following the famine of 1847, the Catholic population of Liverpool grew substantially due to mass Irish immigration. Schools and churches were built for the new arrivals, and many organised charitable efforts were put in place. Monsignor James Nugent worked tirelessly to provide for the needs of the poor, building schools and orphanages for those in poverty. How work is continued today by the Society which bears his name – Nugent.

The early twentieth century was also a period of consolidation, developing and educating people in the Catholic faith. This was during the time of Liverpool's longest serving Archbishop, Richard Downey, who had previously been a member of the Catholic Missionary Society.

There was a long road to Liverpool's Catholic Cathedral. The first design was by Edward Welby Pugin in 1883, but only the Lady Chapel was built in Everton. In 1930, Archbishop Downey commissioned architect Sir Edwin Lutyens to build a new cathedral, and the foundation stone was laid on 5 June 1933. The design was colossal, but only the crypt was built, completed after the Second World War, by which time the cost of the cathedral had risen to an impossible £27 million. Adrian Gilbert Cott was commissioned to produce a scaled-down version of the Lutyens design, but the project was ultimately abandoned.

In 1960, Archbishop Heenan launched a competition to design a cathedral, which was won by Sir Frederick Gibberd. Building began in October 1962 and the Metropolitan Cathedral of Christ the King was opened in May 1967.

In 2023, Pope Francis granted cathedral status to the Church of Saint Mary of the Isle based in Douglas in the Isle of Man. The announcement came following Douglas being awarded city status as part of the late Queen Elizabeth's Platinum Jubilee celebrations in June 2022. The Church is a co-cathedral for the Archdiocese of Liverpool.

Archdiocese of Liverpool

About the Archdiocese

The 1960s and 70s were a time of transition for the Church following the Second Vatican Council. After his arrival in Liverpool Archbishop Derek Warlock set about implementing the decrees of the council. Ecumenical relations were high on the agenda as Liverpool had a history of sectarian division. Many bishops and archbishops from both the Catholic and Anglican churches had maintained both public and private friendships, including Archbishop George Beck, Bishop Stuart Blanch, Archbishop Worlock and Bishop David Sheppard, culminating in the signing of a Covenant of Unity in May 1985. The National Pastoral Congress was held in 1980, and Pope John Paul II visited the city's two cathedrals in 1982.

In 1996, Patrick Kelly became Archbishop of Liverpool and his ministry among the people of the archdiocese was tireless. As the new millennium dawned, difficult decisions had to be made; the Catholic population had declined and an exodus from the city to the new towns led to church closures and amalgamations.

Archbishop Kelly also encouraged the Catholic population to look beyond the north-west of England. Projects were initiated with the Holy Land, and in 2008 a major conference of African and European bishops was held to heal the wounds of Liverpool's history as part of the slave trade.

In 2014, following Archbishop Kelly's retirement, Archbishop Malcolm McMahon came to Liverpool. He called an Archdiocese Synod to be held in 2020 which, due to the COVID-19 pandemic, met after four years of prayer and preparation in 2021.

The fruits of the Synod are a pastoral plan for life and worship in the archdiocese which is now being implemented with the aim of 'Becoming the Church which we are called to be'.

On the 5 April 2025, Bishop John Sherrington was appointed as Archbishop of Liverpool and his installation as the tenth archbishop took place in the Metropolitan Cathedral of Christ the King on 27 May 2025.

REPORT OF THE TRUSTEES

MISSION STATEMENT

Taking to heart the last words of the Lord Jesus, we will go into the world to proclaim the Good News to the whole of creation.

REFERENCE AND ADMINISTRATIVE DETAILS

Constitution

The Archdiocese of Liverpool is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission on 20 July 2022, charity number 1199714.

Trustees of the Charitable incorporated organisation

Most Rev J F Sherrington (Chairman from 27 May 2025)
Most Rev M P McMahon OP (Chairman until 26 May 2025)
Rev Mgr J Devine OBE (resigned 17 June 2024)
Rev G Easton (until 12 May 2025)
Rev Canon M Fitzsimons
Mr I Hollows
Rev P Inch
Mr S Keyes
Mrs C Lawrence
Rt Rev T Neylon
Rev M Nunes (until 27 May 2025)
Rev Mgr Provost A O'Brien
Mrs C O'Brien
Rev Canon A Prescott
Rt Rev T Williams (Resigned 25 March 2023)
Rev G J Callacher (Appointed 19 December 2023)
Rev G Dunne (Appointed 17 June 2024)

Episcopal Vicar for Finance

Rev Mgr John Devine OBE (until 17 June 2024)
Rev Graeme Dunne (from 18 June 2024)

Chief Operating Officer

Martin Miller

Principal Address

St Margaret Clitherow Centre
Croxteth Drive
Liverpool
L17 1AA

Registered Charity Number: 1199714

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

Auditors

HaysMac LLP
10 Queen Street Place
London
EC4R 1AG

Bankers

HSBC Bank plc
99-101 Lord Street
Liverpool
L2 4SW

Investment Managers

Evelyn Partners
45 Gresham Street
London
EC2V 7BG

Rathbone Investment Management Ltd
Port of Liverpool Building
Pier Head
Liverpool
L3 1NW

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Archdiocese of Liverpool is a charitable incorporated organisation (CIO), registered charity number 1199714, and registered on 20 July 2022. The net assets and undertakings of the Liverpool Roman Catholic Archdiocesan Trust, registered charity number 232709, were transferred to the CIO on 1 January 2023. The CIO is the reporting entity from 1 January 2023 and accounts for all activities of the Liverpool Roman Catholic Archdiocesan Trust which will continue to collect legacies, donations and any other income due to it. Assets and liabilities were transferred to the CIO under the Charity Commission order dated 5 December 2022 which also authorises the granting of an indemnity by the CIO under section 105 of the Charities Act 2011 to settle liabilities properly incurred.

Organisational structure and decision making

The Catholic Church has a worldwide nature and identity and could be compared with a gathering together of family, with a common purpose and faith in Jesus Christ.

Canon law (the law of the Church) establishes the rights and responsibilities of each member of this community. Church law applies universally and locally. The worldwide Church community, centred on Christ, under the Word of God and in communion with the Pope in Rome, is governed by canon law.

Under canon law the Archbishop of Liverpool is responsible for the activities of the archdiocese, a geographical area in part of the north-west of England, which is a portion of the worldwide Church, making up the pilgrim People of God.

The archbishop was assisted during 2024 in archdiocesan executive matters by the Rt Rev T Neylon, auxiliary bishop of Liverpool, a vicar general and several episcopal vicars with delegated responsibilities for strategic oversight in specific matters of the life of the Church. The archbishop makes the appointments of vicar general and episcopal vicars.

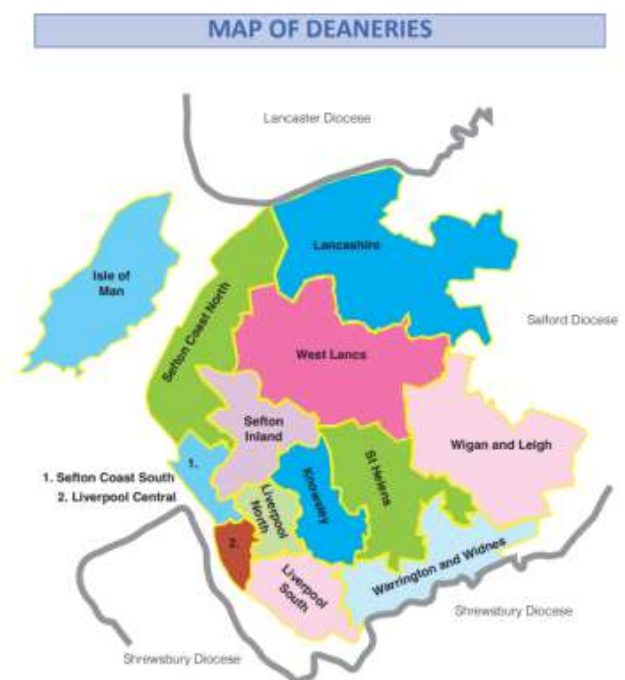
Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

The affairs of the charity are governed by the trustees who are ultimately responsible for the administration and assets of the charity. The board of trustees, chaired by the archbishop, meets regularly to provide strategic direction and decision-making on key issues.

The pastoral oversight of the charity is conducted by the archbishop in regular consultation with the Archbishop's Advisory Group – a body formed as a result of the synodal processes which comprises clerical and lay advisers from various strands within the archdiocese. This body assists the archbishop in all decisions affecting the life of the archdiocese.

The Archbishop and Trustees are also supported by a range of Independent Advisory Commissions: Justice and Peace, Liturgy and Dialogue and Unity, and Canonical bodies; Tribunal, Council of Priests and the Chapter of Canons.

The archdiocese consists of 13 deaneries, each made up of groups of parishes in each local area, in total containing 171 places of worship, extending from the Mersey to the Ribble, encompassing parts of Merseyside, Lancashire, Cheshire, Greater Manchester and the Isle of Man. The purpose of each deanery is to provide for the pastoral, sacramental and community needs of its people. All priests and deacons are accountable to the archbishop. Parish priests are obliged by canon law to act in the person of the parish¹.



They also act as the agents of the trustees of the archdiocese, who are responsible for the administration of the archdiocesan charity, which includes parish assets.

It is a further requirement of canon law that every parish should have a finance committee to assist the parish priest in the financial administration of the parish. This committee enjoys consultative status with the parish priest and its constitution is approved by the trustees.

¹ The Code of Canon Law makes a distinction between actual persons (*persona humana*) and a person (*persona nonficta*) who is a subject of rights and obligations. In the Church this means that there are individual physical persons and juridical personhoods. Canon law assigns canonical identity to various groups and entities within the Church such that they are recognised as subjects of rights and obligations, and these are referred to as juridical persons. A parish therefore is a juridical person, and it is the parish priest who acts in the person of the parish in all juridical matters, and importantly to ensure that parish goods are administered in accordance with the law. Can. 532 In all juridic affairs the pastor represents the parish according to the norm of law. He is to take care that the goods of the parish are administered according to the norm of cann. 1281-1288.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

Some Church policies are developed at a national level by the Catholic Bishops' Conference of England and Wales. The archdiocese is represented on this body by its bishops. The policies may be adopted by the trustees after considering the impact on the activities of the archdiocese.

The trustees continue to review best practice as set out in the Charity Governance Code 2020, aiming to continuously improve governance and effectiveness, and look forward to the updated version of the code expected in 2025 with its focus on ensuring transparency, accountability and efficiency in operations.

Organisational purpose

The trustees regularly review the charity's purpose and consider how it delivers public benefit as described on page 19 of this report. The trustees are satisfied that the charitable purposes of the organisation have been achieved.

Leadership

The Chief Operating Officer leads continuous improvements in governance and prioritisation, structures and processes. The charity has continued its transition to strengthened governance arrangements which include clarity of oversight of committees and subsidiary undertakings.

Governance arrangements include the regular review of the purpose of committees and subsidiaries, and constructive challenge to the Chief Operating Officer and archdiocesan officers. The ethos and culture of the charity supports its activities.

Policy committees continue to carry out detailed policy work on behalf of the trustees and to make decisions on matters delegated to them.

The Pastoral Development Committee oversees the work of the Pastoral Development Department in relation to pastoral provision for better delivery of archdiocesan mission objectives and, as far as possible, will align pastoral considerations with deployment of lay and ordained ministries. The Safeguarding Committee supports, assists and advises the trustees in discharging their duties in safeguarding, in accordance with their legal and regulatory responsibilities.

The Archdiocesan Education Committee oversees the work of the Education Department and the development of education policy and practice consistent with the Catholic faith.

An Audit Committee advises the trustees alongside the Finance Committee ensuring that there is detailed oversight of all archdiocesan financial activity and effective stewardship of resources. Subcommittees of the Finance Committee - the Investment Panel and the Building Projects Committee advise the trustees through the Finance Committee. The Property Subcommittee replaced the Building Projects Committee in July 2025.

Each of the committees is chaired by the relevant episcopal vicar, or vicar general, with further trustee representation on the individual body. The Audit Committee is chaired by an appropriately qualified trustee. The committees meet on a regular basis and their findings are recommended to the trustees or operate under trustee-delegated authority.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

Integrity

Governance arrangements include the implementation of policies and procedures which support key outcomes in maintaining the reputation of the charity and how it is perceived by other people, partnerships, and the public. Key themes in the implementation of policies and procedures include the expected standards of probity and behaviour, the requirements to operate responsibly and ethically in line with the mission of the archdiocese, and compliance with relevant guidance, whether mandatory or non-mandatory. The declaration of actual or potential conflicts of interest is included within the governance arrangements.

Decision-making, risk and control

The archdiocese reviews the arrangements for matters reserved to the trustee board and those that are delegated to archdiocesan officers, individual trustees, and committees. Compliance with the scheme of reservation and delegation is monitored and reported regularly to the Audit Committee.

Governance arrangements include the regular review of committee terms of reference. The monitoring of organisational performance is a key component of the governance arrangements and reporting includes the monitoring and management of financial and non-financial risks including departmental, subsidiary and archdiocesan risks. There is an effective process in place for the appointment and review of auditors.

Board effectiveness

The arrangements for the cycle of board meetings are reviewed as part of governance arrangements together with the information needed for trustees to fulfil their duties. The mix of skills, knowledge and experience is kept under review.

Equality, diversity and inclusion

The trustees fully understand and embrace their responsibilities regarding equality, diversity and inclusion. They recognise that a diverse trustee body brings a broader range of perspectives, experiences and insights which strengthens decision-making and governance. The board is committed to fostering an inclusive environment where all individuals feel valued and respected. In line with the Charity Governance Code, the trustees seek to identify and remove barriers that may prevent individuals from applying or participating. Recruitment processes are fair, transparent and accessible with the aim of attracting candidates who reflect the communities the archdiocese serves.

Openness and accountability

The charity is committed to developing a transparent, well-publicised, effective and timely process for making and handling complaints. This process will ensure that both internal and external complaints are managed constructively, impartially and correctly in line with best practice and the Charity Commission's expectations for accountability and governance.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

A key organisational priority is the review and development of a strategy for regular and effective communications with key stakeholders. This includes beneficiaries, donors, partners and volunteers. The aim is to strengthen trust, improve responsiveness and ensure that the archdiocese remains aligned with the needs and concerns of those it serves.

The trustees recognise that clear communication and robust complaints handling are essential to maintaining public confidence and delivering charitable outcomes. Progress in these areas will be monitored and reported to ensure continuous improvement.

Trustee recruitment and appointment

By right of office, the archbishop chairs the board of trustees. The power of appointing new or additional trustees is vested in the archbishop.

The induction process for any newly appointed trustee is tailored to the requirements of the individual and includes an initial meeting with the archbishop.

Any new trustees will receive copies of Charity Commission guidance, the minutes of the most recent trustees' meetings and a copy of the most recent statutory accounts. Ongoing training provision for all trustees is being developed.

A SharePoint site for trustees and committee members includes links to the Charity Governance Code, Charity Commission publications and guidance including *The essential trustee*, guidance on decision-making for charity trustees, internal financial controls for charities, public benefit rules for charities, and resources for meetings of the board of trustees. The SharePoint site also has trustee induction information and information relating to strategic planning and policy development, the structure of archdiocesan finances, an overview of insurance, and training documentation relating to charity trustee responsibilities.

Related parties

Various essential functions of the archdiocese are provided through subsidiary organisations. These include the commercial activities of the Metropolitan Cathedral managed by Metropolitan Cathedral Services Limited, and the operation of parish centres by Archdiocesan Parish Centres Management Company Limited. Building services for archdiocesan properties are provided by Tuneside Limited and Archdiocesan Property Services Limited.

The promotion of education standards to archdiocesan schools was undertaken by Archdiocese of Liverpool Primary Schools Improvement Trust and Archdiocese of Liverpool Secondary Schools Improvement Trust.

The promotion of education standards to archdiocesan schools was consolidated into the archdiocesan Education Department in 2023 (Primary School Improvement) and 2024 (Secondary School Improvement).

The boards of trustees of the Liverpool Archdiocesan Education Trust (1199714-3) and the Apostleship of the Sea Liverpool Archdiocesan Council (Linked charity 1199714-2) are identical to that of the archdiocese. To reflect the level of reserves under the trustees' control, the financial performance and position of these two charities are included in the consolidated accounts of the

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

archdiocese. Both charities are regarded by the Charity Commission and lined and treated as forming part of the Charitable Incorporated Organisation, Archdiocese of Liverpool.

The charitable objectives of The Apostleship of the Sea (Liverpool Archdiocesan Council) are the spiritual and temporal welfare of seafarers. The apostleship aims to achieve its objectives by working in ecumenical partnership with The Mersey Mission to Seafarers in the day-to-day operation of Liverpool Seafarers Centre.

Through the facilities and service provided from the Seafarers Centre, the apostleship gives practical and pastoral care to seafarers. The charity had £4.56M of reserves at 31 December 2024 (2023: £4.24M).

Liverpool Archdiocesan Education Trust aims to promote the charitable purposes of the archdiocese by facilitating the acquisition and holding of property for education purposes. Reserves of the charity amounted to £1.89M at 31 December 2024 (2023: £2.26M).

Global economic conditions

Global economic instability, geopolitical tensions and rising costs present significant financial and operational pressures including the cost of energy and construction related expenditure, inflationary pressures on supply chains and donors. The archdiocese will continue to develop appropriate financial strategies to mitigate the risks of these uncertainties.

Risk Management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems are in place to mitigate exposure to the major risks.

The top ten risks to archdiocesan objectives, mitigations and actions were considered by the Audit Committee and reported to trustees during 2024 including:

	Top Ten Risks	Operational	Financial	Reputational
1	Well-being of Priests	✓		✓
2	Engagement of Young People	✓		✓
3	Budgetary control	✓	✓	
4	Investment Policy		✓	✓
5	Trading activities		✓	
6	Administration of property	✓	✓	✓
7	Emergency preparedness	✓	✓	✓
8	Systems, IT and Cyber	✓	✓	✓
9	Statutory and regulatory compliance	✓	✓	✓
10	Recruitment and retention	✓	✓	

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

Other significant risks were considered by the Audit Committee and reported to trustees during 2024, with key themes set out below.

	Other Risks	Operational	Financial	Reputational
11	Annual Report and Accounts	✓	✓	✓
12	Banking	✓	✓	✓
13	General and Fire Risk Assessments	✓	✓	✓
14	Rough Park Quarry		✓	✓
15	Legal Risk Register	✓	✓	✓
16	Surveying and Property	✓	✓	✓

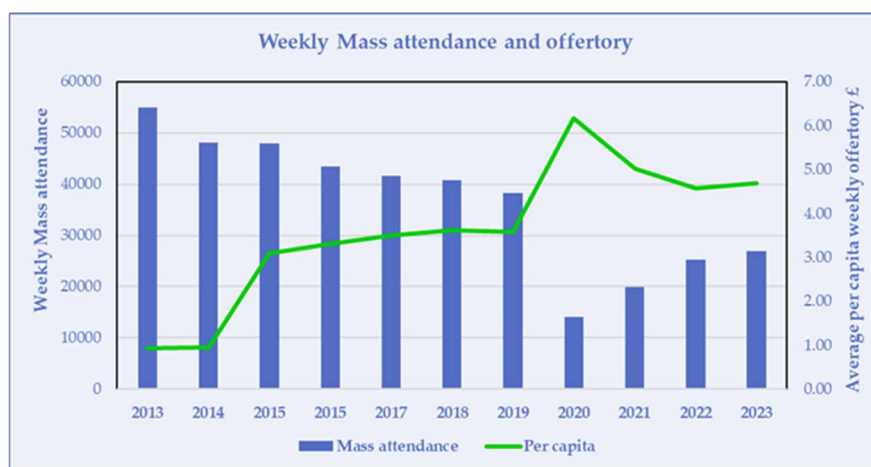
While the average weekly Mass attendance of 28,409 for 2024 (2023: 26,907) reflects a 5% increase on 2024, the underlying trend continues to be down, with a decline from the 85,357 reported in 2000.

Average Mass attendance is usually calculated from the average of the Mass attendance each Sunday in October as submitted by each parish priest to the Chancellor of the archdiocese.

The average age of parish congregations is generally increasing, and the proportion of younger people is reducing. A key aspect of outreach to young people continues to be the work carried out by Catholic schools and the Animate youth ministry team, based at Lowe House, St. Helens, across the archdiocese and beyond.

The impact of the declining number of active parishioners and total clergy is being addressed through the recommendations of Synod 2020 that have been incorporated into the pastoral plan that was published in Advent 2021.

The vocations director appointed by the archbishop runs events around the archdiocese to help develop vocations to the priesthood and religious life for those people yet to decide whether to embark on ministerial formation.



Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

The Archdiocese of Liverpool remains firmly committed to safeguarding the health and safety of all individuals who engage with the Church through parishes and buildings. The identification and management of potential risks has continued throughout 2024 as part of the archdiocesan health and safety risk assessment process.

Risk assessment is a key component of this process, and the trustees have employed a range of techniques and procedures to ensure that all foreseeable risks are appropriately assessed and mitigated. This proactive approach reflects the trustees' ongoing responsibility to provide safe and welcoming environments for parishioners, staff, volunteers and visitors alike.

The trustees continue to review and strengthen health and safety practices in line with evolving standards and best practice, ensuring that the duty of care is upheld across all areas of archdiocesan activity.

Robust regulatory compliance processes are in place across all parishes and properties covering key areas including asbestos management, confined spaces, water hygiene, fire safety and first aid. Regular quinquennial reports, parish building inspections and parish health and safety risk assessments are integral to the preventative approach.

Efforts to strengthen the reporting of accidents have progressed with improvements made to the process of notifying the designated Health and Safety Coordinator. In the event of serious incidents, site visits are conducted without delay, and all notifiable incidents are reported to the relevant statutory authorities in accordance with legal requirements.

Communication remains a vital part of archdiocesan health and safety strategy. Regular newsletters are distributed to all parishes providing updates, guidance and reminders of best practice. In addition, quarterly health and safety reports are reviewed by the Health and Safety Committee and presented to the trustees, ensuring appropriate oversight and governance.

Objectives and activities

The objects of the charity are the advancement of the Roman Catholic religion in the archdiocese in such ways being charitable as the archbishop shall from time to time direct and for the service and support, whether in the archdiocese or outside the archdiocese in such ways as aforesaid of any lawful charitable purposes whether educational or otherwise promoted or supported by the Roman Catholic church.

Achievements and performance

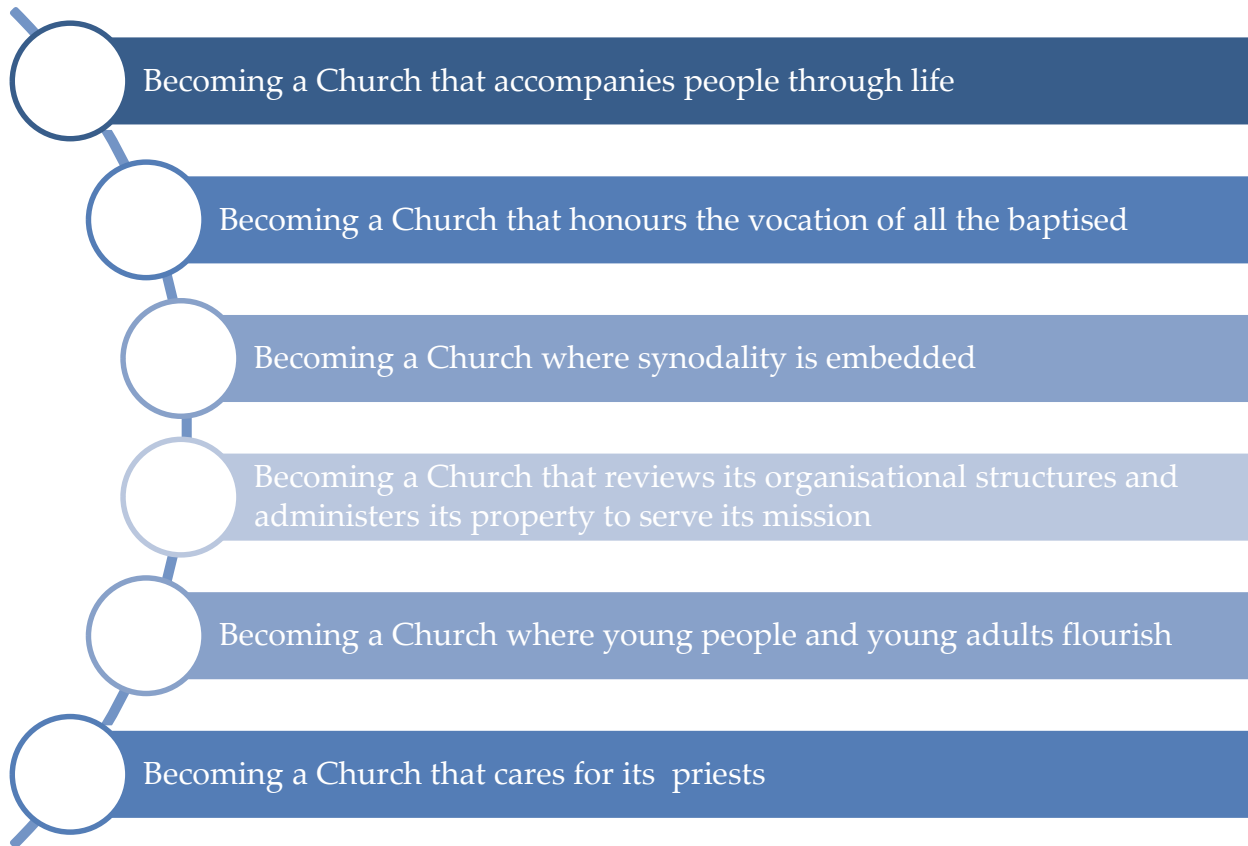
The charity fulfils its objects by offering religious and pastoral services, educational programmes, and charitable support and assistance both within and outside the Archdiocese to Catholics and others.

The Pastoral Plan was published on the first Sunday of Advent in 2021 and the archdiocese recognises that the plan represents the hopes and dreams of the local Church.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

The plan comprises three sections:

- Christ at the centre – our theological underpinnings
- Four signposts to the future
- Six areas of development:



In response to Synod recommendations, the Archdiocese of Liverpool commenced the implementation of a new structure called Families of Parishes with a plan to group all parishes into families of three to six over a period of two years, sharing clergy, lay pastoral workers and resources. The model promotes collaboration, mission focus and better stewardship.

Groupings of the families of parishes are discerned by the Deanery Synodal Council, supported by archdiocesan staff and approved by the archbishop.

Families will remain within Deanery boundaries and be formed based on collaborative potential and mission alignment.

Each Family of Parishes may include various combinations of priests, deacons and pastoral workers. Parishioners will remain part of their own communities whilst benefitting from shared leadership, increased access to Sacraments and improved ministry support.

Parishes will retain their identities unless local discernment suggests otherwise. Decisions about merging or closing worship spaces will be made by each Family, guided by the Pastoral Plan and supported by the archdiocese.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

The Parish Toolkit provides a structured approach to support the formation of Families of Parishes across the archdiocese. It is designed to guide parishes through a synodal process of discernment, collaboration and mission alignment.

Stage one focuses on the compilation of a comprehensive Parish Profile including:

- ❖ Parish groups and activities
- ❖ Mass attendance and demographic area
- ❖ Community audit and local resources
- ❖ Parish boundaries and environmental footprint
- ❖ Communications and IT infrastructure
- ❖ Financial and personnel resources
- ❖ Parish mission, vision and priorities
- ❖ Analysis to identify strengths, opportunities, aspirations and results (SOAR)

Stage two involves Deanery Synodal Councils exploring leadership models and facilitating deanery-wide conversations. These include shared celebrations, open meetings and pilot models for collaboration.

The toolkit encourages parishes to reflect on their identity, assets and mission, and to engage in meaningful dialogue with neighbouring communities. It includes practical templates for audits, environmental checklists and communication mapping supporting informed decision making and strategic planning.

The SOAR framework promotes a positive, forward-looking approach to planning, helping parishes align their strengths with opportunities and set measurable floats for the future.

This toolkit is a key resource in the Archdiocesan journey towards more collaborative, mission-driven parish structures.

Strategic actions that arose from a strategy day held in September 2024 included:

- ❖ Accompaniment – a multi-agency group initiated to embed accompaniment across archdiocesan life. Engagement with the Million Minutes Proximity Project and other existing models was renewed.
- ❖ Lay ministry – Alumni of the Loyola Course and Pastoral Associates programme were brought together to draft a document outlining pathways for lay employment, recruitment, formation and training.
- ❖ Synodal Working – a pilot project was launched at the St. Margaret Clitherow Centre to introduce synodal practices among staff, governance, clergy and laity. The initiative aims to embed synodality and explore its wider impact.
- ❖ Resources and Mission – A archdiocesan-wide conversation began on the future use of buildings and resources led by the Deans. GIS and data systems are being used to support mission-focused decision-making.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

- ❖ Youth engagement – Recruitment for the youth post prioritised the establishment of a Youth Council. Links were developed with the Bon Secours Young Adult project and chaplaincy opportunities in Catholic Multi-academy Trusts were explored.
- ❖ Clergy Support – Support for clergy during times of change was strengthened through wellbeing initiatives and formation programmes. Training in change management was introduced and deanery-level support enhanced.

The Archdiocesan Synodal Council met for the second time in November 2024 with delegates from across the archdiocese meeting at the St. Margaret Clitherow Centre. Every Deanery was represented by clergy and laypeople, both in-person and online. Invited ecumenical brothers and sisters and representatives from various archdiocesan bodies were also present.

Archbishop Malcolm McMahon OP blessed the day and spoke about Cardinal-elect Timothy Radcliffe who had held up Liverpool as an example of a diocese that is living synodally. Discussions about the outcomes of the Strategy Day meeting in September and questions and statements proposed by the Deanery Synodal Councils were discussed at tables. Each Deanery had the chance to present their findings. Archbishop Malcolm ended the day with the ultimate question 'What does what I do tell me about God?.'



Catholic Social Action coordination focused on deepening parish engagement, expanding environmental initiatives and strengthening partnerships across the archdiocese. Key achievements included the rollout of carbon footprint assessments for 424 buildings, the establishment of an Environment and Sustainability Committee and the successful delivery of Care for Creation workshops, supported by a growing team of trained volunteers.

Social action initiatives extended beyond individual parishes to deanery-wide collaborations, with notable progress in racial justice, housing and ecumenical outreach. The 'Welcoming Parishes' programme and racial justice workshops engaged over 170 participants, leading to the formation of a working group and increased awareness across schools and clergy.

The Social Action Network grew significantly; hosting five major events and connecting over 300 subscribers. Partnerships with organisations such as St. Vincent de Paul and the Santa Marta Group supported systemic change in areas such as housing and refugee support.

The archbishop's pastoral letter on the environment and increased storytelling through media helped to amplify the Church's voice on social justice.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

Recommendations for the coming year include continued investment in environmental strategy, volunteer development and the integration of social action into pastoral planning. The report highlights the importance of creating conditions for people to do good and building a Church that listens, acts and speaks out against injustice.

Financial Performance

The net movement in the funds of the group from parochial and curial activities is summarised below.

	2024 £000s	2023 £000s
Net expenditure	(6,272)	(11,159)
Unrealised gain/(loss) on investments	2,889	5,888
Revaluation of investment properties	8,527	6,761
Net income	<u>5,144</u>	<u>1,490</u>

Donors continued to adopt alternative methods of giving such as online donations and standing orders.

Overall staff numbers have reduced by 5%, driven mainly by a reduction in staff numbers in parish centres.

Voluntary income

Parishioners continue to generously support their parishes, with long term initiatives such as the 'Responsible Giving Campaign' contributing to the strength of parish finances. The scheme is implemented by small teams of volunteer parishioners and the campaign highlights the rising levels of costs faced by parishes, and encourages individuals to increase their giving, highlighting potential to increase the value of regular donations through the Gift Aid scheme which allows the archdiocese to claim an extra 25p for every £donated by taxpayers at no extra cost to the donor. Parishes undertaking a responsible giving campaign have experienced sustained increases in giving. The potential of responsible giving campaigns remains a key priority for the archdiocese to maintain the effectiveness of donation levels whilst also trying to avoid 'fundraising fatigue' for parishioners.

Offertory income amounted to £6.10M (2023: £5.5M), demonstrating further recovery from 2020 levels but below the level of giving reported in 2019 (£5.78M).

The value of legacies received by the archdiocese was £0.71M (2023: £0.97M). Legacies were reported in 30 individual parishes in 2024 (2023: 26). The Priests' Training Fund, cathedral and individual parishes continue to benefit from the generosity of parishioners through income and bequests.

Parishioners responded to appeals and special collections during the year with £1.00M received (2023: £1.03M), and external charities including CAFOD benefitting from the income generated.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

Fundraising activities

The activities of parish centres are consolidated within Archdiocesan Parish Centres Management Company Limited (APCMC). Parish centre buildings remain a valuable resource to parishes and the wider community with 34 centres continuing to trade.

The commercial activities of the Conference Centre in the St. Margaret Clitherow Centre were streamlined following the restrictions imposed by the pandemic and the building was used for archdiocesan and external groups without dedicated conferencing and hospitality support. Demand for facilities has continued to increase and this is kept under review to optimise potential income generation opportunities.

Tuneside Limited and Archdiocesan Property Services Limited manage archdiocesan building projects, and the activities of the subsidiaries support the cost-effective management of building projects for the benefit of parishes and schools.

Investment policy and performance

The charity's constitution includes the power to deposit or invest funds, employ professional fund-managers, and arrange for the investments or other property of the charity to be held in the name of a nominee, in the same manner and subject to the same conditions as the trustees of a trust are permitted to do so by the Trustee Act 2000.

The archdiocese is committed to aligning investments to build a better, more just, and peaceful world, with the contribution of all: people and institutions.

The archdiocese investment objective is to achieve a total return to preserve capital in real terms with an annual return to the archdiocese from dividends and interest or realised capital growth as required. The archdiocese aims to generate a return over the long term of 4% above the rate of inflation as measured by the Consumer Price Index (CPI).

The archdiocese has a long-term time horizon at a minimum of an investment cycle of around 5 years, and this is reflected in the trustees' attitude to investment risk. The trustees recognise the risks associated with investment in mainstream investment markets and accept this in return for the prospect of additional returns over longer periods of time. Asset allocations are communicated to investment managers with minimum and maximum preferred percentages.

The purpose of archdiocesan investments is ultimately to support the achievement of the objects of the charity and to deliver the pastoral plan and six areas of development. The trustees also have regard to their civil law duties relating to the administration of the charity's assets and have particular regard to Catholic Social Teaching. The archdiocese defines responsible investment as:

“The purposeful integration of the mission and teachings of the Catholic Church, and environmental, social and corporate governance (ESG) considerations into investment management processes and ownership practices.”

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

The responsible investment policy includes a range of exclusions and restrictions which filter out investments on the grounds that they are not consistent with the mission and teachings of the Catholic Church. Investment managers use the services of bodies such as the Investor Responsibility Research Service in endeavouring to ensure compliance with archdiocesan policy. The Investment Panel has delegated authority from the trustees to set performance targets and to assess the actual performance of the investment managers against benchmarks, with advice from a specialist firm of investment advisors.

The archdiocesan investment portfolio is split into two separate portfolios managed by different investment managers and representatives of the investment managers meet periodically with the Investment Panel, who assess their relative performance against benchmarks.

Investment income generated by the investment managers of the unitised portfolio was £2.61M (2023: £3.09M). The charity reported an unrealised gain on investments of £8.53M (2023: Gain £5.9M).

All archdiocesan bank accounts are included within the offset banking system. After daily consideration of commitments and expenditure patterns, archdiocesan personnel evaluate the cash requirements, the balance being placed in a variety of cash deposits with institutions approved by the trustees.

The investment objective in respect of cash management is to maximise income from cash balances whilst ensuring sufficient liquidity to meet the daily operating requirements and to facilitate the timely payment of liabilities.

Investment properties

The archdiocese sold several assets that were no longer being used as functional church properties and reported a realised gain on disposal of properties of £0.01M (2023: loss £0.17M). The trustees have retained a portfolio of properties no longer required for functional purposes to generate a rental income for individual parishes. A cyclical valuation programme is operated by the trustees and revaluations created an unrealised gain of £2.89M (2023: £6.8M).

Charitable activities and public benefit

The charity aims to satisfy its objects, the advancement of the Roman Catholic religion in the archdiocese, in such ways being charitable as the archbishop shall from time to time direct. Charitable activities in the archdiocese and outside the archdiocese may cover any lawful charitable purposes whether educational or otherwise promoted or supported by the Roman Catholic church.

In planning its charitable activities, the trustees of the archdiocese carefully consider the Charity Commission's general guidance on public benefit.

Success is measured in different ways according to the various activities of the archdiocese. The archbishop has oversight of the whole archdiocese, achieved through visitations to parishes and schools and through the wider knowledge and reviews of the activities of the organisation.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

Pastoral work

The celebration of Mass in parishes within the archdiocese was attended by an average weekly congregation of 28,409 in 2024, contributing to the nurturing of faith. As the place where parishioners accompany each other and those in their wider community, the parish church provides a sense of shared purpose and contributes to the spiritual well-being of society and the public in general.

For the second year, children preparing for their First Holy Communion were asked to design a special badge representing what this means to them. All children in the archdiocese receiving their First Holy Communion will receive a badge with the winning design, as a memento of their special day.

Many activities coordinated through parishes are focused on the needs of the vulnerable, at home and abroad, and significant collections are undertaken on behalf of charities such as Nugent, CAFOD, foodbanks, and for national disaster appeals and those affected by conflict.

The pastoral work of the archdiocese extends through chaplaincy provision to create a welcoming Catholic community and support to those in universities and hospitals within the archdiocesan geographical area.

Chaplaincy for those facing serious life challenges within prisons provides spiritual care and a listening presence in times of grief, loneliness or regret, and encourages reflection on personal responsibility and reconciliation.

Regular and extensive pastoral visiting to the sick and dying at home and in nursing homes is undertaken by clergy and trained lay people, affirming the dignity of the sick and dying and providing the administration of the sacraments, and spiritual care for family members and loved ones.

Parishes are supported by the work of the archdiocesan Pastoral Development department and other centrally funded departments and initiatives facilitate and encourage work in the local community.

The miraculous cure of John 'Jack' Traynor on the first official Liverpool pilgrimage to Lourdes was recognised officially on the 8 December 2024, The Feast of the Immaculate Conception. Jack Traynor was a pilgrim to Lourdes in 1923 and was cured dramatically of epilepsy, paralysis of the right arm and paraplegia, the legacy of injuries suffered during the First World War. Father Michel Daubanes, rector of the sanctuary in Lourdes, announced the declaration of the miracle during the French Rosary at the Grotto.

Jack Traynor's miraculous cure is the 71st official miracle to have happened in Lourdes and is the first recognised miracle involving a person from England.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

A special 'Stand with Ukraine' event took place on 24 February 2024. The vigil began at 1pm in the gardens of Liverpool Parish Church where those gathered heard prayers and readings by speakers of various Christian denominations and faith traditions. One hour later, a rally began at the Sugar House steps at Liverpool One, with marchers proceeding into the city centre, parading a 24-metre Ukrainian flag along a route that concluded at St. Luke's Church. The Metropolitan Cathedral was the setting for a sung Mass led by Cardinal Michael Fitzgerald and concelebrated by Canon Tony O'Brien, dean of the cathedral and Father Sean Riley.

Opportunity for the lighting of candles and a period of prayer and reflection followed the Mass.

The archdiocesan Department of Education, through the Christian Education section, provides support for the faith formation of pupils and staff by integrating Catholic teaching in the curriculum. Staff training, professional catechetical and liturgical support and statutory religious education inspections are provided to schools, supporting the development of a school community informed by Gospel values.

A dedicated team of residential youth workers under the direction of the archdiocesan youth chaplain is deployed strategically across parishes and schools, directly engaging with over 10,000 young people each year in the life and mission of the Church. Their work focuses on meaningful encounters through sacramental preparation, youth events, pilgrimages and school missions. This work provides young people with peer support, leadership and participation and engages young people in service both within the Church and the wider community.

The Liverpool Archdiocesan Missionary Project (LAMP) has supported missionary work abroad for over four decades. Priests have undertaken work to attend to the needs of individuals within parishes administered by archdiocesan priests operating in Latin America. The investment income derived from restricted investments and legacies currently supports the daily activities and pastoral work of the priests with the emphasis on catechesis and the support of medical aid and some of the property needs in their parishes.

Clergy support

At the local level, priests play a vital role in guiding, coordinating, and carrying out the mission of the Church, while helping to bring the archdiocesan strategy to life. In addition to celebrating Mass, they administer the sacraments of baptism, marriage, and funeral rites, offering spiritual care. The priests and deacons of the archdiocese are also dedicated to supporting the sick, the dying, and their families, through regular visits and the comforting presence of the sacraments.

Although priests do not formally retire, they may step down from the full responsibilities of office when they reach the age of 75 or sooner, should their health require it. As the number of 'retired' priests continues to grow, the demands on the George Andrew Fund, which provides for their living needs, will naturally increase, and the fund's balance will gradually diminish. To support this important work, the George Andrew Fund levy, drawn from parish donations and income, helps provide essential financial assistance to priests who are unwell or have stepped down from office.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

Several properties within the archdiocese have been converted and refurbished to provide a greater variety of accommodation options for retired priests. An annual parish collection, titled 'Provision for Priests in Retirement,' continues to be generously supported by parishioners. The proceeds from this collection play a crucial role in meeting the future costs of converting and maintaining these properties and are kept separate from the George Andrew Fund.

In 2024 the archdiocese had five students preparing for the priesthood. The proceeds of another annual parish collection, along with legacies and specific donations to the Priests' Training Fund, help to cover the costs of their education and ongoing formation.

Education

Education has always been at the heart of the Catholic mission. The approach to education taken in the archdiocese is that set out in canon law: education must attend to the formation of the whole person in moral and spiritual terms, and at the same time promote the common good of society.

The archdiocese provides a network of schools across a wide and disparate geographical area embracing eight local education authorities and the Isle of Man. The Education Department ensures that there is a place available for every baptised Catholic child in its schools. It aims to care for children and young people in such a way that their physical, moral and intellectual talents develop such that they attain a greater sense of responsibility, an understanding of the right use of freedom and are formed to take an active part in public life.

External reports give testament to the enduring quality of archdiocesan schools which celebrate the uniqueness of the individual and offering mutual support for the common good in society.

The Religious Education Directory implementation continued with the aim of full rollout in schools by September 2026. The Education Department focussed on the launch of the Prayer and Liturgy Directory *'To Love you more dearly'*. An inspection framework was developed for schools with a joint faith foundation. A review of training and formation events was undertaken to identify and address gaps with the production of a brochure for schools with training that will be offered. Formation is offered to all groups including teachers, chaplains, Religious Education leads, headteachers and Chief Executive Officers, Governors and Directors and Clergy with liaison between the Education, Pastoral Development and Communications teams.

Governance in schools was identified as a priority with a focus on training for directors and governors alongside a recruitment strategy. Training delivered includes complaint handling and suspensions and exclusions.

Through the School Projects Fund, the archdiocese approved 96 individual capital and repair projects to the value of £9.61M (2023: 223 projects, £17.03M). The projects were financed through several different funding sources including the Department for Education (DfE) Voluntary-Aided Schools Condition Allocation (VASCA) which can be used for repairs, refurbishments, and upgrades to school infrastructure including health and safety improvements. An education estates review commenced during 2024.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

The archdiocese has ultimate control over the allocation of grant funding to individual schools, and these monies are included as income in the Statement of Financial Activities. VACSA funded projects require a 10% contribution from the archdiocese which can only be achieved with the generous support of parishioners and parents who contribute to the annual school levy collection. The School Projects Fund benefitted from £0.67M (2023: £0.53M) of donations from parents via archdiocesan schools.

School facilities are also supported by the government Devolved Formula Capital (DFC) Allocation, which includes a fixed lump sum per school together with an amount per pupil. Funding can be used for long-term capital investments such as building repairs, ICT upgrades and furniture and equipment upgrades.

Most schools in the archdiocese opt to pay their DFC allocations into an archdiocesan bank account within which they are maintained on an individual basis until they are drawn down by the school. At the year end, the archdiocese was holding £8.07M (2023: £9.67M) on behalf of schools. The review of school buildings across the archdiocese was undertaken with support from external area surveyors and the DfE, including investigations and opening up works to confirm construction methods, and focussing on those built during the period when reinforced autoclaved aerated concrete (RAAC) was used. No RAAC was found in archdiocesan schools.

Through the Schools' Voluntary Contribution Scheme, the archdiocese can offer an enhanced level of support to schools. Contributions of £0.18M (2023: £0.27M) from archdiocesan schools enabled the Education Department to support the development of leadership teams and advise on selection and appointment processes through effective induction in-service and advanced programmes of training following appointment.

Property

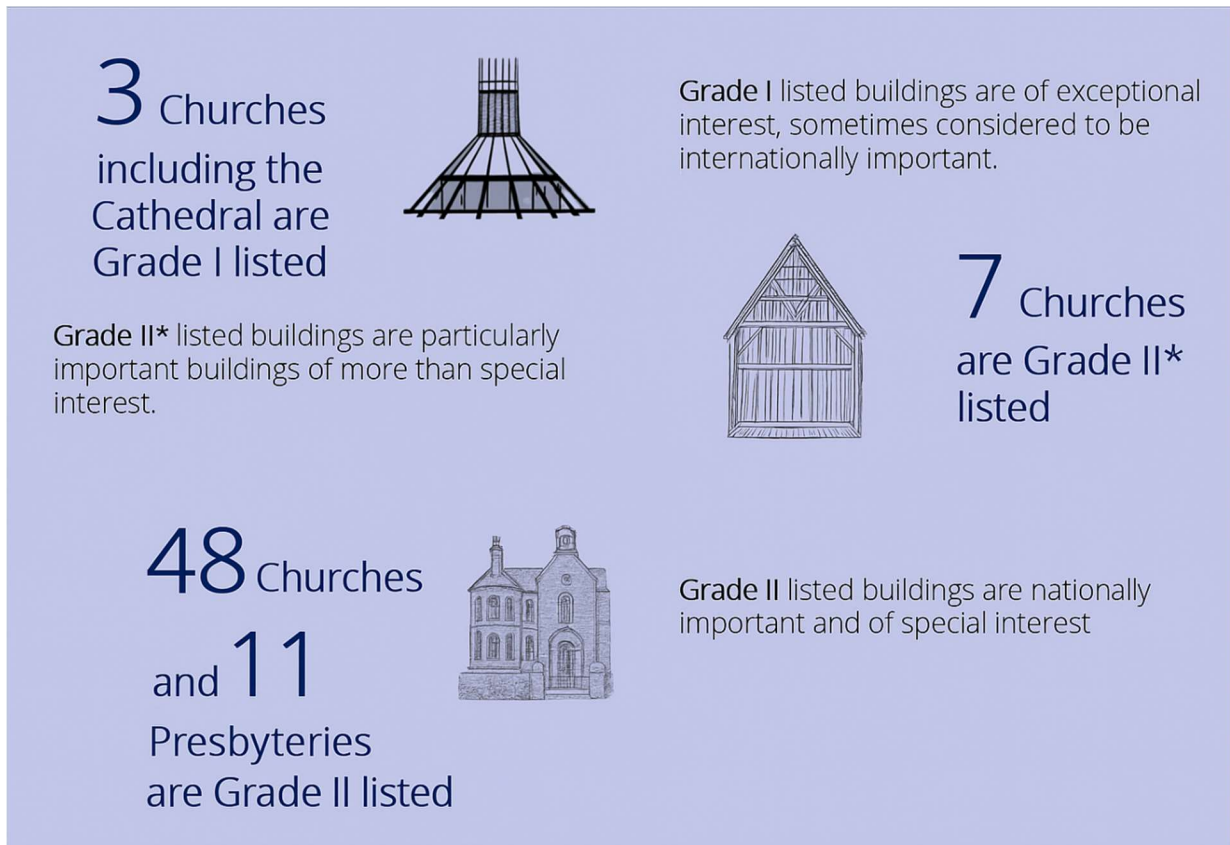
Archdiocesan churches and other properties are built in various architectural styles. Listed building status is shown below. Maintaining and refurbishing these properties requires expertise across multiple disciplines to ensure work is carried out with technical and financial proficiency.

A comprehensive health and safety programme is in place, alongside measures to ensure statutory compliance for all archdiocesan properties.

Property costs remain the most significant area of parish expenditure, totalling £9.09M in 2024 (2023: £8.3M). This includes £4.99M spent on repairs and maintenance (2023: £3.71M). Financial oversight is exercised through the Finance Committee, which reviews and recommends repair projects exceeding £5,000 to the trustees. Procurement processes ensure that building projects provide good value for money.

The structured maintenance and repair programme ensures that churches and parish halls remain open and accessible, benefiting the community not only spiritually but also practically through pastoral care and various parish-led activities.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024



Employees

The employees of the Archdiocese of Liverpool play a vital role in its mission and daily operations. Archdiocesan activities are communicated to staff through multiple channels, including email, the intranet, and regular meetings that address both general and specific matters.

The Staff Association, representing all areas of employment within the archdiocese and its subsidiaries, ensures that employee wellbeing remains a key priority in decision-making. It serves as a forum for discussing employment, health and safety, and social matters while also providing trustees and senior management with opportunities to consult on proposed strategies, policies, and guidance. Employees are encouraged to share their ideas and raise any concerns.

The archdiocese is committed to inclusive employment practices, considering job applications from disabled persons based on their aptitudes and abilities. Support is provided for employees who become disabled during their tenure, including opportunities for retention and retraining. Equal opportunities are also offered for training, career development, and promotion.

A range of employee benefits were introduced during the year including the Cycle to Work Scheme which encourages employees to cycle to work, promoting healthier lifestyles and reducing environmental impact. The scheme operates through a salary sacrifice arrangement. A scheme allowing employees to purchase up to 5 additional days annual leave per year (pro-rata for part-time employees) was introduced in April 2024.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

Annual pay adjustments are reviewed by the trustees, with periodic evaluations of job roles and remuneration. Benchmarking is applied when creating new positions or filling significant vacancies to ensure fair and competitive compensation.

Grants

The archdiocese is not primarily a grant-making charity. A small number of discretionary grants were made by the trustees to contribute towards the costs of initiatives run by other charities where their objects correlated with those of the archdiocese. Further information on this can be found in note 18 to the accounts.

Plans for future periods

The advent of a jubilee year for the Church in 2025 provides a fresh and much-needed source of light and optimism. This was the hopeful message from Archbishop Malcolm McMahon as he looked ahead to the beginning of this latest jubilee in the Church's history. The theme for the 2025 jubilee is 'Pilgrims of Hope'. Along with the annual archdiocesan pilgrimage to Lourdes, there is a pilgrimage being planned from Liverpool to Rome in November 2025. There will also be pilgrimage walks within the archdiocese. Another highlight of the year will be a planned follow-up event to September 2024's Adoremus.

The strategic direction of the archdiocese continues to be shaped by the proposals that emerged from the Synod, as outlined in the pastoral plan released at the start of Advent 2021. At the heart of this vision is the call to become a Church that accompanies people through life. The Synod identified evangelisation as the key priority, urging the archdiocese to look outward and embrace a mission of accompaniment. This commitment is expected to influence every aspect of archdiocesan life, ensuring the Church walks alongside people in their joys, hopes, griefs, and anxieties.

To honour the vocation of all the baptised, the archdiocese aims to be bold and creative in celebrating Christ's call and supporting people in their response. The trustees recognise the importance of fostering the gifts of the baptised and exploring new leadership models that engage with the realities of contemporary life. This approach seeks to strengthen collaboration and embed the principles of synodality.

The archdiocese will continue to build on the parish development strategy which launched, as a pilot, in the three Sefton deaneries in March 2025. Pastoral data with information relating to the past 7 years and a series of audit questions were circulated alongside a buildings review and environmental audit. A parish development tool which is set out to align to the six areas of the Pastoral Plan, was circulated to parishes as a discernment tool. Once these stages are completed, local discernment about what is needed in the future will then be shared with the archbishop and his committees for decision making and the development of an implementation timetable.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

The need to improve engagement with younger priests and proactively reach out and support priests was identified with a mentoring programme and expansion to the reflective pastoral practice programme becoming part of the planned work for caring for priests.

Following the recruitment of a Youth Ministry Coordinator, initial plans include an audit of current youth engagement to inform the work in this area.

Capital investment in schools and colleges will remain a priority, ensuring the maintenance and improvement of facilities.

Education Department officers will continue advocating for Catholic schools at both local and national levels to secure necessary funding and resources. While demand for places in archdiocesan schools remains high, there is strong confidence that Catholic children can access a local Catholic education. The archdiocese will continue reviewing admissions policies to sustain strong and viable schools while working within statutory frameworks to manage expansions or closures as needed.

Additionally, the archdiocese will continue to support schools ensuring robust governance, operational efficiency, and a continued focus on high-quality Catholic education.

Reserves Policy

On 31 December 2024, the group funds were:

	2024 £000's	2023 £000's
Restricted funds	34,535	29,873
Unrestricted funds: - general	97,805	95,689
- designated	85,956	87,590
	218,296	213,152

Restricted funds represent unexpended balances from collections, donations, legacies, and grants restricted by donors to specific purposes including the Priests' Training Fund and Foundation Mass capital.

Balances on specific building projects at the Metropolitan Cathedral represent amounts of grant-aid and other financial support invested in the fabric of the building. A breakdown of amounts restricted is given and the purpose of the restrictions is explained further in note 15.

Designated funds have been set aside by the trustees for several purposes including school projects, central funds, the George Andrew Fund, and the Metropolitan Cathedral.

To ensure that the reserves of the George Andrew and 2021 funds are enough to support priests in retirement, periodic actuarial reviews are undertaken. The 2021 Fund was set up as a successor to the George Andrew Fund in anticipation of an increase in the number of clergies needing retirement support from 2021 onwards.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

The most recent review confirmed that the level of reserves held was adequate to meet the likely future costs of retirement. At December 2024 reserves of these two funds amounted to £16.90M (2023: £16.46M).

Reflecting the long-term nature of the support provided by these two designated funds, the level of reserves that would otherwise be classified as freely available is more than the general target set for other funds of the archdiocese.

The central funds of the archdiocese which have been designated to meet the costs of central archdiocesan initiatives and support costs were £42.32M on 31 December 2024 (2023: £46.53M). The assets of the funds are primarily investment property and holdings in the unitised investment portfolio. The income generated from these investments contributes to meeting the costs of centrally coordinated charitable activities and the support and governance cost obligations of the charity. The level of reserves held ensures that parishes are not required to contribute to central costs by way of an annual levy.

Although collectively our parishes are financially secure, those parishes without sufficient reserves rely on the offset banking system. The offset banking system continues to ensure that those parishes with limited resources are spared the additional cost of interest charges on bank overdrafts and builds on the Church's values of solidarity with the poor and supporting the common good.

The level of aggregated reserves held for general parish purposes is broadly consistent with that of the rest of the archdiocese. The collective reserves of parishes have exceeded the target set by the trustees. Around 48% of parishes are managing their activities without any freely available reserves. Reserves in another 46 parishes (2023: 32 parishes) are below the overall target of 36 months' expenditure.

The level of freely available reserves is ordinarily determined as the amount of total unrestricted (including designated) funds less fixed assets as these assets could not be realised without undermining the work of the archdiocese. Typically, this reserve figure is expressed in terms of monthly expenditure.

Under this definition, the level of reserves freely available to spend on any or all of the charity's purposes amounted to approximately 37 months expenditure (2023: 40 months).

The trustees consider that an overall level of reserves, inclusive of designated funds, equating to 37 months expenditure is sufficient to enable the charity to fulfil all of its obligations and commitments. While investment volatility has contributed to a change in the levels of reserves it is felt the excess of reserves over 36 months is acceptable in the short to medium term. The trustees' expectations in respect of the desired levels of reserves in the longer term remain realistic.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

The level of net current assets held by the archdiocese amounted to £4.8M (2023: £5.3M) and represents 1.64 months (2023: 2.56 months) of expenditure on 31 December 2024, which is somewhat less than the trustees consider appropriate.

Taking into consideration the specific demands in respect of designated funds set aside by the trustees for specific purposes, the trustees consider any meaningful target for reserves to meet general expenditure should exclude these funds.

Freely available reserves:	2024	2023
	£000s	£000s
Unrestricted reserves Curial	897	1,520
Unrestricted reserves Parochial	96,908	94,169
Less:		
Tangible assets Curial	(17,613)	(17,282)
Tangible assets Parochial	(38,923)	(37,450)
Freely available reserves	41,269	40,957
Unrestricted expenditure Curial	11,435	11,000
Unrestricted expenditure Parochial	15,131	13,932
Total unrestricted expenditure	26,566	24,932
Monthly expenditure	2,214	2,078
Months of freely available reserves	18	19

A target level of reserves of between 24 and 30 months expenditure, while preserving liquidity with net current assets of between 4 and 6 months expenditure, is considered appropriate. The archdiocese held 18 months of freely available reserves at 31 December 2024 (2023: 19 months). The trustees continue to include consideration of reserves, and the level of net current assets on the schedule of risks which is reviewed regularly.

Going concern

In preparing the financial statements, the trustees are required to prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation. In satisfaction of this responsibility the trustees have considered the charity's ability to meet its liabilities as they fall due for a period of at least 12 months from the signing date of the financial statements.

The trustees conclude that it remains appropriate to prepare the financial statements on a going concern basis.

Volunteers

The trustees acknowledge the hard work of so many volunteers in our parishes who help in financial and property administration and also those who are involved in a variety of roles that

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2024

assist in the life and service of the Church and trust and the wider society. They wish to thank them all for all their hard work and dedicated commitment to these aspects of the life of the Church. The monetary value of the volunteers' time is impossible to quantify.

In summary, the overall picture is one of consolidation and improvement of existing resources. The trustees are determined in response to archdiocesan needs and priorities to preserve the level of reserves and maintain commitments to existing services, whilst also being able to periodically consider new initiatives in line with the pastoral plan.

Auditor

In respect of each trustee at the date the trustees report is signed:

- So far as we are aware, there is no information needed by the charity's auditor in connection with preparing their report (relevant audit information) of which they are unaware, and
- As the trustees of the charity, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Signed on behalf of the trustees.

A handwritten signature in black ink that reads "Graeme M. Dunne .". The signature is written in a cursive style with a large initial 'G' and a period at the end.

Rev Graeme Dunne

23 October 2025

Archdiocese of Liverpool
Statement of Trustees' Responsibilities
For the year ended 31 December 2024

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

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

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Independent Auditor's Report to the Trustees of the Archdiocese of Liverpool

Opinion on the financial statements

We have audited the financial statements of the Archdiocese of Liverpool for the year ended 31 December 2024 which comprise the consolidated and charity statement of financial activities, the consolidated and charity balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 group's and of the parent Charity's affairs as at 31 December 2024 and of the group's net movement in funds 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 have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 and group 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 related 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 Group and the Parent 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.

Archdiocese of Liverpool
Auditor's Report
For the year ended 31 December 2024

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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the Parent Charity; or
- the Parent Charity 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 statement of trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent 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 Group or the parent Charity or to cease operations, or have no realistic alternative but to do so.

Archdiocese of Liverpool
Auditor's Report
For the year ended 31 December 2024

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Canon Law, employment law, safeguarding regulations and Charity Law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Charities Act 2011 and Charities SORP.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.
- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias; and
- Testing a sample of income throughout the year to supporting documentation.

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

Archdiocese of Liverpool
Auditor's Report
For the year ended 31 December 2024

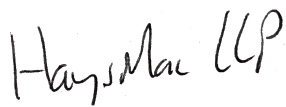
we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 section 144 of the Charities Act 2011 and regulations made under section 154 of that act. 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.



HaysMac LLP

Statutory Auditors

Date: **31/10/2025**

10 Queen Street Place

London

EC4R 1AG

HaysMac LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Archdiocese of Liverpool
Consolidated Statement of Financial Activities
For the year ended 31 December 2024

	Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Parochial Restricted Funds £000's	TOTAL Parochial Funds £000's	Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	TOTAL Curial Funds £000's	TOTAL 2024 £000's
INCOME FROM										
Donations and legacies										
Collections and donations	3.1	9,905	670	997	11,572	298	10	34	342	11,914
Legacies		296	-	-	296	111	43	262	416	712
Grants	3.2	-	-	11,910	11,910	-	3	-	3	11,913
Other trading activities										
Fundraising	3.3	128	-	-	128	8,737	-	-	8,737	8,865
Investment income	3.4	2,121	287	(59)	2,349	422	1,385	150	1,957	4,306
Charitable activities	4	103	-	-	103	286	298	189	773	876
Other										
Net gains on disposal of assets		-	-	-	-	-	74	-	74	74
TOTAL INCOME		12,553	957	12,848	26,358	9,854	1,813	635	12,302	38,660
EXPENDITURE ON										
Raising Funds	5	255	52	2	309	9,176	359	29	9,564	9,873
Charitable activities	6									
Ministry support	6.1	1,335	-	-	1,335	53	1,399	247	1,699	3,034
Pastoral and community	6.2	4,450	-	500	4,950	782	3,137	368	4,287	9,237
Education	6.3	-	1,081	8,479	9,560	697	2,043	-	2,740	12,300
Provision for worship	6.4	9,091	-	-	9,091	727	670	-	1,397	10,488
TOTAL EXPENDITURE		15,131	1,133	8,981	25,245	11,435	7,608	644	19,687	44,932
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS		(2,578)	(176)	3,867	1,113	(1,581)	(5,795)	(9)	(7,385)	(6,272)
Net gains on investments	10	5,690	757	24	6,471	914	3,608	423	4,945	11,416
NET INCOME / (EXPENDITURE) AFTER INVESTMENT GAINS		3,112	581	3,891	7,584	(667)	(2,187)	414	(2,440)	5,144
TRANSFERS BETWEEN FUNDS	24	(373)	(370)	313	(430)	44	342	44	430	-
NET MOVEMENT IN FUNDS		2,739	211	4,204	7,154	(623)	(1,845)	458	(2,010)	5,144
Fund balances at 1 January 2024		94,169	45	14,678	108,892	1,520	87,545	15,195	104,260	213,152
FUND BALANCES AT 31 DECEMBER 2024	25	96,908	256	18,882	116,046	897	85,700	15,653	102,250	218,296

All amounts relate to continuing operations. The notes on pages 40 to 77 form part of these accounts.

Archdiocese of Liverpool
Consolidated Statement of Financial Activities
For the year ended 31 December 2023

	Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Parochial Restricted Funds £000's	TOTAL Parochial Funds £000's	Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	TOTAL Curial Funds £000's	TOTAL 2023 £000's
INCOME FROM										
Donations and legacies										
Collections and donations	3.1	8,225	529	1,031	9,785	276	2	336	614	10,399
Legacies		928	-	4	932	5	35	1	41	973
Grants	3.2	48	-	12,417	12,465	-	2	-	2	12,467
Other trading activities										
Fundraising	3.3	161	-	-	161	9,018	-	-	9,018	9,179
Investment income	3.4	2,125	269	5	2,399	480	2,320	140	2,940	5,339
Charitable activities	4	91	-	-	91	337	713	-	1,050	1,141
TOTAL INCOME		11,578	798	13,457	25,833	10,116	3,072	477	13,665	39,498
EXPENDITURE ON										
Raising Funds	5	174	32	1	207	8,529	281	23	8,833	9,040
Charitable activities										
Ministry support	6.1	1,436	-	-	1,436	53	1,484	254	1,791	3,227
Pastoral and community	6.2	4,003	-	778	4,781	864	3,450	117	4,431	9,212
Education	6.3	-	1,622	15,654	17,276	961	1,561	-	2,522	19,798
Provision for worship	6.4	8,319	-	-	8,319	593	468	-	1,061	9,380
TOTAL EXPENDITURE		13,932	1,654	16,433	32,019	11,000	7,244	394	18,638	50,657
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS		(2,354)	(856)	(2,976)	(6,186)	(884)	(4,172)	83	(4,973)	(11,159)
Net gains on investments		6,677	486	15	7,178	734	4,465	272	5,471	12,649
NET INCOME / (EXPENDITURE) AFTER INVESTMENT GAINS		4,323	(370)	(2,961)	992	(150)	293	355	498	1,490
TRANSFERS BETWEEN FUNDS		(13)	370	(51)	306	(4,240)	3,887	47	(306)	-
NET MOVEMENT IN FUNDS		4,310	-	(3,012)	1,298	(4,390)	4,180	402	192	1,490
Fund balances at 1 January 2023		89,859	45	17,690	107,594	5,910	83,365	14,793	104,068	211,662
FUND BALANCES AT 31 DECEMBER 2023		94,169	45	14,678	108,892	1,520	87,545	15,195	104,260	213,152

All amounts relate to continuing operations. The notes on pages 40 to 77 form part of these accounts.

Archdiocese of Liverpool
Consolidated Balance Sheet
At 31 December 2024

	Notes	Parochial 2024 £000's	Curial 2024 £000's	Total 2024 £000's	Parochial 2023 £000's	Curial 2023 £000's	Total 2023 £000's
FIXED ASSETS							
Tangible assets							
Property, plant and equipment	11.1	11,115	15,895	27,010	11,657	16,158	27,815
Investments							
Listed investments	12.1	64,786	74,515	139,301	60,974	74,348	135,322
Investment properties	12.4	27,808	19,353	47,161	25,793	18,894	44,687
Total investments		92,594	93,868	186,462	86,767	93,242	180,009
Total Fixed Assets		103,709	109,763	213,472	98,424	109,400	207,824
CURRENT ASSETS							
Stock		-	241	241	-	228	228
Debtors							
- due within one year	13	6,301	2,901	9,202	3,253	2,761	6,014
Balance at bank		26,714	(12,512)	14,202	15,758	1,993	17,751
		33,015	(9,370)	23,645	19,011	4,982	23,993
CURRENT LIABILITIES							
Creditors - amounts falling due within one year	14	(11,586)	(7,235)	(18,821)	(11,075)	(7,590)	(18,665)
Inter designation balances	1.21	(9,092)	9,092	-	2,532	(2,532)	-
		(20,678)	1,857	(18,821)	(8,543)	(10,122)	(18,665)
NET CURRENT ASSETS/(LIABILITIES)		12,337	(7,513)	4,824	10,468	(5,140)	5,328
NET ASSETS		116,046	102,250	218,296	108,892	104,260	213,152
ACCUMULATED FUNDS							
Restricted funds	15	18,882	15,653	34,535	14,678	15,195	29,873
Unrestricted funds							
- Designated	16	256	85,700	85,956	45	87,545	87,590
- General		96,908	897	97,805	94,169	1,520	95,689
		116,046	102,250	218,296	108,892	104,260	213,152

The net result of the charity's own accounts for 2024 was a surplus of £6,869,000 (2023: surplus of £8,245,000).

The financial statements were approved and authorised for issue by the trustees on 23 October 2025 and signed on their behalf by



Archbishop John Sherrington
Chairman of the trustees

The notes on pages 40 to 77 form part of these accounts.

Archdiocese of Liverpool
Charity Balance Sheet
At 31 December 2024

	Notes	Parochial 2024 £000's	Curial 2024 £000's	Total 2024 £000's	Parochial 2023 £000's	Curial 2023 £000's	Total 2023 £000's
FIXED ASSETS							
Tangible assets							
Property, plant and equipment	11.2	11,115	3,870	14,985	11,657	4,212	15,869
Investments							
Listed Investments	12.2	64,786	73,544	138,330	60,974	73,434	134,408
Investment in group undertakings	12.3	-	22,559	22,559	-	22,559	22,559
Investment properties	12.5	27,808	19,353	47,161	25,793	18,894	44,687
Total investments		92,594	115,456	208,050	86,767	114,887	201,654
Total Fixed Assets		103,709	119,326	223,035	98,424	119,099	217,523
CURRENT ASSETS							
Debtors							
Debtors - due within one year	13	6,301	1,796	8,097	3,253	973	4,226
Balance at bank		26,714	19,661	46,375	15,758	18,431	34,189
		33,015	21,457	54,472	19,011	19,404	38,415
CURRENT LIABILITIES							
Creditors							
Creditors - amounts falling due within one year	14	(11,586)	(1,752)	(13,338)	(11,075)	(1,954)	(13,029)
Inter designation balances	1.21	(9,092)	(24,340)	(33,432)	2,532	(21,574)	(19,042)
		(20,678)	(26,092)	(46,770)	(8,543)	(23,528)	(32,071)
NET CURRENT ASSETS / (LIABILITIES)		12,337	(4,635)	7,702	10,468	(4,124)	6,344
NET ASSETS		116,046	114,691	230,737	108,892	114,975	223,867
ACCUMULATED FUNDS							
Restricted funds	15	18,882	15,653	34,535	14,678	15,195	29,873
Unrestricted funds							
- Designated	16	256	85,199	85,455	45	87,044	87,089
- General		96,908	13,838	110,746	94,169	12,736	106,905
		116,046	114,690	230,736	108,892	114,975	223,867

The financial statements were approved and authorised for issue by the trustees on 23 October 2025 and signed on their behalf by



Archbishop John Sherrington
Chairman of the trustees

The notes on pages 40 to 77 form part of these accounts.

Archdiocese of Liverpool
Consolidated Cash Flow Statement
For the Year Ended 31 December 2024

	2024 £'000s	2023 £'000s
Cash flows from operating activities		
Net movement in funds	5,144	1,490
Adjustments for:		
Depreciation, impairment, and amortisation of fixed assets	1,156	1,255
Donation of property	-	300
Net interest receivable	(208)	(601)
Dividend income from fixed and current asset investments	(2,613)	(3,092)
Difference between net pension expense and cash contribution	(2)	5
Increase in trade and other debtors	(3,190)	(1,562)
(Increase)/decrease in stocks	(13)	26
(Decrease)/increase in trade and other creditors	158	4,334
Gains on revaluation of investment properties	(2,889)	(6,761)
Gains on revaluation of investments	(8,527)	(5,888)
Loss on disposal of assets	12	-
Net cash outflow from operating activities	<u>(10,972)</u>	<u>(10,494)</u>
Cash flows from investing activities		
Proceeds from sale of tangible fixed assets	659	278
Purchases of tangible fixed assets	(607)	(1,325)
Interest received	208	601
Dividends received on fixed asset investments	1,136	1,744
Proceeds from sale of investments	6,027	395
Net cash from investing activities	<u>7,423</u>	<u>1,693</u>
Net decrease in cash and cash equivalents	(3,549)	(8,801)
Cash and cash equivalents at beginning of year	17,751	26,552
Cash and cash equivalents at end of year	<u>14,202</u>	<u>17,751</u>
Cash and cash equivalents comprise:		
Cash at bank and in hand	<u>14,202</u>	<u>17,751</u>

Analysis of changes in net debt	At 1 January 2024	Cashflows	Other non-cash movements	At 31 December 2024
Cash at bank and in hand	17,751	(3,549)	-	14,202
Debt due within one year	-	-	-	-
Total	<u>17,751</u>	<u>(3,549)</u>	<u>-</u>	<u>14,202</u>

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

1 PRINCIPAL ACCOUNTING POLICIES

1.1 Charity information

The Archdiocese of Liverpool is a charitable incorporated organisation registered in England and Wales (Charity Number 1199714). The registered office is stated on the reference and administrative details page and the principal objective and activity of the charity is stated in the Report of the Trustees.

1.2 Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments and investment properties which are included at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (Charities SORP (FRS 102)), the Charities Act 2011 and applicable reporting standards.

The Archdiocese of Liverpool meets the definition of a public benefit entity under FRS 102.

The accounts are presented in sterling and are rounded to the nearest £1,000.

1.3 Going Concern

In preparing these financial statements, the trustees are required to prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation. In satisfaction of this responsibility the trustees have considered the charity's ability to meet its liabilities as they fall due for a period of at least 12 months from the signing date of the financial statements.

On 20 July 2023, a Charitable Incorporated Organisation, 'Archdiocese of Liverpool' was registered with the Charity Commission. The net assets and undertakings of the Liverpool Roman Catholic Archdiocesan Trust were transferred to the new entity, charity number 1199714, on 1 January 2024. The new Charitable Incorporated Organisation became the new reporting entity from the accounting period 1 January to 31 December 2024 and will continue to account for all activities of the Liverpool Roman Catholic Archdiocesan Trust. The charity continues to collect legacies, donations and any other income due to it and transferred assets and liabilities to the new charity under the Charity Commission order dated 5 December 2023 which also authorises the granting of an indemnity by the new charity under section 105 of the Charities Act 2011 to settle liabilities properly incurred.

Net assets were transferred to the Archdiocese of Liverpool without impairment as the core objectives and activities remain consistent with the archdiocesan trust. The Charity Commission has categorised the archdiocesan trust as a linked charity of the Archdiocese of Liverpool Charitable Incorporated Organisation.

The trustees conclude that it remains appropriate to prepare the financial statements on a going concern basis.

1.4 Basis of consolidation

The consolidated financial statements include those of the subsidiary undertakings, as shown in note 21, which are consolidated on a line-by-line basis using appropriate headings for those subsidiaries which prepare their accounts under the Companies Act or SORP formats.

The consolidated accounts also include the net assets and transactions of other charities under the control of the charity. The accounts do not include the net assets and results of connected charities as these entities are not under the control of the trustees.

The charity has taken advantage of the exemption from preparing a charity cash flow statement.

No separate Statement of Financial Activities is presented for the charity alone as permitted by Section 408 of the Companies Act 2006.

1.5 Income

Income is included in the Statement of Financial Activities once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

Income from trading activities is included in the period that the relevant services are provided, or goods supplied.

Legacies and donations are recognised when receipt is probable, the archdiocese becomes legally entitled to them and they can be measured in financial terms with sufficient reliability.

Collections and fundraising income are recognised on receipt. Investment income, which includes rental income, is recognised when receivable.

Grants receivable are included in the Statement of Financial Activities as soon as the conditions attaching to the grant are satisfied. Grants are mainly in relation to capital projects. Included within the grants figure on the statement of financial activities is £11,910K (2023: £12,417K) in relation to VASCA (Voluntary-Aided Schools Condition Allocation) grants from the Department for Education.

The charity receives substantial voluntary help in the work of the archdiocese, but it is not possible to place a financial value on this work and no amounts are therefore included in the financial statements for the value of services donated by volunteers. Gifts of fixed assets are included at valuation and the corresponding entry is recorded as donation income.

1.6 Expenditure

Expenditure is included in the Statement of Financial Activities on the accruals basis. These are based on the amounts payable for work done or services provided in the year inclusive of irrecoverable VAT.

Costs of raising funds

Costs of raising funds comprises all costs relating to attracting voluntary income, the costs incurred in subsidiary trading and investment management fees.

Charitable activities

Expenditure on charitable activities includes the costs identified as wholly or mainly attributable to achieving the charitable objectives of the charity, including direct staff costs and other direct costs as well as support costs and costs relating to the governance of the charity apportioned to charitable activities.

Governance costs

Governance costs are those costs related to the governance of the charity, to allow it to operate, and to generate information for public accountability. Direct costs include audit and accountancy, legal advice to trustees and costs of trustees' meetings.

Support costs

All support costs are borne by central funds and have been apportioned to governance costs and charitable activities. The share of support costs attributable to governance reflects costs incurred in the preparation of the statutory accounts and the remaining costs have been allocated pro-rata based upon the charitable activity's share of central expenditure.

1.7 Investments and investment gains and losses

Investments and investment properties are included in the financial statements at fair value at the balance sheet date. Investment properties are valued internally annually and are professionally valued on a rolling basis as part of a five-year programme.

Listed investments are included in the balance sheet at bid price.

Realised and unrealised gains and losses on investments and investment properties are charged/credited to the Statement of Financial Activities.

Unrealised gains and losses are calculated as the movement in fair value during the year. Realised gains are calculated

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

as the difference between disposal proceeds and market value brought forward.

1.8 Tangible fixed assets - other than property

The cost of computer equipment, office equipment and fixtures and fittings is capitalised and depreciation is provided to write off the original cost, less any estimated residual value, over the expected useful life of the assets concerned. The rates of depreciation applied are as follows:

	% of cost per annum
Computer equipment	25
Office equipment and fixtures and fittings	20

Suitable capitalisation thresholds are adopted in the entities comprising the archdiocese.

1.9 Tangible fixed assets - Functional church property

Prior to 31 December 1997 capital expenditure on functional church property was written off in full as incurred.

At 31 December 1997 the trustees considered that a reasonable approximation of the net book value of the functional church property held would be established by discounting the insurance values of those assets by 90%. This was the policy employed to include these assets on the balance sheet at estimated historical cost net of accumulated depreciation.

From 1 January 1998 to 31 December 2008 the cost of functional church property was capitalised and depreciated over its expected useful life of 20 years. From 2009 listed properties and other functional church properties have been depreciated over useful economic lives of 100 years and 50 years respectively. Commercial properties are considered to have useful economic lives of 20 years.

From 1 January 2019 parochial functional property is depreciated by component over the remaining expected useful life of the individual component as set out below.

Building component	% of cost	Average remaining life in 2024	Expected useful life
Roof	30%	21	75
Walls, foundations	50%	96	100
Windows	5%	16	50
Heating installations	5%	6	20
Interior	5%	6	20
Electrical installations	5%	6	20

Works of art, treasures and plate are not capitalised in these accounts as they are historic, have extraordinarily long lives and are worth preserving in perpetuity. They are heritage assets for the purposes of Charities SORP (FRS 102). The trustees consider that it would be prejudicial to the safe custody of these assets to disclose details of their values and usage in the accounts.

Where functional church property is no longer operational, impairment is fully recognised unless there is an investment value, in which case the property is transferred to investment properties.

1.10 Tangible fixed assets - School property

The freehold of the land and buildings legally owned by the archdiocese and occupied rent- free on behalf of the trustees of the governing bodies of catholic voluntary aided schools, which are separate charities and publicly funded, are valued at £Nil. The trustees consider that no meaningful value can be attributed to these assets, since they are not used directly by the archdiocese, do not generate income, and cannot be disposed of in the open market or put to alternative use while such occupation, which may be indefinite, continues.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

1.11 Impairment

The carrying amounts of the archdiocese's fixed assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount and is recognised in the Consolidated Statement of Financial Activities.

1.12 Stocks

Stocks are stated at the lower of cost and net realisable value.

1.13 Pension scheme

The charity and eligible employees make defined contributions to a group personal pension scheme. Contributions are also paid to the Teachers' Pension Superannuation Fund (TPS), a defined benefit scheme, on which further information is given in note 20 to the financial statements. As the TPS is a multi-employer scheme with assets and liabilities that cannot be separated, contributions payable are charged as Resources Expended in the Consolidated Statement of Financial Activities.

1.14 Operating leases

Operating leases in respect of equipment are charged as resources expended in equal annual instalments over the period of the lease. Such operating leases mainly relate to parishes and parish centres. Rentals receivable under operating leases are recognised on a straight-line basis over the period of lease term.

1.15 Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which approximates to the amount that the charity would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset, and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

1.16 Recognition of liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation committing the archdiocese to pay out resources.

1.17 Cash and cash equivalents

Cash and cash equivalents are those associated with the cash management of the archdiocese. To facilitate the effective operation of the archdiocesan investment portfolio, some liquid assets are held by investment managers. These amounts are not considered to be cash and cash equivalents in the financial statements.

1.18 Fund accounting

The funds within the archdiocese are split between Curial and Parochial. Curial Funds can be used across the whole of the archdiocese whereas Parochial Funds comprise funds relating to the individual parishes. These funds are shown separately and subdivided in the financial statements as follows.

Restricted funds

Restricted funds are funds that are used in accordance with specific restrictions imposed by donors or that have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. Details of the restricted funds held are provided in note 15 to the financial statements.

Unrestricted funds - Designated

Designated funds are unrestricted funds that have been set aside by the trustees for specific purposes and are detailed in note 16 to the financial statements.

Unrestricted funds - General

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the objects of the charity and which have not been designated for other purposes.

1.19 Agency arrangements

The archdiocese acts as agent in the collection of grants from government, local authorities and other funds, and payment of approved invoices for school building projects on behalf of Catholic schools in the archdiocese. This income and expenditure are excluded from the income and expenditure of the charity and any balances due from or held on behalf of schools are shown within debtors and creditors.

Voluntary-Aided Schools Condition Allocation (VASCA) grants and the associated allocation to individual school projects are recognised as income and expenditure as the archdiocese is not considered an agent of the Department of Education in this respect. See note 23.

1.20 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Financial Activities.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences.

1.21 Inter designation balances

Inter designation balances represent financial interdependencies and interactions between dedicated funds and other operating units of the charity.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

2 KEY ESTIMATES AND JUDGEMENTS

In preparing these financial statements, the trustees have had to make the following judgements:

- Determine whether leases entered into by the group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.
- Determine whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- Determine whether there are indicators of impairment in the carrying value of investments in subsidiary undertakings. Factors taken into consideration in reaching such a decision include the economic viability and expected future income generating potential of the subsidiary entity.

Other key sources of estimation uncertainty:

Tangible fixed assets (see note 11)

- Tangible fixed assets, other than investments properties, are depreciated over their useful lives considering residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on several factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- Investment properties are valued internally annually and are professionally valued on a rolling basis as part of a five-year programme. Valuations are made considering periodic external valuations, derived from current market rents and property yields for comparable real estate, adjusted, if necessary, for any difference in nature, location, or condition. Judgement is required in assessing the appropriateness of the assumptions and methodology in determining the fair value of investment properties.

Investments (see note 12)

- Estimates, assumptions, and judgments relate to the determination of carrying value of investments at fair value through the Statement of Financial Activities, the group follows the International Private Equity and Venture Capital Valuation Guidelines, applying the overriding concept that fair value is the amount for which an asset can be exchanged between knowledgeable willing parties in an arm's length transaction. The nature, facts and circumstances of the investment drives the valuation methodology.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

3 INCOME	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2024 £000's	2023 £000's
3.1 Collections and donations					
PAROCHIAL					
Collections	6,100	-	997	7,097	6,562
Donations	3,129	670	-	3,799	2,644
Gift Aid rebates	676	-	-	676	579
	<u>9,905</u>	<u>670</u>	<u>997</u>	<u>11,572</u>	<u>9,785</u>
CURIAL					
Collections	93	-	11	104	111
Donations	205	10	23	238	503
	<u>298</u>	<u>10</u>	<u>34</u>	<u>342</u>	<u>614</u>
TOTAL	<u>10,203</u>	<u>680</u>	<u>1,031</u>	<u>11,914</u>	<u>10,399</u>

Total income from collections and donations was £11,914K (2023: £10,399K). The income comprised unrestricted income of £10,203K (2023: £8,501K), designated income of £680K (2023: £531K) and restricted income of £1,031K (2023: £1,367K).

3.2 Grants	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2024 £000's	2023 £000's
PAROCHIAL					
Voluntary-Aided Schools Condition	-	-	11,910	11,910	12,459
Allocation Grants	-	-	-	-	-
Other grants	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>11,910</u>	<u>11,910</u>	<u>12,459</u>
CURIAL					
Other	-	3	-	3	8
TOTAL	<u>-</u>	<u>3</u>	<u>11,910</u>	<u>11,913</u>	<u>12,467</u>

Total grant income was £11,913K (2023: £12,467K). The income comprised designated income of £3K (2023: £8K) and restricted income of £11,910K (2023: £12,417K).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

3.3 Fundraising

	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2024 £000's	2023 £000's
PAROCHIAL					
Parish events and other fundraising activities	128	-	-	128	161
	<u>128</u>	<u>-</u>	<u>-</u>	<u>128</u>	<u>161</u>
CURIAL					
Income from trading subsidiaries	8,729	-	-	8,729	9,011
Other	8	-	-	8	7
	<u>8,737</u>	<u>-</u>	<u>-</u>	<u>8,737</u>	<u>9,018</u>
TOTAL	<u>8,865</u>	<u>-</u>	<u>-</u>	<u>8,865</u>	<u>9,179</u>

Total fundraising income was £8,865K (2023: £9,179K). The income comprised unrestricted income of £8,865K (2023: £9,179K).

3.4 Investment Income

	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2024 £000's	2023 £000's
PAROCHIAL					
Income receivable from unitised portfolio	1,025	287	(59)	1,253	1,391
Rents and other income	1,096	-	-	1,096	1,007
	<u>2,121</u>	<u>287</u>	<u>(59)</u>	<u>2,349</u>	<u>2,398</u>
CURIAL					
Interest receivable	-	208	-	208	601
Income receivable from unitised portfolio	97	1,113	150	1,360	1,700
Rents and other income	325	64	-	389	638
	<u>422</u>	<u>1,385</u>	<u>150</u>	<u>1,957</u>	<u>2,939</u>
TOTAL	<u>2,543</u>	<u>1,672</u>	<u>91</u>	<u>4,306</u>	<u>5,337</u>

Total investment income was £4,306K (2023: £5,357K). The income comprised unrestricted income of £2,543K (2023: £2,605K), designated income of £1,672K (2023: £2,604K) and restricted income of £91K (2023: £145K).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

4 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2024 £000's	2023 £000's
PAROCHIAL					
Piety stall	102	-	-	102	87
Newspapers	1	-	-	1	4
	<u>103</u>	<u>-</u>	<u>-</u>	<u>103</u>	<u>91</u>
CURIAL					
Cemetery fees	247	-	-	247	261
School Contribution Scheme	-	58	-	58	313
Inspection fees and course income	-	29	-	29	106
Other	39	211	189	439	370
	<u>286</u>	<u>298</u>	<u>189</u>	<u>773</u>	<u>1,050</u>
TOTAL	<u>389</u>	<u>298</u>	<u>189</u>	<u>876</u>	<u>1,141</u>

Total income from charitable activities was £876K (2023: £1,141K). The income comprised unrestricted income of £389K (2023: £428K), designated income of £298K (2023: £713K) and restricted income of £189K (2023: £Nil).

5 RAISING FUNDS

	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2024 £000's	2023 £000's
PAROCHIAL					
Parish events and other fundraising activities	33	-	-	33	43
Investment management fees	222	52	2	276	163
	<u>255</u>	<u>52</u>	<u>2</u>	<u>309</u>	<u>206</u>
CURIAL					
Expenditure by subsidiaries	9,163	-	-	9,163	8,566
Other	13	359	29	401	267
	<u>9,176</u>	<u>359</u>	<u>29</u>	<u>9,564</u>	<u>8,833</u>
TOTAL	<u>9,431</u>	<u>411</u>	<u>31</u>	<u>9,873</u>	<u>9,039</u>

Total expenditure on raising funds was £9,873K (2023: £9,039K). The expenditure comprised unrestricted expenditure of £9,431K (2023: £8,746K), designated expenditure of £411K (2023: £270K) and restricted expenditure of £31K (2023: £24K).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2024 £000's	2023 £000's
PAROCHIAL					
6.1 Ministry Support					
Clergy allowances	1,048	-	-	1,048	1,077
Travel	141	-	-	141	178
Supply	86	-	-	86	87
Other	60	-	-	60	94
	<u>1,335</u>	<u>-</u>	<u>-</u>	<u>1,335</u>	<u>1,436</u>
6.2 Pastoral and Community					
Diocesan and other collections	-	-	500	500	778
Liturgical and pastoral costs	771	-	-	771	715
Lay personnel costs	1,327	-	-	1,327	1,426
Housekeeping and hospitality	566	-	-	566	593
Printing, postage, stationery	249	-	-	249	250
Equipment hire	189	-	-	189	174
Telephone	219	-	-	219	230
Professional fees	91	-	-	91	35
Other office	157	-	-	157	262
Piety stall	82	-	-	82	73
Newspapers	3	-	-	3	5
Miscellaneous	796	-	-	796	240
	<u>4,450</u>	<u>-</u>	<u>500</u>	<u>4,950</u>	<u>4,781</u>
6.3 Education					
School costs	-	1,081	8,479	9,560	17,276
6.4 Provision for worship					
Repairs and maintenance	4,989	-	-	4,989	3,671
Depreciation	535	-	-	535	588
Heat and light	2,006	-	-	2,006	2,436
Insurance	633	-	-	633	623
Council tax and water rates	493	-	-	493	453
Grounds maintenance	349	-	-	349	381
Net loss on disposal of assets	86	-	-	86	167
	<u>9,091</u>	<u>-</u>	<u>-</u>	<u>9,091</u>	<u>8,319</u>
TOTAL PAROCHIAL	<u>14,876</u>	<u>1,081</u>	<u>8,979</u>	<u>24,936</u>	<u>31,812</u>

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

6 EXPENDITURE ON CHARITABLE ACTIVITIES *(continued)*

	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2024 £000's	2023 £000's
CURIAL					
6.1 Ministry Support					
Cathedral	53	-	-	53	53
Priests' Training Fund	-	-	247	247	254
Retirement costs	-	851	-	851	770
Permanent Diaconate	-	66	-	66	110
Sabbatical fund	-	18	-	18	-
Share of central support costs	-	212	-	212	269
Other	-	252	-	252	337
	<u>53</u>	<u>1,399</u>	<u>247</u>	<u>1,699</u>	<u>1,793</u>
6.2 Pastoral and Community					
Cathedral	429	-	13	442	407
Cemeteries	350	-	-	350	351
Curia	-	28	-	28	22
Tribunal	-	106	-	106	113
Pastoral Development	-	270	-	270	230
Justice and Peace	-	-	-	-	-
Youth	-	213	189	402	451
Safeguarding	-	113	-	113	74
National levies	-	275	-	275	269
Chaplaincies	-	331	-	331	306
Ecumenical grants	-	39	-	39	27
Share of central support costs	-	1,258	-	1,258	1,302
Other	3	504	166	673	879
	<u>782</u>	<u>3,137</u>	<u>368</u>	<u>4,287</u>	<u>4,431</u>
6.3 Education					
Education Department	697	1,224	-	1,921	1,933
Share of central support costs	-	819	-	819	589
	<u>697</u>	<u>2,043</u>	<u>-</u>	<u>2,740</u>	<u>2,522</u>
6.4 Provision for worship					
Cathedral	727	-	-	727	593
Depreciation	-	100	-	100	122
Share of central support costs	-	269	-	269	177
Other	-	301	-	301	169
	<u>727</u>	<u>670</u>	<u>-</u>	<u>1,397</u>	<u>1,061</u>
TOTAL CURIAL	<u>2,259</u>	<u>7,249</u>	<u>615</u>	10,123	9,807
TOTAL	<u>17,135</u>	<u>8,330</u>	<u>9,594</u>	35,059	41,619

Total expenditure on charitable activities was £35,059K (2023: £41,619K). The expenditure comprised unrestricted expenditure of £17,135K (2023: £13,033K), designated expenditure of £8,330K (2023: £7,084K) and restricted expenditure of £9,594K (2023: £12,467K).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

7 SUPPORT COSTS

	Ministry Support £000's	Pastoral and Community £000's	Education £000's	Provision for worship £000's	2024 £000's	2023 £000's
CURIAL						
Group and Charity						
Office administration and governance						
- Office of the Chief Operating Officer	70	415	270	89	844	739
- Finance Department	56	333	216	70	675	630
- Premises	43	255	166	54	518	336
- Bank charges and interest	36	212	138	46	432	454
- Audit fees	2	14	10	3	29	70
- Other curial	5	29	19	7	60	108
	<u>212</u>	<u>1,258</u>	<u>819</u>	<u>269</u>	<u>2,558</u>	<u>2,337</u>

All support costs are borne by central funds and have been apportioned to governance costs and charitable activities. The share of support costs attributable to governance reflects costs incurred in the preparation of the statutory accounts and the remaining costs have been allocated pro-rata based upon the charitable activity's share of central expenditure.

In addition, other amounts paid to the auditors in relation to the audit of subsidiary companies were £45,000 (2023: £45,000). These are included within expenditure on charitable activities.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

8 STAFF COSTS

	Total 2024 £000's	Total 2023 £000's
Clergy allowances	1,338	1,161
Wages and salaries	7,400	6,795
Social security costs	509	432
Pension costs	402	356
	9,649	8,744

	2024 No.	2023 No.
The average number of employees during the year was:		
Central employees	117	111
Parish employees (excludes parish clergy)	122	123
Parish club employees	241	257
	480	491

The average number of employees as a full-time equivalent during the year was 318 (2023: 310).

The number of employees whose emoluments including taxable benefits in kind, but excluding pension contributions amounted to over £60,000 in the year was in bands as follows:

	2024 No.	2023 No.
The average number of employees during the year was:		
£60,001 to £70,000	2	3
£70,001 to £80,000	3	1
£90,001 to £100,000	-	1
£100,001 to £110,000	1	1
£110,001 to £120,000	1	-

The charity and eligible employees (see note 20) make defined contributions to a group personal pension scheme. The number of higher paid employees in the scheme in 2024 was 7 (2023:6). The total pension contributions made by the charity in respect of higher paid employees was £55,119 (2023: £33,515).

The day-to-day administrative, legal, and financial activity of the archdiocese is directed by the Chief Operating Officer and other members of the Senior Management Team who are the key management personnel of the charity. The total employment cost of key management personnel during the year was £426,496 (2023: £388,218).

9 TRUSTEES

Several of the trustees are clergy of the archdiocese. The priests who are trustees are housed and remunerated by the archdiocese and are reimbursed expenses for carrying out their ministry in the same way as other priests of the archdiocese. The 10 (2023: 10) trustees who were priests received £103,368 (2023: £81,628) in total remuneration during the year.

No trustee received any remuneration or expenses in respect of their services as a trustee during the year (2023 - £nil expenses).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

10 Net gains / (losses) on investments	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2024 £000's	2023 £000's
PAROCHIAL					
Revaluation of investment properties	2,443	-	-	2,443	4,620
Unrealised gains on investments	3,247	757	24	4,028	2,558
	<u>5,690</u>	<u>757</u>	<u>24</u>	<u>6,471</u>	<u>7,178</u>
CURIAL					
Revaluation of investment properties	661	(215)	-	446	2,140
Unrealised gains on investments	253	3,823	423	4,499	3,330
	<u>914</u>	<u>3,608</u>	<u>423</u>	<u>4,945</u>	<u>5,470</u>
TOTAL	<u>6,604</u>	<u>4,365</u>	<u>447</u>	<u>11,416</u>	<u>12,648</u>

Total income from investment gains were £11,416K (2023: £12,648K). The income comprised unrestricted income of £6,604K (2023: £7,410K), designated income of £4,365K (2023: £4,951K) and restricted income of £447K (2023: £287K).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

11 TANGIBLE FIXED ASSETS

11.1 Property, plant and equipment	Parochial Property & Equipment £000's	Curial Fixtures & Equipment £000's	Curial Property £000's	Total £000's
Cost				
At 1 January 2024	35,684	1,063	29,229	65,976
Additions	-	141	466	607
Transfers to investment properties	(39)	-	(26)	(65)
Disposals	-	(168)	(549)	(718)
At 31 December 2024	35,645	1,036	29,119	65,800
Depreciation				
At 1 January 2024	24,027	889	13,245	38,161
Charge for the year	535	79	542	1,156
Transfers to investment properties	(32)	-	(13)	(45)
Disposals	-	(168)	(314)	(482)
At 31 December 2024	24,530	800	13,460	38,790
Net book value at 31 December 2024	11,115	236	15,659	27,010
At 31 December 2023	11,657	174	15,984	27,815
11.2 Property, plant and equipment - Charity	Parochial Property & Equipment £000's	Curial Fixtures & Equipment £000's	Curial Property £000's	Total £000's
Cost				
At 1 January 2024	35,684	313	6,598	42,595
Additions	-	17	-	17
Transfers to investment properties	(39)	-	(26)	(65)
Disposals	-	(2)	(306)	(308)
At 31 December 2024	35,645	328	6,266	42,239
Depreciation				
At 1 January 2024	24,027	282	2,418	26,727
Charge for the year	535	17	22	574
Transfers to investment properties	(32)	-	(13)	(45)
Disposals	-	(2)	-	(2)
At 31 December 2024	24,530	297	2,427	27,254
Net book value at 31 December 2024	11,115	31	3,839	14,985
At 31 December 2023	11,656	31	4,181	15,868

All tangible fixed assets were used for charitable purposes.

Functional properties that are no longer required for charitable purposes are transferred to investment properties at net book value.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

12 INVESTMENTS

12.1 Listed investments - Group

	Unrestricted £000's	Designated £000's	Restricted £000's	Total £000's
At 1 January 2024	52,902	75,556	6,864	135,322
Additions / Transfers	12	1,435	32	1,479
Disposals	(208)	(5,792)	(27)	(6,027)
Net gains on revaluation	3,500	4,580	447	8,527
At 31 December 2024	56,206	75,779	7,316	139,301

There are no individual investments which comprise greater than 5% of the value of the portfolio.

All the quoted fixed asset investments are listed on a recognised Stock Exchange. Listed investments are included in the balance sheet at bid price.

At 31 December 2024 the investment portfolio was split into two funds managed by Evelyn Partners and Rathbone Investment Management Limited respectively.

The investment funds are comprised of:

	2024 £000's	2023 £000's
UK Equities	23,350	24,779
Non-UK Equities	89,603	80,476
UK government securities and other fixed interest stocks	19,195	18,319
UK Property Unit Trusts	4,962	5,019
Cash instruments	2,191	6,729
	139,301	135,322

12.2 Listed investments - Charity

	Unrestricted £000's	Designated £000's	Restricted £000's	Total £000's
At 1 January 2024	51,990	75,556	6,862	134,408
Transfers	10	1,436	34	1,480
Disposals	(205)	(5,792)	(27)	(6,024)
Net gains on revaluation	3,439	4,580	447	8,466
At 31 December 2024	55,234	75,780	7,316	138,330

12.3 Investments in subsidiaries

	Total £000's
At 1 January 2024 and 31 December 2024	22,558

Investments in related companies comprise the cost of shareholdings in the subsidiary companies listed in note 21.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

12 INVESTMENTS *(continued)*

12.4 Investment property at valuation – Group

	Parochial £000's	Curial £000's	Total £000's
At 1 January 2024	25,793	18,894	44,687
Additions	-	-	-
Disposals	(435)	-	(435)
Transfers from property, plant and equipment	7	13	20
Net gains on revaluation	2,443	446	2,889
At 31 December 2024	27,808	19,353	47,161

12.5 Investment property at valuation - Charity

	Parochial £000's	Curial £000's	Total £000's
At 1 January 2024	25,793	18,894	44,687
Additions	-	-	-
Disposals	(435)	-	(435)
Transfers from property, plant and equipment	7	13	20
Net gains on revaluation	2,443	446	2,889
At 31 December 2024	27,808	19,353	47,161

Investment properties are included on a fair value basis. External revaluations were completed in April 2025 by SK Real Estate, Fitton Estates, and Hitchcock & Wright and each entity is registered with the Royal Institution of Chartered Surveyors. A valuation exercise is performed annually by management and property valuations are informed by internal staff including a qualified chartered surveyor. The trustees have considered the valuations above as a reasonable reflection of the year end fair value.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

13 DEBTORS	Parochial	Curial	Total 2024	Total 2023
Group	£000's	£000's	£000's	£000's
Due within one year				
Trade debtors	-	1,822	1,822	1,117
Other debtors	3,862	267	4,129	1,989
Prepayments and accrued income	2,439	812	3,251	2,909
TOTAL	6,301	2,901	9,202	6,015
Charity				
Trade debtors	-	1,626	1,626	950
Other debtors	3,862	156	4,018	513
Prepayments and accrued income	2,439	14	2,453	2,763
TOTAL	6,301	1,796	8,097	4,226

14 CREDITORS	Parochial	Curial	Total 2024	Total 2023
Amounts falling due within one year	£000's	£000's	£000's	£000's
Group				
School funding in advance	10,541	-	10,541	10,201
Trade creditors	-	2,664	2,664	3,489
Other creditors	-	1,943	1,943	1,647
Accruals and deferred income	1,045	2,539	3,584	3,140
Other taxation and social security	-	89	89	190
TOTAL	11,586	7,235	18,821	18,667
Charity				
School funding in advance	10,541	-	10,541	10,116
Trade creditors	-	373	373	117
Other creditors	-	271	271	594
Accruals and deferred income	1,045	1,104	2,149	2,112
Other taxation and social security	-	4	4	90
TOTAL	11,586	1,752	13,338	13,029

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

15 RESTRICTED FUNDS

Unexpended balances from collections, donations, legacies, and grants restricted by donors to specific purposes.

Analysis of Restricted Funds 2024	Opening Balance	Income	Expenditure	Property & Investment Gains, & Transfers	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
VASCA School Projects Fund	12,342	11,910	(8,479)	-	15,773
Foundation Mass capital	478	(59)	(2)	24	441
Other charitable collections	1,858	997	(500)	313	2,668
	<u>14,678</u>	<u>12,848</u>	<u>(8,981)</u>	<u>337</u>	<u>18,882</u>
Curial - Group and Charity					
Priests' Training Fund	2,969	84	(262)	254	3,045
Metropolitan Cathedral Roof Appeal Fund	3,096	-	-	-	3,096
Metropolitan Cathedral	1,038	74	(15)	28	1,125
Metropolitan Cathedral steps project	2,890	-	-	-	2,890
Metropolitan Cathedral crypt project	1,791	-	-	-	1,791
Liverpool Archdiocesan Missionary Project	1,104	33	(19)	84	1,202
St Joseph's College	867	15	(3)	39	918
Provision for priests in retirement	41	222	-	5	268
Lenten alms	38	-	-	4	42
Other funds	1,361	207	(345)	53	1,276
	<u>15,195</u>	<u>635</u>	<u>(644)</u>	<u>467</u>	<u>15,653</u>

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

15 RESTRICTED FUNDS *(continued)*

Analysis of Restricted Funds 2023	Opening Balance	Income	Expenditure	Property & Investment Gains, & Transfers	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
VASCA School Projects Fund	15,579	12,417	(15,654)	-	12,342
Foundation Mass capital	459	5	(1)	15	478
Other charitable collections	1,652	1,035	(778)	(51)	1,858
	<u>17,690</u>	<u>13,457</u>	<u>(16,433)</u>	<u>(36)</u>	<u>14,678</u>
Curial - Group and Charity					
Priests' Training Fund	2,868	206	(268)	163	2,969
Metropolitan Cathedral Roof Appeal Fund	3,096	-	-	-	3,096
Metropolitan Cathedral	1,008	39	(27)	18	1,038
Metropolitan Cathedral steps project	2,890	-	-	-	2,890
Metropolitan Cathedral crypt project	1,791	-	-	-	1,791
Liverpool Archdiocesan Missionary Project	1,025	31	(6)	54	1,104
St Joseph's College	830	14	(2)	25	867
Provision for priests in retirement	27	-	-	14	41
Lenten alms	27	-	-	11	38
Other funds	1,231	187	(91)	34	1,361
	<u>14,793</u>	<u>477</u>	<u>(394)</u>	<u>319</u>	<u>15,195</u>

PURPOSE OF FUNDS

VASCA School Projects Fund	-	Voluntary-Aided Schools Condition Allocation funding from the Department for Education for school building projects.
Foundation Mass capital	-	For Masses celebrated for the deceased.
Priests' Training Fund	-	Education of students to the priesthood continuing foundation.
Metropolitan Cathedral Roof Appeal Fund	-	English Heritage grants received and expended on substantial repair work to the cathedral roof.
Metropolitan Cathedral	-	Golden Book Foundation Mass funds and other donations made for specific cathedral projects.
Metropolitan Cathedral steps project	-	European objective 1 and regional development grants expended on the construction of the ceremonial steps.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

15 RESTRICTED FUNDS *(continued)*

PURPOSE OF FUNDS *(continued)*

Metropolitan Cathedral crypt project	- European objective 1 and regional development grants expended on the crypt redevelopment project.
St Joseph's College	- Funds associated with priest training.
Provision for priests in retirement	- To meet the costs associated with retired clergy
Lenten alms	- To be expended on projects at the discretion of the archbishop.
English Sports Council capital grants	- English Sports Council grants received and expended on the construction of Cardinal Heenan sports centre.
Apostleship of the Sea	- For the spiritual and temporal welfare of seafarers.

16 DESIGNATED FUNDS

Funds set aside by the trustees for the following purposes:

Analysis of Designated Funds 2024	Opening Balance	Income	Expenditure	Property & Investment Gains, & Transfers	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
School Projects Fund	45	957	(1,133)	299	168
Other funds	-	-	-	88	88
	<u>45</u>	<u>957</u>	<u>(1,133)</u>	<u>387</u>	<u>256</u>
Curial - Group and Charity					
Central funds	45,489	1,184	(6,760)	2,403	42,316
George Andrew Retirement Fund	7,443	173	(588)	124	7,152
2021 Fund	9,016	211	(38)	558	9,747
Metropolitan Cathedral Roof Appeal Fund	8,056	-	-	-	8,056
Metropolitan Cathedral	6,905	119	(21)	307	7,310
Liverpool inner-city parish reorganisation	1,288	-	-	-	1,288
Sabbatical Fund	2,385	52	(44)	115	2,508
Listed Building Fund	1,995	44	(96)	115	2,058
Other designated funds	4,968	30	(61)	328	5,265
	<u>87,545</u>	<u>1,813</u>	<u>(7,608)</u>	<u>3,950</u>	<u>85,700</u>
Less Other designated funds	(501)	-	-	-	(501)
Curial - Charity	<u>87,044</u>	<u>1,813</u>	<u>(7,608)</u>	<u>3,950</u>	<u>85,199</u>

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

16 DESIGNATED FUNDS (continued)

Analysis of Designated Funds 2023	Opening Balance	Income	Expenditure	Property & Investment Gains, & Transfers	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
School Projects Fund	(43)	798	(1,654)	944	45
Other funds	88	-	-	(88)	-
	<u>45</u>	<u>798</u>	<u>(1,654)</u>	<u>856</u>	<u>45</u>
Curial - Group and Charity					
Central funds	46,880	2,492	(6,693)	2,810	45,489
George Andrew Retirement Fund	7,150	166	(383)	510	7,443
2021 Fund	8,492	193	(23)	354	9,016
Metropolitan Cathedral Roof Appeal Fund	8,056	-	-	-	8,056
Metropolitan Cathedral	6,610	111	(13)	197	6,905
Liverpool inner-city parish reorganisation	1,291	-	(3)	-	1,288
Sabbatical Fund	2,275	41	(5)	74	2,385
Listed Building Fund	1,969	41	(89)	74	1,995
Other designated funds	642	28	(35)	4,333	4,968
	<u>83,365</u>	<u>3,072</u>	<u>(7,244)</u>	<u>8,352</u>	<u>87,545</u>
Less Other designated funds	(332)	-	-	(169)	(501)
Curial - Charity	<u>83,033</u>	<u>3,072</u>	<u>(7,244)</u>	<u>8,183</u>	<u>87,044</u>

PURPOSE OF FUNDS

School Projects Fund	Funds raised by contributions from parishes and schools to support school building and refurbishment projects.
Central funds	Fund for the archdiocesan central pastoral and administration functions.
George Andrew Retirement Fund	Fund to support priests in retirement.
2021 Fund	Funds to support priests in retirement.
Metropolitan Cathedral Roof Appeal Fund	Investment income expended on the substantial repair work to the Cathedral roof.
Metropolitan Cathedral	Funding running costs of the Cathedral.
Liverpool inner-city parish reorganisation	Funds to provide for the reorganisation of the inner-city parishes.
Sabbatical Fund	To provide for the costs of priests in sabbatical years.
Listed Building Fund	For the preservation of listed buildings.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

17 ARCHDIOCESAN BANKING ARRANGEMENTS

An offset banking arrangement exists where the total of all individual bank account balances is invested in several deposits over a variety of timescales.

18 GRANTS PAYABLE IN FURTHERANCE OF THE CHARITY'S OBJECTIVES

The archdiocese provides full financial support for the furtherance of its activities and objectives but is not considered a grant-making organisation.

Several ecumenical grants are made annually to organisations with similar objectives to those of the archdiocese. Grants were made to three such organisations totalling £39,118 (2023 - three organisations £27,252). Other small grants totalled £12,504 in 2024 (2023 - £5,942).

The archdiocese covered the tuition and living costs of several individuals studying for the priesthood in the year.

19 COMMITMENTS

At 31 December 2024 commitments to future expenditure were as follows:

	Gross £000's	Net of grant £000's
School property	9,466	947
Parochial and other property	2,797	2,797
	<u>12,263</u>	<u>3,744</u>

At 31 December 2023 commitments to future expenditure were as follows:

School property	6,742	674
Parochial and other property	2,568	2,568
	<u>9,310</u>	<u>3,242</u>

The above commitments represent committed property expenditure that has been approved by the trustees on building projects at the year end.

20 PENSION ARRANGEMENTS

20.1 Personal Pension Schemes

The archdiocese contributes, for eligible staff, to one of two qualifying pension schemes which are fully compliant with the requirements of auto-enrolment. The schemes are managed by an independent firm of pension administrators. The archdiocese has a policy of matching employee contributions up to 6% of pensionable salary and each member has their own individual pension account within the scheme. The archdiocese is neither liable to finance any funding shortfall nor entitled to benefit from any overfunding.

20.2 The 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 can 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). 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

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2019. As a result of this valuation TPS employers started to pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation was to align its introduction with employers' budget planning cycles.

The employer's pension costs paid to TPS in the period amounted to £45,863 (2023 - £33,781).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

The Teachers' Pension Scheme (continued)

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, have rejected the government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the 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.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

21 GROUP BODIES AND RELATED PARTY TRANSACTIONS

The charity has interests in subsidiary and associated undertakings, which are consolidated in the financial statements. Each entity is incorporated in England and Wales with a year-end of 31 December apart from school improvement trusts with year-ends of 31 August. A summary of their trading results (including intercompany trading) is as follows:

Subsidiary Companies at 31 December 2024	Associated Church Clubs Limited	Metropolitan Cathedral Services Limited	Tuneside Limited	Cardinal Heenan Sports Centre Limited	Archdiocesan Parish Centres Management Company Limited	Archdiocesan Property Services Limited	Archdiocese of Liverpool Primary School Improvement Trust	Archdiocese of Liverpool Secondary School Improvement Trust
% holding in ordinary shares	100	100	100	100	Guarantee Company	Charity Guarantee Company	Guarantee Company	Guarantee Company
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Income from								
Fundraising	-	379	16,353	138	7,448	1,152	425	419
Investment Income	-	-	-	-	-	23	-	-
Total Income	-	379	16,353	138	7,448	1,175	425	419
Expenditure on								
Raising Funds	-	751	17,277	165	7,598	1,144	617	502
Total Expenditure	-	751	17,277	165	7,598	1,144	617	502
Net gains on investments	-	-	-	-	-	61	-	-
Net income / (expenditure)	-	(372)	(924)	(27)	(150)	92	(192)	(83)
Total assets	174	11,304	42,140	76	1,081	1,509	30	39
Total liabilities	(9)	(3,598)	(38,621)	(90)	(2,479)	(1,153)	(238)	(47)
Total capital and reserves	165	7,706	3,519	(14)	(1,398)	356	(208)	(8)

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

21 GROUP BODIES AND RELATED PARTY TRANSACTIONS (continued)

Subsidiary Companies at 31 December 2023	Associated Church Clubs Limited	Metropolitan Cathedral Services Limited	Tuneside Limited	Cardinal Heenan Sports Centre Limited	Archdiocesan Parish Centres Management Company Limited	Archdiocesan Property Services Limited	Archdiocese of Liverpool Primary School Improvement Trust	Archdiocese of Liverpool Secondary School Improvement Trust
% holding in ordinary shares	100	100	100	100	Guarantee Company	Charity Guarantee Company	Guarantee Company	Guarantee Company
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Income from								
Fundraising	-	426	19,932	147	7,526	1,229	469	415
Investment Income	-	-	-	-	-	21	-	-
Total Income	-	426	19,932	147	7,526	1,250	469	415
Expenditure on								
Raising Funds	-	719	20,194	164	7,406	1,250	499	460
Total Expenditure	-	719	20,194	164	7,406	1,250	499	460
Net gains on investments	-	-	-	-	-	39	-	-
Net income / (expenditure)	-	(293)	(262)	(17)	120	39	(30)	(45)
Total assets	175	11,308	7,583	107	1,348	1,178	169	911
Total liabilities	(10)	(3,243)	(3,205)	(94)	(2,190)	(952)	(186)	(836)
Total capital and reserves	165	8,065	4,378	13	(842)	226	(17)	75

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

21 GROUP BODIES AND RELATED PARTY TRANSACTIONS (continued)

Associated Church Clubs Limited (company number 02724031) historically coordinated the bulk purchase of stock for supply to archdiocesan parish centres and other members of the scheme operated by the company. This activity has transferred to Archdiocesan Parish Centres Management Company Limited (company number 03422332) and the directors plan to dissolve Associated Church Clubs Limited (company number 2724031).

Metropolitan Cathedral Services Limited (company number 03115000) manages the commercial aspects of the Metropolitan Cathedral including income generation from its activities, building services and maintenance.

Tuneside Limited (company number 02316276) coordinates the building services scheme for archdiocesan buildings obligations under the Construction Industry Scheme and commercial activities of the Conference Centre.

Cardinal Heenan Sports Centre Limited's (company number 03822516) principal activity is the operation of a sports centre within the grounds of Cardinal Heenan Roman Catholic High School, Liverpool.

Archdiocesan Parish Centres Management Company Limited (company number 03422332) manages the parish centres within the archdiocese.

Archdiocesan Property Services Limited (company number 03142451 charity number 1055049) manages professional services in respect of maintenance, repair and refurbishment of archdiocesan properties.

Archdiocese of Liverpool Primary School Improvement Trust (company number 10912407) promote education standards in primary education.

Archdiocese of Liverpool Secondary School Improvement Trust (company number 10912398) promote education standards in secondary education.

The companies limited by guarantee are wholly controlled by the charity. All the companies are incorporated in the United Kingdom.

The operations of two registered charities which had common trustees were under the control of the charity and therefore their financial activity and positions were consolidated in these accounts. Since a linking directive from the Charity Commission in January 2023, the activities of these funds are now treated as part of the Archdiocese of Liverpool charity with a transfer was made between group and charity to reflect the linking direction (Note 24).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

21 GROUP BODIES AND RELATED PARTY TRANSACTIONS (continued)

The funds concerned are as follows:

Linked charities at 31 December 2024	Apostleship of the Sea (Liverpool Archdiocesan Council) £000's	Liverpool Archdiocesan Education Trust £000's
Income from		
Collections and donations	20	-
Investment income	94	50
Total Income	<u>114</u>	<u>50</u>
Expenditure on		
Charitable activities	159	-
Total expenditure	<u>159</u>	<u>-</u>
Net gain(loss) on investments	<u>248</u>	<u>(420)</u>
Net income	<u>203</u>	<u>(370)</u>
Total assets	4,565	1,894
Total liabilities	(4)	(2)
Total reserves	<u>4,561</u>	<u>1,892</u>
Linked charities at 31 December 2023	Apostleship of the Sea (Liverpool Archdiocesan Council) £000's	Liverpool Archdiocesan Education Trust £000's
Income from		
Collections and donations	3	-
Investment income	86	50
Total Income	<u>89</u>	<u>50</u>
Expenditure on		
Charitable activities	132	-
Total expenditure	<u>132</u>	<u>-</u>
Net gain on investments	<u>157</u>	<u>-</u>
Net income	<u>114</u>	<u>50</u>
Total assets	4,245	2,264
Total liabilities	(2)	(2)
Total reserves	<u>4,243</u>	<u>2,262</u>

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

21 GROUP BODIES AND RELATED PARTY TRANSACTIONS (continued)

The charitable purpose of the Apostleship of the Sea (Liverpool Archdiocesan Council) (charity number 1199714-2) is the spiritual and temporal welfare of seafarers.

Liverpool Archdiocesan Education Trust (charity number 1199714-3) acquires and holds property for education purposes.

In accordance with FRS 102, the related party transactions entered into by the charity are detailed below. All transactions that arose were in the normal course of activity.

A balance of £165,523 (2023: £164,176) was owed to Associated Church Clubs Limited at the year end.

The charity recharged salary costs of £117,712 (2023: £87,977) to Archdiocesan Parish Centres Management Company Limited, a subsidiary of the charity. A balance of £482,587 was owed from the company at the year end. (2023: £1,779,550 owed from the company)

The charity recharged salary costs of £171,983 (2023: £166,613) to Archdiocesan Property Services Limited, a subsidiary of the charity. A balance of £970,450 (2023: £645,721) was owed from the company at the year end.

No salary costs were recharged by the charity in 2024 (2023: £Nil costs) to Metropolitan Cathedral Services Limited, a subsidiary of the charity. A balance of £1,161,170 (2023: £1,566,054) was owed from the company at the year end.

The charity recharged salary costs of £132,811 (2023: £67,061) to Tuneside Limited, a subsidiary of the charity. A balance of £13,444,290 (2023: £2,101,830) was owed from the company at the year end.

A balance of £248,084 (2023: £278,337) was owed from Archdiocese of Liverpool Primary School Improvement Trust at the year end.

A balance of £26,746 (2023: £346,160) was owed from Archdiocese of Liverpool Secondary School Improvement Trust at the year end.

Associated companies	% holding in ordinary shares	Activity
Inter-Diocesan Fuel Management Limited	11	Fuel and power distribution
Catholic National Mutual Limited	6	Insurance

In the year £4,269,265 (2023 - £3,408,095) of fuel was purchased from Inter-Diocesan Fuel Management Limited by the group.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

22 CONNECTED CHARITIES

Charities with common trustees with the archdiocese and associated subsidiary undertakings are as follows:

	Charity Number
Nugent Care 2019	1187072
Christ's and Notre Dame College, Liverpool	526463
The Friends of Liverpool Metropolitan Cathedral	513469
Youth Ministry Trust Limited	1146158
St Mary's College Crosby Trust Limited	1110311
Catholic Trust for England and Wales	1097482
St Cuthbert's College Ushaw	527408
The Catholic Children's Society (Shrewsbury Diocese) Inc	509793
Caritas Diocese of Shrewsbury	1169317
Ushaw Trust	1197075
The Pontifical Bede College, Rome Trust Fund	245125
The Venerable English College Trust	1142558
The Valladolid Trust	206957
Mater Ecclesiae College	1186431
Sherburne Heatley Trust	234409
The Lancashire Infirm Secular Clergy Fund	222796
Catholic Agency For Overseas Development	1160384
Liverpool Seafarers Centre	1125539

The following transactions occurred with these connected charities;

Individual parishes have collections throughout the year where donations are collected on behalf of Nugent Care 2019 and Catholic Agency For Overseas Development, then paid directly to the charity.

The archdiocese made payments totalling £275,341 (2023: £179,277) to the Catholic Trust for England and Wales in respect of activities undertaken at a national level in common with other dioceses.

The archdiocese made payments totalling £38,591 (2023: £Nil) to the Pontifical Bede College for the training of priests.

The archdiocese made payments totalling £20,445 (2023: £Nil) to the Valladolid Trust for the training of priests.

The archdiocese made payments totalling £46,944 (2023: £60,988) to the Venerable English College for the training of priests.

The archdiocese made payments totalling £180,000 (2023: £120,000) to the Liverpool Seafarers Centre for the mission to seafarers.

No other transactions occurred with connected charities.

23 SCHOOL BUILDING PROJECTS

The charity assists archdiocesan voluntary aided schools with the administration of funding for school building projects. Historically the archdiocese acted as the agent of school governing bodies in receiving funding from the Department for Education (DfE) under the Locally Coordinated Voluntary-Aided Programme (LCVAP), local authorities and other funding sources and settling and matching it with the contractors' costs and professional fees. Monies that continue to be received through these activities are not reflected in the Statement of Financial Activities as the transactions are those of the school governing bodies rather than the archdiocese.

In April 2020 the Voluntary-Aided Schools Condition Allocation (VASCA) system was introduced and superseded the LCVAP. The change in funding gives the archdiocese ultimate control over the application of grants to specific schools, therefore the VASCA grant funding received and the related expenditure are recognised in the Statement of Financial Activities.

Total grant income to the School Projects Fund amounted to £11.91M (2023: £12.42M). Total expenditure on school building projects during the year was £9.61M (2023: £17.31M). Balances due to individual archdiocesan schools in relation to devolved formula capital projects amounted to £8.07M (2023: £9.68M).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

24 TRANSFERS

For the year ended 31 December 2024

	PAROCHIAL				CURIAL				
	Unrestricted	Designated	Restricted	Total	Unrestricted	Designated	Restricted	Total	Total 2024
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
TRANSFERS									
Parish contributions to restricted collections	(376)	-	313	(63)	-	342	44	386	323
Other	3	(370)	-	(367)	44	-	-	44	(323)
TOTAL	(373)	(370)	313	(430)	44	342	44	430	-

	PAROCHIAL				CURIAL				
	Unrestricted	Designated	Restricted	Total	Unrestricted	Designated	Restricted	Total	Total 2023
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
TRANSFERS									
Parish contributions to restricted collections	(13)	-	(51)	(64)	-	(352)	47	(305)	(369)
Other	-	370	-	370	(170)	169	-	(1)	369
TOTAL	(13)	370	(51)	306	(170)	(183)	47	(306)	-

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

25 ANALYSIS OF NET ASSETS

Group	Tangible Fixed Assets	Investments	Current Assets less Creditors	Total 2024
	£000's	£000's	£000's	£000's
Restricted Funds				
- Parochial	-	522	18,360	18,882
- Curial	-	6,794	8,859	15,653
	-	7,316	27,219	34,535
Designated Funds				
- Parochial	-	12,140	(11,884)	256
- Curial	17,635	63,639	4,426	85,700
	17,635	75,779	(7,458)	85,956
Unrestricted General Funds				
- Parochial	38,923	52,124	5,861	96,908
- Curial	17,613	4,082	(20,798)	897
	56,536	56,206	(14,937)	97,805
Total	74,171	139,301	4,824	218,296

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

25 ANALYSIS OF NET ASSETS *(continued)*

Group 2023	Tangible Fixed Assets	Investments	Current Assets less Creditors	Total 2023
	£000's	£000's	£000's	£000's
Restricted Funds				
- Parochial	-	455	17,235	17,690
- Curial	-	6,121	8,672	14,793
	-	6,576	25,907	32,483
Designated Funds				
- Parochial	-	10,976	(10,931)	45
- Curial	3,866	69,641	9,858	83,365
	3,866	80,617	(1,073)	83,410
Unrestricted General Funds				
- Parochial	12,371	66,237	11,251	89,859
- Curial	11,714	13,360	(19,164)	5,910
	24,085	79,597	(7,913)	95,769
Total	27,951	166,790	16,921	211,662

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

25 ANALYSIS OF NET ASSETS *(continued)*

Charity	Tangible Fixed Assets £000's	Investments £000's	Current Assets less Creditors £000's	Total 2024 £000's
Restricted Funds				
- Parochial	-	522	18,360	18,882
- Curial	-	6,794	8,859	15,653
	<u>-</u>	<u>7,316</u>	<u>27,219</u>	<u>34,535</u>
Designated Funds				
- Parochial	-	12,140	(11,884)	256
- Curial	17,635	86,199	(18,635)	85,199
	<u>17,635</u>	<u>98,339</u>	<u>(30,519)</u>	<u>85,455</u>
Unrestricted General Funds				
- Parochial	38,923	52,124	5,861	96,908
- Curial	5,588	3,110	5,140	13,838
	<u>44,511</u>	<u>55,234</u>	<u>11,001</u>	<u>110,746</u>
Total	<u>62,146</u>	<u>160,889</u>	<u>7,701</u>	<u>230,736</u>

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2024

25 ANALYSIS OF NET ASSETS *(continued)*

Charity 2023	Tangible Fixed Assets £000's	Investments £000's	Current Assets less Creditors £000's	Total 2023 £000's
Restricted Funds				
- Parochial	-	479	14,199	14,678
- Curial	-	6,385	8,813	15,198
	-	6,864	23,012	29,876
Designated Funds				
- Parochial	-	11,429	(11,384)	45
- Curial	17,770	86,687	(17,413)	87,044
	17,770	98,116	(28,797)	87,089
Unrestricted General Funds				
- Parochial	37,450	49,066	7,653	94,169
- Curial	5,336	2,921	4,476	12,733
	42,786	51,987	12,129	106,902
Total	60,556	156,967	6,344	223,867

26 OPERATING LEASES

Throughout the archdiocese there are numerous low value operating leases primarily in relation to equipment. The annual payments in relation to these have not been quantified but they are not deemed to be material to the financial statements.

27 CONTINGENT LIABILITIES

The trustees are reviewing the structure of the organisation from a VAT perspective with initial findings indicating that registration for VAT is probable. There remains potential that a future registration may be applied retrospectively but as this likelihood and size of potential liability cannot be fully assessed at this point, no provision has been made within the financial statements.

28 GUARANTEE

An index-linked product amounting to £2.65M (2023: £2.20M) is used as security against any potential liability in connection with a landfill site. The likelihood of this liability falling due on the charity is considered remote.

Accounts



Archdiocese of Liverpool
Annual Report
31 December 2023

Charitable incorporated organisation

Registered charity number: 1199714



Archdiocese of
Liverpool



Annual Report and accounts for the year ended 31 December 2023

Contents

About the Archdiocese	3-4
Report of the Trustees	5-30
Statement of Trustees' Responsibilities	31
Independent Auditor's Report to the Trustees	32-36
Consolidated Statement of Financial Activities	37
Charity Statement of Financial Activities	39
Consolidated Balance Sheet	41
Charity Balance Sheet	42
Consolidated Cash Flow Statement	43
Notes and Accounting Policies	44-85

Archdiocese of Liverpool About the Archdiocese

About the Archdiocese of Liverpool

The Archdiocese of Liverpool is the Metropolitan See for the Roman Catholic Church in the North of England, providing pastoral care for the Roman Catholic community in an area which includes Merseyside, parts of Lancashire, Cheshire, Greater Manchester, and the Isle of Man.

The Diocese of Liverpool was established in 1850 stretching north to Lancaster and the Lake District, south to Widnes and Warrington, and including the Isle of Man. In 1911, Liverpool was established as a Metropolitan See and became an archdiocese. In 1924 the Diocese of Lancaster was established taking territory from the north of the archdiocese with the River Ribble becoming the border between the two.

In the early years of the diocese and archdiocese, there was an emphasis on building up the expanding Catholic community with a programme of school and church building. The seminary at St Joseph's College was founded by Bishop O'Reilly to train students to the priesthood.

Following the famine of 1847, the Catholic population of Liverpool grew substantially due to mass Irish immigration. Schools and churches were built for the new arrivals, and many organised charitable efforts were put in place. Monsignor James Nugent worked tirelessly to provide for the needs of the poor, building schools and orphanages for those in poverty. How work is continued today by the Society which bears his name – Nugent.

The early twentieth century was also a period of consolidation, developing and educating people in the Catholic faith. This was during the time of Liverpool's longest serving Archbishop, Richard Downey, who had previously been a member of the Catholic Missionary Society.

There was a long road to Liverpool's Catholic Cathedral. The first design was by Edward Welby Pugin in 1883, but only the Lady Chapel was built in Everton. In 1930, Archbishop Downey commissioned architect Sir Edwin Lutyens to build a new cathedral, and the foundation stone was laid on 5 June 1933. The design was colossal, but only the crypt was built, completed after the Second World War, by which time the cost of the cathedral had risen to an impossible £27 million. Adrian Gilbert Cott was commissioned to produce a scaled-down version of the Lutyens design, but the project was ultimately abandoned.

Archdiocese of Liverpool About the Archdiocese

In 1960, Archbishop Heenan launched a competition to design a cathedral, which was won by Sir Frederick Gibberd. Building began in October 1962 and the Metropolitan Cathedral of Christ the King was opened in May 1967.

In 2023, Pope Francis granted cathedral status to the Church of Saint Mary of the Isle based in Douglas in the Isle of Man. The announcement came following Douglas being awarded city status as part of the late Queen Elizabeth's Platinum Jubilee celebrations in June 2022. The Church is a co-cathedral for the Archdiocese of Liverpool.

The 1960s and 70s were a time of transition for the Church following the Second Vatican Council. After his arrival in Liverpool Archbishop Derek Warlock set about implementing the decrees of the council. Ecumenical relations were high on the agenda as Liverpool had a history of sectarian division. Many bishops and archbishops from both the Catholic and Anglican churches had maintained both public and private friendships, including Archbishop George Beck, Bishop Stuart Blanch, Archbishop Worlock and Bishop David Sheppard, culminating in the signing of a Covenant of Unity in May 1985. The National Pastoral Congress was held in 1980, and Pope John Paul II visited the city's two cathedrals in 1982.

In 1996, Patrick Kelly became Archbishop of Liverpool and his ministry among the people of the archdiocese was tireless. As the new millennium dawned, difficult decisions had to be made; the Catholic population had declined and an exodus from the city to the new towns led to church closures and amalgamations.

Archbishop Kelly also encouraged the Catholic population to look beyond the north-west of England. Projects were initiated with the Holy Land, and in 2008 a major conference of African and European bishops was held to heal the wounds of Liverpool's history as part of the slave trade.

In 2014, following Archbishop Kelly's retirement, Archbishop Malcolm McMahon came to Liverpool. He called an Archdiocese Synod to be held in 2020 which, due to the COVID-19 pandemic, met after four years of prayer and preparation in 2021.

The fruits of the Synod are a pastoral plan for life and worship in the archdiocese which is now being implemented with the aim of 'Becoming the Church which we are called to be'.

On the 5 April 2025, Bishop John Sherrington was appointed as Archbishop of Liverpool and his installation as the tenth archbishop will take place in the Metropolitan Cathedral of Christ the King on 27 May 2025.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

REPORT OF THE TRUSTEES

MISSION STATEMENT

Taking to heart the last words of the Lord Jesus, we will go into the world to proclaim the Good News to the whole of creation.

REFERENCE AND ADMINISTRATIVE DETAILS

Constitution

The Archdiocese of Liverpool is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission on 20 July 2022, charity number 1199714.

Trustees of the Charitable incorporated organisation

Most Rev M P McMahon OP (Chairman)
Rev Mgr J Devine OBE (resigned 17 June 2024)
Rev G Easton
Rev Canon M Fitzsimons
Mr I Hollows
Rev P Inch
Mr S Keyes
Mrs C Lawrence
Rt Rev T Neylon
Rev M Nunes
Rev Mgr Provost A O'Brien
Mrs C O'Brien
Rev Canon A Prescott
Rt Rev T Williams (Resigned 25 March 2023)
Rev G J Callacher (Appointed 19 December 2023)
Rev G Dunne (Appointed 17 June 2024)

Episcopal Vicar for Finance

Rev Mgr John Devine OBE (until 17 June 2024)
Rev Graeme Dunne (from 18 June 2024)

Chief Operating Officer

Martin Miller

Principal Address

St Margaret Clitherow Centre
Croxteth Drive
Liverpool
L17 1AA

Registered Charity Number: 1199714

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

Auditors

HaysMac LLP
10 Queen Street Place
London
EC4R 1AG

Bankers

HSBC Bank plc
99-101 Lord Street
Liverpool
L2 4SW

Investment Managers

Evelyn Partners
45 Gresham Street
London
EC2V 7BG

Rathbone Investment Management Ltd
Port of Liverpool Building
Pier Head
Liverpool
L3 1NW

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Archdiocese of Liverpool is a charitable incorporated organisation (CIO), registered charity number 1199714, and registered on 20 July 2022. The net assets and undertakings of the Liverpool Roman Catholic Archdiocesan Trust, registered charity number 232709, were transferred to the CIO on 1 January 2023. The CIO is the reporting entity from 1 January 2023 and accounts for all activities of the Liverpool Roman Catholic Archdiocesan Trust which will continue to collect legacies, donations and any other income due to it. Assets and liabilities were transferred to the CIO under the Charity Commission order dated 5 December 2022 which also authorises the granting of an indemnity by the CIO under section 105 of the Charities Act 2011 to settle liabilities properly incurred.

Organisational structure and decision making

The Catholic Church has a worldwide nature and identity and could be compared with a gathering together of family, with a common purpose and faith in Jesus Christ.

Canon law (the law of the Church) establishes the rights and responsibilities of each member of this community. Church law applies universally and locally. The worldwide Church community, centred on Christ, under the Word of God and in communion with the Pope in Rome, is governed by canon law.

Under canon law the Archbishop of Liverpool is responsible for the activities of the archdiocese, a geographical area in part of the north-west of England, which is a portion of the worldwide Church, making up the pilgrim People of God.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

The archbishop was assisted during 2023 in archdiocesan executive matters by the Rt Rev T Williams, auxiliary bishop of Liverpool (retired 25 March 2023) and Rt Rev T Neylon, auxiliary bishop of Liverpool, a vicar general and several episcopal vicars with delegated responsibilities for strategic oversight in specific matters of the life of the Church.

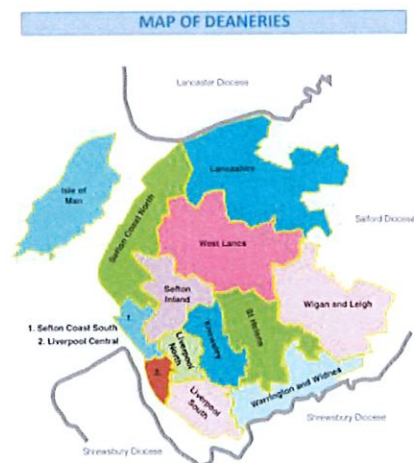
The archbishop makes the appointments of vicar general and episcopal vicars.

The affairs of the charity are governed by the trustees who are ultimately responsible for the administration and assets of the charity. The board of trustees, chaired by the archbishop, meets regularly to provide strategic direction and decision-making on key issues.

The pastoral oversight of the charity is conducted by the archbishop in regular consultation with the Archbishop's Advisory Group – a body formed as a result of the synodal processes which comprises clerical and lay advisers from various strands within the archdiocese. This body assists the archbishop in all decisions affecting the life of the archdiocese.

The archdiocese consists of 13 deaneries, each made up of groups of parishes in each local area, in total containing 171 places of worship, extending from the Mersey to the Ribble, encompassing parts of Merseyside, Lancashire, Cheshire, Greater Manchester and the Isle of Man.

The purpose of each deanery is to provide for the pastoral, sacramental and community needs of its people. All priests and deacons are accountable to the archbishop. Parish priests are obliged by canon law to act in the person of the parish¹. They also act as the agents of the trustees of the archdiocese, who are responsible for the administration of the archdiocesan charity, which includes parish assets.



¹ The Code of Canon Law makes a distinction between actual persons (*persona humana*) and a person (*persona nonficta*) who is a subject of rights and obligations. In the Church this means that there are individual physical persons and juridical personhoods. Canon law assigns canonical identity to various groups and entities within the Church such that they are recognised as subjects of rights and obligations, and these are referred to as juridical persons. A parish therefore is a juridical person, and it is the parish priest who acts in the person of the parish in all juridical matters, and importantly to ensure that parish goods are administered in accordance with the law. Can. 532 In all juridic affairs the pastor represents the parish according to the norm of law. He is to take care that the goods of the parish are administered according to the norm of cann. 1281-1288.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

It is a further requirement of canon law that every parish should have a finance committee to assist the parish priest in the financial administration of the parish. This committee enjoys consultative status with the parish priest and its constitution is approved by the trustees.

Some Church policies are developed at a national level by the Catholic Bishops' Conference of England and Wales. The archdiocese is represented on this body by its bishops. The policies may be adopted by the trustees after considering the impact on the activities of the archdiocese.

The trustees continue to review best practice as set out in the Charity Governance Code 2020, aiming to continuously improve governance and effectiveness, and look forward to the updated version of the code expected in early 2025 with its focus on ensuring transparency, accountability and efficiency in operations.

Organisational purpose

The trustees regularly review the charity's purpose and consider how it delivers public benefit as described on page 20 of this report. The trustees are satisfied that the charitable purposes of the organisation have been achieved.

Leadership

The Chief Operating Officer continues the review of priorities, governance, structures and processes. The charity has continued its transition to new governance arrangements which include clarity of oversight of committees and subsidiary undertakings.

Governance arrangements include the regular review of the purpose of committees and subsidiaries, and constructive challenge to the Chief Operating Officer and archdiocesan officers. The ethos and culture of the charity supports its activities.

Policy committees continue to carry out detailed policy work on behalf of the trustees and to make decisions on matters delegated to them.

The Pastoral Development Committee oversees the work of the Pastoral Development Department in relation to pastoral provision for better delivery of archdiocesan mission objectives and, as far as possible, will align pastoral considerations with deployment of lay and ordained ministries.

The Safeguarding Committee supports, assists and advises the trustees in discharging their duties in safeguarding, in accordance with their legal and regulatory responsibilities.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

The Archdiocesan Education Committee (established in November 2023) oversees the work of the Education Department and the development of education policy and practice consistent with the Catholic faith.

An Audit Committee (established in April 2023) advises the trustees alongside the Finance Committee ensuring that there is detailed oversight of all archdiocesan financial activity and effective stewardship of resources. Subcommittees of the Finance Committee - the Investment Panel and the Building Projects Committee advise the trustees through the Finance Committee.

Each of the committees is chaired by the relevant episcopal vicar, or vicar general, with further trustee representation on the individual body. The Audit Committee is chaired by an appropriately qualified trustee. The committees meet on a regular basis and their findings are recommended to the trustees or operate under trustee-delegated authority.

Integrity

Governance arrangements include the implementation of policies and procedures which support key outcomes in maintaining the reputation of the charity and how it is perceived by other people, partnerships, and the public. Key themes in the implementation of policies and procedures include the expected standards of probity and behaviour, the requirements to operate responsibly and ethically in line with the mission of the archdiocese, and compliance with relevant guidance, whether mandatory or non-mandatory. The requirement for the declaration of actual or potential conflicts of interest is included within the governance arrangements.

Decision-making, risk and control

The archdiocese reviews the arrangements for matters reserved to the trustee board and those that are delegated to archdiocesan officers, individual trustees, and committees. Compliance with the scheme of reservation and delegation is monitored and reported regularly to the Audit Committee.

Governance arrangements include the regular review of committee terms of reference. The monitoring of organisational performance is a key component of the governance arrangements and reporting includes the monitoring and management of financial and non-financial risks including departmental, subsidiary and archdiocesan risks. There is an effective process in place for the appointment and review of auditors.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

Board effectiveness

The arrangements for the cycle of board meetings are reviewed as part of governance arrangements together with the information needed for trustees to fulfil their duties. The mix of skills, knowledge and experience is kept under review.

Equality, diversity and inclusion

The trustees understand their responsibilities regarding equality, diversity, inclusion, and value the benefits of a diverse trustee body in making informed decisions. They aim to remove obstacles to attracting a diverse pool of candidates.

Openness and accountability

The charity is working toward the development of a transparent, well-publicised, effective, and timely process for making and handling complaints, with the aim of ensuring that internal and external complaints are handled constructively, impartially, and correctly. The review of a strategy for regular and effective communication with key stakeholders is a priority for the organisation.

Trustee recruitment and appointment

By right of office, the archbishop chairs the board of trustees. The power of appointing new or additional trustees is vested in the archbishop.

The induction process for any newly appointed trustee is tailored to the requirements of the individual and includes an initial meeting with the archbishop. Any new trustees will receive copies of Charity Commission guidance, the minutes of the most recent trustees' meetings and a copy of the most recent statutory accounts. Ongoing training provision for all trustees is being developed.

A SharePoint site for trustees and committee members includes links to the Charity Governance Code, Charity Commission publications and guidance including *'The essential trustee'*, guidance on decision-making for charity trustees, internal financial controls for charities, public benefit rules for charities, and resources for meetings of the board of trustees. The SharePoint site also has trustee induction information and information relating to strategic planning and policy development, the structure of archdiocesan finances, an overview of insurance, and training documentation relating to charity trustee responsibilities.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

Related parties

Various essential functions of the archdiocese are provided through subsidiaries. These include the commercial activities of the Metropolitan Cathedral through Metropolitan Cathedral Services Limited and the management of parish centres by Archdiocesan Parish Centres Management Company Limited. Building services for archdiocesan buildings are managed by Tuneside Limited and Archdiocesan Property Services Limited.

The promotion of education standards to archdiocesan schools was undertaken by Archdiocese of Liverpool Primary Schools Improvement Trust and Archdiocese of Liverpool Secondary Schools Improvement Trust.

The work of the Primary Improvement Trust was consolidated into the archdiocesan Education Department in 2023, and the archdiocese is working towards rationalising the organisation structure of the Secondary School Improvement Trust.

The boards of trustees of the Liverpool Archdiocesan Education Trust (1199714-3) and the Apostleship of the Sea Liverpool Archdiocesan Council (Linked charity 1199714-2) are identical to that of the archdiocese. To reflect the level of reserves under the control of the trustees, the financial performance and position of these two charities are included in the consolidated accounts of the archdiocese and from 2023 onwards both charities are regarded by the Charity Commission as linked and treated as forming part of the Charitable Incorporated Organisation, Archdiocese of Liverpool. Consequently, assets were transferred from the curial group to the charity as shown in note 24 with £2.21M in respect of the Education Trust transferred from curial unrestricted reserves at the group level to curial unrestricted reserves of the charity. For the Apostleship, £4.07M of unrestricted and £0.22M of restricted reserves were transferred from curial group to curial designated and restricted reserves of the charity respectively.

The charitable objectives of The Apostleship of the Sea (Liverpool Archdiocesan Council) are the spiritual and temporal welfare of seafarers. The apostleship aims to achieve its objectives by working in ecumenical partnership with The Mersey Mission to Seafarers in the day-to-day operation of Liverpool Seafarers Centre. Through the facilities and service provided from the Seafarers Centre, the apostleship gives practical and pastoral care to seafarers. The charity had £4.24M of reserves at 31 December 2023 (2022: £4.13M).

Liverpool Archdiocesan Education Trust aims to promote the charitable purposes of the archdiocese by facilitating the acquisition and holding of property for education purposes. Reserves of the charity amounted to £2.26M at 31 December 2023 (2022: £2.21M).

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

Global economic conditions

Global economic instability and geopolitical conditions, including the war in Ukraine, other conflicts and the cost of energy and construction related activities, have had an adverse impact on the archdiocese, supply chains and donors. The archdiocese will continue to develop appropriate financial strategies to mitigate the risks of these uncertainties.

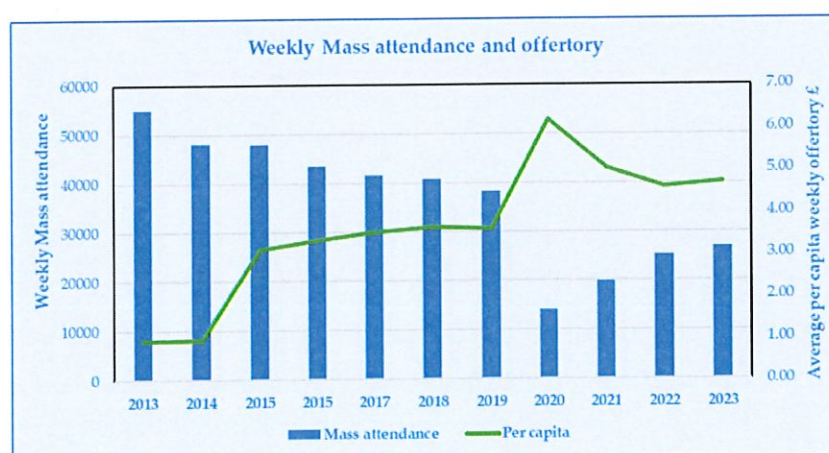
Risk Management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems are in place to mitigate exposure to the major risks.

The top ten risks to archdiocesan objectives, mitigations and actions were considered by the Audit Committee and reported to trustees during 2023 including:

	Risk	Operational	Financial	Reputational
1	Well-being of Priests	✓		✓
2	Engagement of Young People	✓		✓
3	Budgetary control	✓	✓	
4	Investment Policy		✓	✓
5	Trading activities		✓	
6	Administration of property	✓	✓	✓
7	Emergency preparedness	✓	✓	✓
8	Systems, IT and Cyber	✓	✓	✓
9	Statutory and regulatory compliance	✓	✓	✓
10	Recruitment and retention	✓	✓	

While the average weekly Mass attendance of 26,907 for 2023 (2022: 25,327) reflects a 6% increase on 2022, the underlying trend continues to be down, with a decline from the 85,357 reported in 2000.



Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

Average Mass attendance is usually calculated from the average of the Mass attendance each Sunday in October as submitted by each parish priest to the Chancellor of the archdiocese.

The average age of parish congregations is generally increasing, and the proportion of younger people is reducing. A key aspect of outreach to young people continues to be the work carried out by Catholic schools and the Animate youth ministry team, based at Lowe House, St. Helens, across the archdiocese and beyond.

The impact of the declining number of active parishioners and total clergy is being addressed through the recommendations of Synod 2020 that have been incorporated into the pastoral plan that was published in Advent 2021.

The vocations director appointed by the archbishop runs events around the archdiocese to help develop vocations to the priesthood and religious life for those people yet to decide whether to embark on ministerial formation.

The health and safety of all individuals that encounter the Church through the many churches and other properties of the archdiocese receives particular attention. A key aspect of the ongoing parish health and safety risk assessment process is risk identification, and through several techniques and processes the trustees aim to take all appropriate steps to mitigate the likely impact of risks identified.

Regulatory compliance processes are in place for matters such as asbestos, confined spaces, water hygiene, fire safety and first aid. Quinquennial reporting, parish building inspections and parish health and safety risk assessments are undertaken.

Reporting of accidents to a designated health and safety coordinator is being improved and visits to all accident sites following serious incidents are undertaken, including reporting of all notifiable incidents to the appropriate authorities.

Regular newsletters are sent to all parishes. Quarterly reports covering health and safety are reviewed by the Health and Safety Committee and reported to the trustees.

Objectives and activities

The objects of the charity are the advancement of the Roman Catholic religion in the archdiocese in such ways being charitable as the archbishop shall from time to time direct and for the service and support, whether in the archdiocese or outside the archdiocese in such ways as aforesaid of any lawful charitable purposes whether educational or otherwise promoted or supported by the Roman Catholic church.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

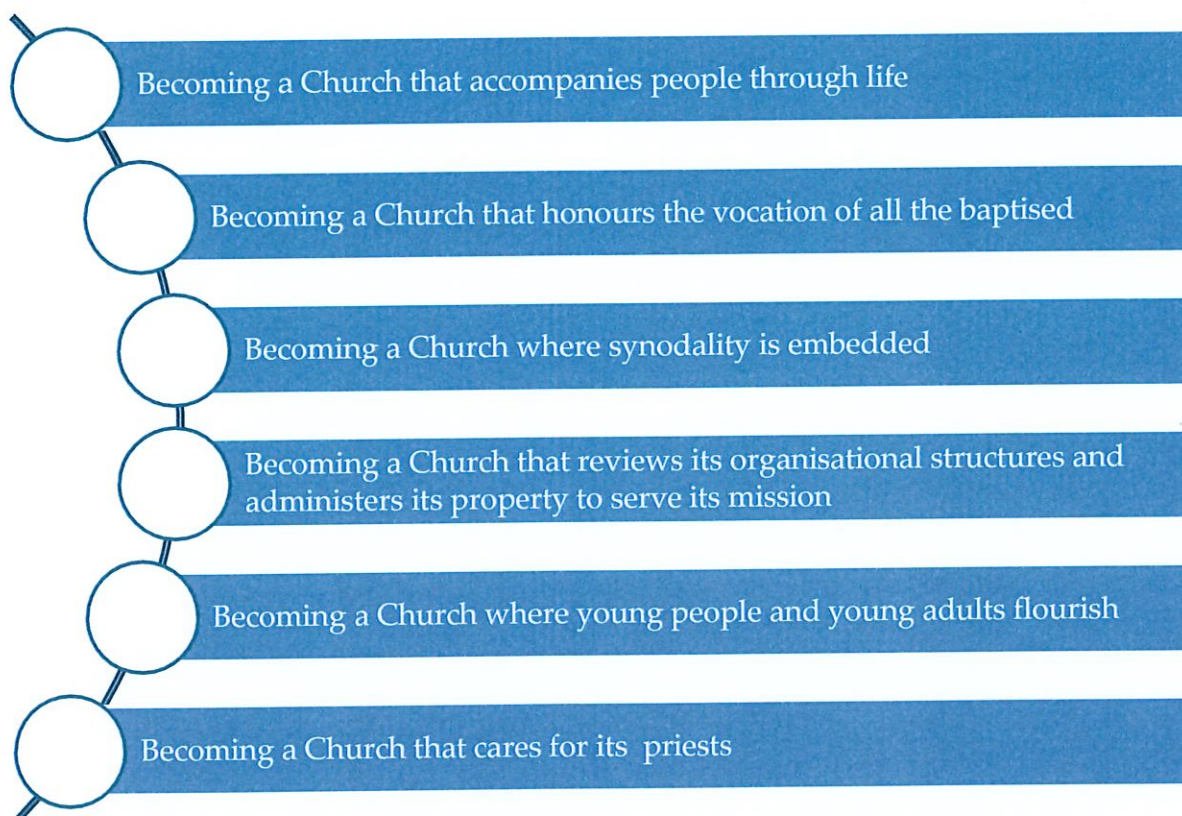
Achievements and performance

The charity fulfils its objects by offering religious and pastoral services, educational programmes, and charitable support and assistance both within and outside the Archdiocese to Catholics and others.

The Pastoral Plan was published on the first Sunday of Advent in 2021 and the archdiocese recognises that the plan represents the hopes and dreams of the local Church.

The plan comprises three sections:

- Christ at the centre – our theological underpinnings
- Four signposts to the future
- Six areas of development:



Achievements in 2023 include the confirmation of the composition of the Archdiocesan Synodal Council (ASC), and Deanery Synodal Councils. A Pastoral Plan Implementation Group was formed, on behalf of the archbishop and trustees to initiate proposals for action arising from the Pastoral Plan, to seek authorisation for those proposals and to co-ordinate their implementation.

The Pastoral Plan Implementation Group appointed a lead for each Pastoral Plan development area to implement deliverables within agreed timescales.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

A collaboration between the archdiocese, the Northern Diaconal Formation Partnership and adult formation advisers from other dioceses, working with Liverpool Hope University led to the development of a new postgraduate certificate in leadership in pastoral ministry. This is offered online and meet the criteria for part of the diaconate formation and formation for the lay ministry of catechist, as well as more general formation for ministry.

The Ministry Research Project has prepared a geographical information system (GIS) which has the potential to inform pastoral planning decisions and has provided deeper insight into the nature of diaconal ministry and the process of recruitment and formation.

A Council of Deacons was established on 11 July 2023 with elections held for the various offices and the first session of the Council of Deacons was held on 17 September 2023.

The Archbishop's Advisory Body underwent further modification in 2023 with the inclusion of a deacon and some lay members.

A comprehensive audit of property and land was concluded in the year, and the information gathered is used to support parishes looking at their building needs. Details of the condition of buildings, capacity, listed building status, location, transport links and access were identified as key aspects of decision making by Families of Parishes to prepare for the future. The provision of a 'Mother Church', possible 'daughter Churches', and places for social gatherings, catechetical events, parish office accommodation and priests' homes, for each Family of Parishes were identified as the ideal.

A Pastoral Organisation Subcommittee was established to ensure that mission drives pastoral organisation and capital projects.

The Deputy Director of Education focusses on the Catholic life of archdiocesan schools and related work highlighted by the Synod.

A process of listening to priests and their experience of being a priest in the archdiocese was undertaken and culminated in the production of a document for priests to be able to continue to reflect on what has been said. A group of priests, nominated from amongst their brothers and known as the 'Ince Group', have continued to meet and reflect on how they hold the space the document has created. Regional meetings have looked at ongoing formation needs and conversations about the possibilities of developing ways of working together. Retreats and days of recollection and a programme of ongoing formation are also being developed.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

The first assembly of the ASC was held in November 2023 and was attended by 130 people, including a Zoom link for the Isle of Man. Reports were given by each of the development area co-ordinators and discussed in groups. Each area development co-ordinator gave their report followed by an informal interview, with the opportunity for those attending to ask questions.

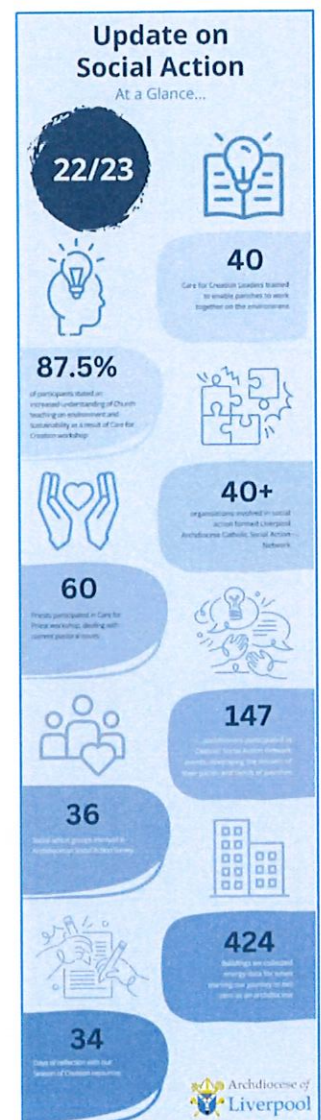
A Catholic Social Action audit was completed, a framework developed, and a database of diocesan active groups. 245 people registered for Catholic Social Action events. Those events included events on the environment, focussing on how church funds are used in relation to the climate and asylum, cost of living and the environment.

Catholic Social Action was delivered across four key strands:

- Sustainable Churches – embedding a Christian imperative for care pf creation into the life of individuals and parish communities.
- Sustainable Livelihoods – supporting parishes on their social action journeys, with social action projects inspired and clearly rooted by gospel teaching.
- Honouring the vocations of all those striving for social justice in the Church
- A vocal Church that speaks out against injustice

Examples of the work carried out during the year include the following:

- Fifteen Care for Creation leaders, trained in Wigan and Leigh, with ideas for action: transforming waste land into food growing space, auditing transport services to parishes and promoting meat abstinence on Fridays.
- Development of a pilot framework for developing social action in deaneries.
- Shape the Change Conference 2023
- Responsible Investment Policy, publication of articles on refugees, environment and cost of living.



Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

Financial Performance

The net movement in the funds of the group from parochial and curial activities is summarised below.

	2023 £000s	2022 £000s
Net expenditure	(11,159)	(2,926)
Unrealised gain/(loss) on investments	5,888	(10,650)
Revaluation of investment properties	6,761	6,021
Net income	<u>1,490</u>	<u>(7,555)</u>

Donors continued to adopt alternative methods of giving such as online donations and standing orders.

Overall staff numbers have remained stable.

Voluntary income

Parishioners continue to generously support their parishes, with long term initiatives such as the 'Responsible Giving Campaign' contributing to the strength of parish finances. The scheme is implemented by small teams of volunteer parishioners and the campaign highlights the rising levels of costs faced by parishes, and encourages individuals to increase their giving, highlighting potential to increase the value of regular donations through the Gift Aid scheme which allows the archdiocese to claim an extra 25p for every £donated by taxpayers at no extra cost to the donor.

Parishes undertaking a responsible giving campaign have experienced sustained increases in giving. The potential of responsible giving campaigns remains a key priority for the archdiocese to maintain the effectiveness of donation levels whilst also trying to avoid 'fundraising fatigue' for parishioners.

Offertory income amounted to £5.5M (2022: £5.11M), demonstrating further recovery from 2020 levels but below the level of giving reported in 2019 (£5.78M).

The value of legacies received by the archdiocese was £0.97M (2022: £1.14M). Legacies were reported in 26 individual parishes in 2023 (2022: 25). The Priests' Training Fund, cathedral and individual parishes continue to benefit from the generosity of parishioners through income and bequests.

Parishioners responded to appeals and special collections during the year with £1.0M received (2022: £0.90M), and external charities including CAFOD benefitting from the income generated.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

Fundraising activities

The activities of parish centres are consolidated within Archdiocesan Parish Centres Management Company Limited (APCMC). Parish centre buildings remain a valuable resource to parishes and the wider community with 37 centres continuing to trade.

The commercial activities of the Conference Centre in the St. Margaret Clitherow Centre were streamlined following the restrictions imposed by the pandemic and the building was used for archdiocesan and external groups without dedicated conferencing and hospitality support. Demand for facilities has continued to increase and this is kept under review to optimise potential income generation opportunities.

Tuneside Limited and Archdiocesan Property Services Limited manage archdiocesan building projects, and the activities of the subsidiaries support the cost-effective management of building projects for the benefit of parishes and schools.

Investment policy and performance

The charity's constitution includes the power to deposit or invest funds, employ professional fund-managers, and arrange for the investments or other property of the charity to be held in the name of a nominee, in the same manner and subject to the same conditions as the trustees of a trust are permitted to do so by the Trustee Act 2000.

The archdiocese is committed to aligning investments to build a better, more just, and peaceful world, with the contribution of all: people and institutions.

The archdiocese investment objective is to achieve a total return to preserve capital in real terms with an annual return to the archdiocese from dividends and interest or realised capital growth as required. The archdiocese aims to generate a return over the long term of 4% above the rate of inflation as measured by the Consumer Price Index (CPI).

The archdiocese has a long-term time horizon at a minimum of an investment cycle of around 5 years, and this is reflected in the trustees' attitude to investment risk. The trustees recognise the risks associated with investment in mainstream investment markets and accept this in return for the prospect of additional returns over longer periods of time. Asset allocations are communicated to investment managers with minimum and maximum preferred percentages.

The purpose of archdiocesan investments is ultimately to support the achievement of the objects of the charity and to deliver the pastoral plan and six areas of development. The trustees also have regard to their civil law duties relating to the administration of the charity's assets and have particular regard to Catholic Social Teaching. The archdiocese defines responsible investment as:

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

“The purposeful integration of the mission and teachings of the Catholic Church, and environmental, social and corporate governance (ESG) considerations into investment management processes and ownership practices.”

The responsible investment policy includes a range of exclusions and restrictions which filter out investments on the grounds that they are not consistent with the mission and teachings of the Catholic Church. Investment managers use the services of bodies such as the Investor Responsibility Research Service in endeavouring to ensure compliance with archdiocesan policy.

The Investment Panel has delegated authority from the trustees to set performance targets and to assess the actual performance of the investment managers against benchmarks, with advice from a specialist firm of investment advisors.

The archdiocesan investment portfolio is split into two separate portfolios managed by different investment managers and representatives of the investment managers meet periodically with the Investment Panel, who assess their relative performance against benchmarks.

Investment income generated by the investment managers of the unitised portfolio was £3.09M (2022: £2.76M). The charity reported an unrealised gain on investments of £5.9M (2022: Loss £10.65M).

All archdiocesan bank accounts are included within the offset banking system. After daily consideration of commitments and expenditure patterns, archdiocesan personnel evaluate the cash requirements, the balance being placed in a variety of cash deposits with institutions approved by the trustees.

The investment objective in respect of cash management is to maximise income from cash balances whilst ensuring sufficient liquidity to meet the daily operating requirements and to facilitate the timely payment of liabilities. Interest rate increases on cash balances during 2023 have contributed to increased returns during the year.

Investment properties

The archdiocese sold several assets that were no longer being used as functional church properties and reported a realised loss on disposal of properties of £0.17M (2022: gain £0.10M). The trustees have retained a portfolio of properties no longer required for functional purposes to generate a rental income for individual parishes. A cyclical valuation programme is operated by the trustees and revaluations created an unrealised gain of £6.8M (2022: £6.02M).

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

Charitable activities and public benefit

The charity aims to satisfy its objects, the advancement of the Roman Catholic religion in the archdiocese, in such ways being charitable as the archbishop shall from time to time direct. Charitable activities in the archdiocese and outside the archdiocese may cover any lawful charitable purposes whether educational or otherwise promoted or supported by the Roman Catholic church.

In planning its charitable activities, the trustees of the archdiocese carefully consider the Charity Commission's general guidance on public benefit.

Success is measured in different ways according to the various activities of the archdiocese. The archbishop has oversight of the whole archdiocese, achieved through visitations to parishes and schools and through the wider knowledge and reviews of the activities of the organisation.

Pastoral work

The celebration of Mass in parishes within the archdiocese was attended by an average weekly congregation of 26,907 in 2023, contributing to the nurturing of faith. As the place where parishioners accompany each other and those in their wider community, the parish church provides a sense of shared purpose and contributes to the spiritual well-being of society and the public in general.

Many activities coordinated through parishes are focused on the needs of the vulnerable, at home and abroad, and significant collections are undertaken on behalf of charities such as Nugent, CAFOD, Foodbanks, and for national disaster appeals and those affected by conflict. In addition to prayer, support was provided to those affected by the war in Ukraine through the #Liverpool4Ukraine appeal which provided much needed humanitarian aid generously donated by people across the archdiocese.

The pastoral work of the archdiocese extends through chaplaincy provision to create a welcoming Catholic community and support to those in universities and hospitals within the archdiocesan geographical area.

Chaplaincy for those facing serious life challenges within prisons provides spiritual care and a listening presence in times of grief, loneliness or regret, and encourages reflection on personal responsibility and reconciliation.

Regular and extensive pastoral visiting to the sick and dying at home and in nursing homes is undertaken by clergy and trained lay people, affirming the dignity of the sick and dying and providing the administration of the sacraments, and spiritual care for family members and loved ones.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

Parishes are supported by the work of the archdiocesan Pastoral Development Department and other centrally funded departments and initiatives facilitate and encourage work in the local community.

The archdiocesan Department of Education, through the Christian education section, provides support for the faith formation of pupils and staff by integrating Catholic teaching in the curriculum. Staff training, professional catechetical and liturgical support and statutory religious education inspections are provided to schools, supporting the development of a school community informed by Gospel values.

A dedicated team of residential youth workers under the direction of the archdiocesan youth chaplain is deployed strategically across parishes and schools, directly engaging with over 10,000 young people each year in the life and mission of the Church. Their work focuses on meaningful encounters through sacramental preparation, youth events, pilgrimages and school missions.

This work provides young people with peer support, leadership and participation and engages young people in service both within the Church and the wider community.

The Liverpool Archdiocesan Missionary Project (LAMP) has supported missionary work abroad for over four decades. Priests have undertaken work to attend to the needs of individuals within parishes administered by archdiocesan priests operating in Latin America. The investment income derived from restricted investments and legacies currently supports the daily activities and pastoral work of the priests with the emphasis on catechesis and the support of medical aid and some of the property needs in their parishes.

Clergy support

At the local level, priests play a vital role in guiding, coordinating, and carrying out the mission of the Church, while helping to bring the archdiocesan strategy to life. In addition to celebrating Mass, they administer the sacraments of baptism, marriage, and funeral rites, offering spiritual care.

The priests and deacons of the archdiocese are also dedicated to supporting the sick, the dying, and their families, through regular visits and the comforting presence of the sacraments.

Although priests do not formally retire, they may step down from the full responsibilities of office when they reach the age of 75 or sooner, should their health require it. As the number of 'retired' priests continues to grow, the demands on the George Andrew Fund, which provides for their living needs, will naturally increase, and the fund's balance will gradually diminish. To support this important work, the George Andrew Fund levy, drawn from parish donations and income, helps provide

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

essential financial assistance to priests who are unwell or have stepped down from office.

Several properties within the archdiocese have been converted and refurbished to provide a greater variety of accommodation options for retired priests. An annual parish collection, titled 'Provision for Priests in Retirement,' continues to be generously supported by parishioners. The proceeds from this collection play a crucial role in meeting the future costs of converting and maintaining these properties and are kept separate from the George Andrew Fund.

In 2023 the archdiocese had seven students preparing for the priesthood. The proceeds of another annual parish collection, along with legacies and specific donations to the Priests' Training Fund, help to cover the costs of their education and ongoing formation.

Education

Education has always been at the heart of the Catholic mission. The approach to education taken in the archdiocese is that set out in canon law: education must attend to the formation of the whole person in moral and spiritual terms, and at the same time promote the common good of society.

The archdiocese provides a network of schools across a wide and disparate geographical area embracing eight local education authorities and the Isle of Man. The Education Department ensures that there is a place available for every baptised Catholic child in its schools. The archdiocesan education service aims to care for children and young people in such a way that their physical, moral and intellectual talents develop such that they attain a greater sense of responsibility, an understanding of the right use of freedom and are formed to take an active part in public life.

External reports give testament to the enduring quality of archdiocesan schools which celebrate the uniqueness of the individual and offering mutual support for the common good in society.

Through the School Projects Fund, the archdiocese approved 223 individual capital and repair projects to the value of £17.03M (2022: 158 projects, £13.60M). The projects were financed through several different funding sources including the Department for Education (DfE) Voluntary-Aided Schools Condition Allocation (VASCA) which can be used for repairs, refurbishments, and upgrades to school infrastructure including health and safety improvements.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

The archdiocese has ultimate control over the allocation of grant funding to individual schools and these monies are included as income in the Statement of Financial Activities.

Expenditure on school building projects was £17.28m (2022: £12.60M) and is reflected in expenditure incorporating the commitment of VASCA grant funding and the archdiocesan 10% contribution to the cost of individual projects. The archdiocesan contribution can only be achieved with the generous support of parishioners and parents who contribute to the annual school levy collection. The School Projects Fund benefitted from £0.53M (2022: £0.56M) of donations from parents via archdiocesan schools.

School facilities are also supported by the government Devolved Formula Capital (DFC) Allocation, which includes a fixed lump sum per school together with an amount per pupil. Funding can be used for long-term capital investments such as building repairs, ICT upgrades and furniture and equipment upgrades.

Most schools in the archdiocese opt to pay their DFC allocations into an archdiocesan bank account within which they are maintained on an individual basis until they are drawn down by the school. At the year end, the archdiocese was holding £9.67M (2022: £11.34M) on behalf of schools.

In September 2023, the Department for Education (DfE) requested information about the existence of reinforced aerated autoclaved concrete (RAAC) in schools across the country. RAAC was a cheap and popular building material used in the construction of public buildings from the 1950s to the 1990s. It is less durable than concrete and was meant to be replaced after 35 years.

The government recognised the serious issue of the continuing use of many buildings with RAAC and committed to taking action to remove RAAC from schools.

The review of school buildings across the archdiocese was undertaken with support from external area surveyors and the DfE, including investigations and opening up works to confirm construction methods, and focussing on those built during the period when RAAC was used. No RAAC was found in archdiocesan schools.

Through the Schools' Voluntary Contribution Scheme, the archdiocese can offer an enhanced level of support to schools. Contributions of £0.27M (2022: £0.27M) from archdiocesan schools enabled the Education Department to support the development of leadership teams and advise on selection and appointment processes through effective induction in-service and advanced programmes of training following appointment.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

Property

Parish churches and other properties are built in various architectural styles, with some being listed buildings. Maintaining and refurbishing these properties requires expertise across multiple disciplines to ensure work is carried out with technical and financial proficiency. A comprehensive health and safety programme is in place, alongside measures to ensure statutory compliance for all archdiocesan properties.

Property-related costs remain the most significant area of parish expenditure, totalling £8.30M in 2023 (2022: £6.34M). This includes £3.71M spent on repairs and maintenance (2022: £2.96M). Financial oversight is exercised through the Finance Committee, which reviews and recommends repair projects exceeding £5,000 to the trustees. Procurement processes ensure that building projects provide good value for money.

The structured maintenance and repair programme ensures that churches and parish halls remain open and accessible, benefiting the community not only spiritually but also practically through pastoral care and various parish-led activities.

Employees

The employees of the Archdiocese of Liverpool play a vital role in its mission and daily operations. Archdiocesan activities are communicated to staff through multiple channels, including email, the intranet, and regular meetings that address both general and specific matters.

The Staff Association, representing all areas of employment within the archdiocese and its subsidiaries, ensures that employee wellbeing remains a key priority in decision-making. It serves as a forum for discussing employment, health and safety, and social matters while also providing trustees and senior management with opportunities to consult on proposed strategies, policies, and guidance. Employees are encouraged to share their ideas and raise any concerns.

The archdiocese is committed to inclusive employment practices, considering job applications from disabled persons based on their aptitudes and abilities. Support is provided for employees who become disabled during their tenure, including opportunities for retention and retraining. Equal opportunities are also offered for training, career development, and promotion.

Annual pay adjustments are reviewed by the trustees, with periodic evaluations of job roles and remuneration. Archdiocesan benchmarking is applied when creating new positions or filling significant vacancies to ensure fair and competitive compensation.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

Grants

The archdiocese is not primarily a grant-making charity. A small number of discretionary grants were made by the trustees to contribute towards the costs of initiatives run by other charities where their objects correlated with those of the archdiocese. Further information on this can be found in note 18 to the accounts.

Plans for future periods

The strategic direction of the archdiocese continues to be shaped by the proposals that emerged from the Synod, as outlined in the pastoral plan released at the start of Advent 2021. At the heart of this vision is the call to become a Church that accompanies people through life. The Synod identified evangelisation as the key priority, urging the archdiocese to look outward and embrace a mission of accompaniment. This commitment is expected to influence every aspect of archdiocesan life, ensuring the Church walks alongside people in their joys, hopes, griefs, and anxieties.

To honour the vocation of all the baptised, the archdiocese aims to be bold and creative in celebrating Christ's call and supporting people in their response. The trustees recognise the importance of fostering the gifts of the baptised and exploring new leadership models that engage with the realities of contemporary life. This approach seeks to strengthen collaboration and embed the principles of synodality.

In alignment with Pope Francis' vision of the synodal Church for the third millennium, the archdiocese has restructured its consultative bodies. A new advisory body, the Archbishop's Advisory Body, which includes both laypeople and clergy, has replaced the Archbishop's Council. Additionally, the ASC convened for the first time on 25 November 2023, bringing together 130 participants who engaged in listening, discernment, and reflective silence to identify key priorities for the coming year.

As part of its commitment to renewal, the archdiocese has reorganised its 18 pastoral areas into 13 deaneries, fostering more stable and effective parish groupings. To create an environment where young people and young adults can flourish, a full-time youth adviser will be appointed to develop a networked youth ministry. A Youth Council will also be established to present concrete proposals, and efforts will be made to enhance Catholic life in schools through a centralised chaplaincy structure.

Recognising the importance of caring for its priests, the archdiocese aims to strengthen mutual support within parish families. An externally facilitated process will be introduced to explore how best to support priests in their human, spiritual, liturgical, theological, intellectual, and pastoral well-being.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

Capital investment in schools and colleges will remain a priority, ensuring the maintenance and improvement of facilities.

Education Department officers will continue advocating for Catholic schools at both local and national levels to secure necessary funding and resources. While demand for places in archdiocesan schools remains high, there is strong confidence that Catholic children can access a local Catholic education. The archdiocese will continue reviewing admissions policies to sustain strong and viable schools while working within statutory frameworks to manage expansions or closures as needed.

Additionally, the archdiocese will continue to support schools ensuring robust governance, operational efficiency, and a continued focus on high-quality Catholic education.

Reserves Policy

On 31 December 2023, the group funds were:

	2023 £000's	2022 £000's
Restricted funds	29,873	32,483
Unrestricted funds: - general	95,689	95,769
- designated	87,590	83,410
	<u>213,152</u>	<u>211,662</u>

Restricted funds represent unexpended balances from collections, donations, legacies, and grants restricted by donors to specific purposes including the Priests' Training Fund and Foundation Mass capital.

Balances on specific building projects at the Metropolitan Cathedral represent amounts of grant-aid and other financial support invested in the fabric of the building. A breakdown of amounts restricted is given and the purpose of the restrictions is explained further in note 15.

Designated funds have been set aside by the trustees for several purposes including school projects, central funds, the George Andrew Fund, and the Metropolitan Cathedral.

To ensure that the reserves of the George Andrew and 2021 funds are enough to support priests in retirement, periodic actuarial reviews are undertaken. The 2021 Fund was set up as a successor to the George Andrew Fund in anticipation of an increase in the number of clergy needing retirement support from 2021 onwards.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

The most recent review confirmed that the level of reserves held was adequate to meet the likely future costs of retirement. At December 2023 reserves of these two funds amounted to £16.46M (2021: £15.64M).

Reflecting the long-term nature of the support provided by these two designated funds, the level of reserves that would otherwise be classified as freely available is more than the general target set for other funds of the archdiocese.

The central funds of the archdiocese which have been designated to meet the costs of central archdiocesan initiatives and support costs were £46.53M at 31 December 2023 (2022: £46.88M). The assets of the funds are primarily investment property and holdings in the unitised investment portfolio. The income generated from these investments contributes to meeting the costs of centrally coordinated charitable activities and the support and governance cost obligations of the charity. The level of reserves held ensures that parishes are not required to contribute to central costs by way of an annual levy.

Although collectively our parishes are financially secure, those parishes without sufficient reserves rely on the offset banking system. The offset banking system continues to ensure that those parishes with limited resources are spared the additional cost of interest charges on bank overdrafts and builds on the Church's values of solidarity with the poor and supporting the common good.

The level of aggregated reserves held for general parish purposes is broadly consistent with that of the rest of the archdiocese. The collective reserves of parishes have exceeded the target set by the trustees. Around 34% of parishes are managing their activities without any freely available reserves. Reserves in another 32 parishes (2022: 34 parishes) are below the overall target of 36 months' expenditure.

The level of freely available reserves is ordinarily determined as the amount of total unrestricted (including designated) funds less fixed assets as these assets could not be realised without undermining the work of the archdiocese. Typically, this reserve figure is expressed in terms of monthly expenditure.

Under this definition, the level of reserves freely available to spend on any or all of the charity's purposes amounted to approximately 40 months' expenditure (2022: 47 months).

The trustees consider that an overall level of reserves, inclusive of designated funds, equating to 40 months' expenditure is sufficient to enable the charity to fulfil all of its obligations and commitments. While investment volatility has contributed to a change in the levels of reserves it is felt the excess of reserves over 36 months is

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

acceptable in the short to medium term. The trustees' expectations in respect of the desired levels of reserves in the longer term remain realistic.

Freely available reserves:

	2023 £000s	2022 £000s
Unrestricted reserves Curial	1,520	5,910
Unrestricted reserves Parochial	94,169	89,859
Less:		
Tangible assets Curial	(35,052)	(17,919)
Tangible assets Parochial	(37,450)	(33,997)
Freely available reserves	23,187	43,853
Unrestricted expenditure Curial	11,000	10,470
Unrestricted expenditure Parochial	13,932	11,194
Total unrestricted expenditure	24,932	21,664
Monthly expenditure	2,078	1,805
Months of freely available reserves	11	24

The level of net current assets held by the archdiocese amounted to £5.3M (2022: £16.92M) and represents 2.56 months (2022: 6.99 months) of expenditure on 31 December 2023, which is somewhat less than the trustees consider appropriate.

Taking into consideration the specific demands in respect of designated funds set aside by the trustees for specific purposes, the trustees consider any meaningful target for reserves to meet general expenditure should exclude these funds.

A target level of reserves of between 24 and 30 months expenditure, while preserving liquidity with net current assets of between 4 and 6 months expenditure, is considered appropriate. The archdiocese held 11 months of freely available reserves at 31 December 2023 (2022: 24 months). The trustees continue to include consideration of reserves, and the level of net current assets on the schedule of risks which is reviewed regularly.

Going concern

In preparing the financial statements, the trustees are required to prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation. In satisfaction of this responsibility the trustees have considered the charity's ability to meet its liabilities as they fall due for a period of at least 12 months from the signing date of the financial statements.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

The trustees conclude that it remains appropriate to prepare the financial statements on a going concern basis.

Volunteers

The trustees acknowledge the hard work of so many volunteers in our parishes who help in financial and property administration and also those who are involved in a variety of roles that assist in the life and service of the Church and trust and the wider society. They wish to thank them all for all their hard work and dedicated commitment to these aspects of the life of the Church. The monetary value of the volunteers' time is impossible to quantify.

In summary, the overall picture is one of consolidation and improvement of existing resources. The trustees are determined in response to archdiocesan needs and priorities to preserve the level of reserves and maintain commitments to existing services, whilst also being able to periodically consider new initiatives in line with the pastoral plan.

Archdiocese of Liverpool
Report of the Trustees
For the year ended 31 December 2023

Auditor

In respect of each trustee at the date the trustees report is signed:

- So far as we are aware, there is no information needed by the charity's auditor in connection with preparing their report (relevant audit information) of which they are unaware, and
- As the trustees of the charity, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Signed on behalf of the trustees.

 Graeme M. Dunne.

Rev Graeme Dunne

3 June 2025

Archdiocese of Liverpool
Statement of Trustees' Responsibilities
For the year ended 31 December 2023

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

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

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Archdiocese of Liverpool
Independent Auditor's Report to the Trustees
For the year ended 31 December 2023

Independent Auditor's Report to the Trustees of the Archdiocese of Liverpool

Opinion on the financial statements

We have audited the financial statements of the Archdiocese of Liverpool for the year ended 31 December 2023 which comprise the consolidated and charity statement of financial activities, the consolidated and charity balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 group's and of the parent Charity's affairs as at 31 December 2023 and of the group's net movement in funds 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 have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 and group 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

Archdiocese of Liverpool
Independent Auditor's Report to the Trustees
For the year ended 31 December 2023

believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related 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 Group and the Parent 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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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.

Archdiocese of Liverpool
Independent Auditor's Report to the Trustees
For the year ended 31 December 2023

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 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept by the Parent Charity; or
- the Parent Charity 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 statement of trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent 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 Group or the parent Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Archdiocese of Liverpool
Independent Auditor's Report to the Trustees
For the year ended 31 December 2023

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:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Canon Law, employment law, safeguarding regulations and Charity Law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Charities Act 2011 and Charities SORP.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.
- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias; and
- Testing a sample of income throughout the year to supporting documentation.

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 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.

Archdiocese of Liverpool
Independent Auditor's Report to the Trustees
For the year ended 31 December 2023

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 section 144 of the Charities Act 2011 and regulations made under section 154 of that act . 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.



HaysMac LLP

Statutory Auditors

Date: **5 June 2025**

10 Queen Street Place

London

EC4R 1AG

HaysMac LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Archdiocese of Liverpool
Consolidated Statement of Financial Activities
For the year ended 31 December 2023

	Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Parochial Restricted Funds £000's	TOTAL Parochial Funds £000's	Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	TOTAL Curial Funds £000's	TOTAL 2023 £000's
INCOME FROM										
Donations and legacies										
Collections and donations	3.1	8,225	529	1,031	9,785	276	2	336	614	10,399
Legacies		928	-	4	932	5	35	1	41	973
Grants	3.2	48	-	12,417	12,465	-	2	-	2	12,467
Other trading activities										
Fundraising	3.3	161	-	-	161	9,018	-	-	9,018	9,179
Investment income	3.4	2,125	269	5	2,399	480	2,320	140	2,940	5,339
Charitable activities	4	91	-	-	91	337	713	-	1,050	1,141
TOTAL INCOME		11,578	798	13,457	25,833	10,116	3,072	477	13,665	39,498
EXPENDITURE ON										
Raising Funds										
5		174	32	1	207	8,529	281	23	8,833	9,040
Charitable activities										
6										
Ministry support	6.1	1,436	-	-	1,436	53	1,484	254	1,791	3,227
Pastoral and community	6.2	4,003	-	778	4,781	864	3,450	117	4,431	9,212
Education	6.3	-	1,622	15,654	17,276	961	1,561	-	2,522	19,798
Provision for worship	6.4	8,319	-	-	8,319	593	468	-	1,061	9,380
TOTAL EXPENDITURE		13,932	1,654	16,433	32,019	11,000	7,244	394	18,638	50,657
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS		(2,354)	(856)	(2,976)	(6,186)	(884)	(4,172)	83	(4,973)	(11,159)
10										
Net gains on investments		6,677	486	15	7,178	734	4,465	272	5,471	12,649
NET INCOME / (EXPENDITURE) AFTER INVESTMENT GAINS		4,323	(370)	(2,961)	992	(150)	293	355	498	1,490
TRANSFERS BETWEEN FUNDS										
24b		(13)	370	(51)	306	(4,240)	3,887	47	(306)	-
NET MOVEMENT IN FUNDS										
Fund balances at 1 January 2023		4,310	-	(3,012)	1,298	(4,390)	4,180	402	192	1,490
FUND BALANCES AT 31 DECEMBER 2023	25	89,859	45	17,690	107,594	5,910	83,365	14,793	104,068	211,662
		94,169	45	14,678	108,892	1,520	87,545	15,195	104,260	213,152

All amounts relate to continuing operations. The notes on pages 44 to 85 form part of these accounts.

Archdiocese of Liverpool
Consolidated Statement of Financial Activities
For the year ended 31 December 2022

Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Parochial Restricted Funds £000's	TOTAL Parochial Funds £000's	Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	TOTAL Curial Funds £000's	TOTAL 2022 £000's
INCOME FROM									
Donations and legacies									
3.1 Collections and donations	8,377	444	903	9,724	235	-	311	546	10,270
Legacies	386	-	5	391	26	655	66	747	1,138
3.2 Grants	-	-	12,862	12,862	-	8	-	8	12,870
Other trading activities									
3.3 Fundraising	127	-	-	127	8,896	-	-	8,896	9,023
3.4 Investment income	1,615	266	7	1,888	463	1,498	147	2,108	3,996
4 Charitable activities	98	-	-	98	380	637	107	1,124	1,222
Other									
Net gains on disposal of assets	92	-	-	92	-	10	-	10	102
TOTAL INCOME	10,695	710	13,777	25,182	10,000	2,808	631	13,439	38,621
EXPENDITURE ON									
Raising Funds	146	33	1	180	8,485	280	17	8,782	8,962
Charitable activities									
6.1 Ministry support	1,304	-	-	1,304	47	1,177	219	1,443	2,747
6.2 Pastoral and community	3,402	-	709	4,111	809	2,840	269	3,918	8,029
6.3 Education	-	1,333	11,270	12,603	671	1,269	-	1,940	14,543
6.4 Provision for worship	6,342	-	-	6,342	458	465	-	923	7,265
TOTAL EXPENDITURE	11,194	1,366	11,980	24,540	10,470	6,031	505	17,006	41,546
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT LOSSES	(499)	(656)	1,797	642	(470)	(3,223)	126	(3,567)	(2,926)
Net losses on investments	(1,192)	(921)	(37)	(2,150)	(437)	(1,529)	(513)	(2,479)	(4,629)
NET INCOME (EXPENDITURE) / INCOME AFTER INVESTMENT LOSSES	(1,691)	(1,577)	1,760	(1,508)	(907)	(4,752)	(387)	(6,046)	(7,555)
TRANSFERS BETWEEN FUNDS	(472)	(7)	422	(57)	(4)	20	41	57	-
NET MOVEMENT IN FUNDS	(2,163)	(1,584)	2,182	(1,565)	(911)	(4,732)	(346)	(5,989)	(7,555)
Fund balances at 1 January 2022	92,022	1,629	15,508	109,159	6,821	88,097	15,139	110,057	219,217
FUND BALANCES AT 31 DECEMBER 2022	89,859	45	17,690	107,594	5,910	83,365	14,793	104,068	211,662

All amounts relate to continuing operations. The notes on pages 44 to 85 form part of these accounts.

Archdiocese of Liverpool
Charity Statement of Financial Activities
For the year ended 31 December 2023

Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Parochial Restricted Funds £000's	TOTAL Parochial Funds £000's	Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	TOTAL Curial Funds £000's	TOTAL 2023 £000's
INCOME FROM									
Donations and legacies									
Collections and donations	8,225	529	1,031	9,785	273	2	336	611	10,396
Legacies	928	-	4	932	5	35	1	41	973
Grants	48	-	12,417	12,465	-	2	-	2	12,467
Other trading activities									
Fundraising	161	-	-	161	7	-	-	7	168
Investment income	2,125	269	5	2,399	373	2,320	140	2,833	5,232
Charitable activities	91	-	-	91	337	713	-	1,050	1,141
TOTAL INCOME	11,578	798	13,457	25,833	995	3,072	477	4,544	30,377
EXPENDITURE ON									
Raising Funds	174	32	1	207	7	281	23	311	518
Charitable activities									
Ministry Support	1,436	-	-	1,436	53	1,484	254	1,791	3,227
Pastoral and Community	4,003	-	778	4,781	732	3,450	117	4,299	9,080
Education	-	1,622	15,654	17,276	-	1,561	-	1,561	18,837
Provision for worship	8,319	-	-	8,319	593	468	-	1,061	9,380
TOTAL EXPENDITURE	13,932	1,654	16,433	32,019	1,385	7,244	394	9,023	41,042
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT	(2,354)	(856)	(2,976)	(6,186)	(390)	(4,172)	83	(4,479)	(10,665)
GAINS & LINKING OF CHARITIES									
Net gains on investments	6,677	486	15	7,178	490	4,465	272	5,227	12,405
LINKING OF CHARITIES	-	-	-	-	2,213	4,070	222	6,505	6,505
NET (EXPENDITURE) / INCOME AFTER INVESTMENT	4,323	(370)	(2,961)	992	2,313	4,363	577	7,253	8,245
GAINS & LINKING OF CHARITIES									
TRANSFERS BETWEEN FUNDS	(13)	370	(51)	306	(1)	(352)	47	(306)	-
NET MOVEMENT IN FUNDS	4,310	-	(3,012)	1,298	2,312	4,011	624	6,947	8,245
Fund balances at 1 January 2023	89,859	45	17,690	107,594	10,421	83,033	14,574	108,028	215,622
FUND BALANCES AT 31 DECEMBER 2023	94,169	45	14,678	108,892	12,733	87,044	15,198	114,975	223,867

All amounts relate to continuing operations. The notes on pages 44 to 85 form part of these accounts.

Archdiocese of Liverpool
Charity Statement of Financial Activities
For the year ended 31 December 2022

Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Parochial Restricted Funds £000's	TOTAL Parochial Funds £000's	Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	TOTAL Curial Funds £000's	TOTAL 2022 £000's
INCOME FROM									
Donations and legacies									
Collections and donations	8,377	444	903	9,724	234	-	311	545	10,269
Legacies	386	-	5	391	26	655	66	747	1,138
Grants	-	-	12,862	12,862	-	8	-	8	12,870
Other trading activities									
Fundraising	127	-	-	127	12	-	-	12	139
Investment income	1,615	266	7	1,888	292	1,498	147	1,937	3,825
Charitable activities									
4	98	-	-	98	380	637	107	1,124	1,222
Other	92	-	-	92	-	10	-	10	102
Net gains on disposal of assets	10,695	710	13,777	25,182	944	2,808	631	4,383	29,565
TOTAL INCOME									
EXPENDITURE ON									
Raising Funds									
5	146	33	1	180	22	280	17	319	499
Charitable activities									
6									
Ministry Support	1,304	-	-	1,304	47	1,176	219	1,442	2,746
Pastoral and Community	3,402	-	709	4,111	652	2,839	269	3,760	7,871
Education	-	1,333	11,270	12,603	-	1,269	-	1,269	13,872
Provision for worship	6,342	-	-	6,342	458	465	-	923	7,265
TOTAL EXPENDITURE	11,194	1,366	11,980	24,540	1,179	6,029	505	7,713	32,253
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT LOSSES	(499)	(656)	1,797	642	(235)	(3,221)	126	(3,330)	(2,688)
Net losses on investments	(1,192)	(921)	(37)	(2,150)	(80)	(1,529)	(513)	(2,122)	(4,272)
NET (EXPENDITURE) / INCOME AFTER INVESTMENT LOSSES	(1,691)	(1,577)	1,760	(1,508)	(315)	(4,750)	(387)	(5,452)	(6,960)
TRANSFERS BETWEEN FUNDS									
24b	(472)	(7)	422	(57)	(5)	20	42	57	-
NET MOVEMENT IN FUNDS	(2,163)	(1,584)	2,182	(1,565)	(320)	(4,730)	(345)	(5,395)	(6,960)
Fund balances at 1 January 2022	92,022	1,629	15,508	109,159	10,741	87,763	14,919	113,423	222,582
FUND BALANCES AT 31 DECEMBER 2022	89,859	45	17,690	107,594	10,421	83,033	14,574	108,028	215,622

All amounts relate to continuing operations. The notes on pages 44 to 85 form part of these accounts.

Archdiocese of Liverpool
Consolidated Balance Sheet
At 31 December 2023

	Notes	Parochial 2023 £000's	Curial 2023 £000's	Total 2023 £000's	Parochial 2022 £000's	Curial 2022 £000's	Total 2022 £000's
FIXED ASSETS							
Tangible assets							
Property, plant and equipment	11.1	11,657	16,158	27,815	12,371	15,580	27,951
Investments							
Listed investments	12.1	60,974	74,348	135,322	56,042	72,449	128,491
Investment properties	12.4	25,793	18,894	44,687	21,626	16,673	38,299
Total investments		<u>86,767</u>	<u>93,242</u>	<u>180,009</u>	<u>77,668</u>	<u>89,122</u>	<u>166,790</u>
Total Fixed Assets		<u>98,424</u>	<u>109,400</u>	<u>207,824</u>	<u>90,039</u>	<u>104,702</u>	<u>194,741</u>
CURRENT ASSETS							
Stock		-	228	228	-	254	254
Debtors							
- due within one year	13	3,253	2,761	6,014	3,081	1,361	4,442
Balance at bank		<u>15,758</u>	<u>1,993</u>	<u>17,751</u>	<u>16,026</u>	<u>10,526</u>	<u>26,552</u>
Current assets		<u>19,011</u>	<u>4,982</u>	<u>23,993</u>	<u>19,107</u>	<u>12,141</u>	<u>31,248</u>
LIABILITIES							
Creditors - amounts falling due within one year	14	(11,075)	(7,590)	(18,665)	(9,635)	(4,692)	(14,327)
Inter designation balances	1.21	2,532	(2,532)	-	8,083	(8,083)	-
Current liabilities		<u>(8,543)</u>	<u>(10,122)</u>	<u>(18,665)</u>	<u>(1,552)</u>	<u>(12,775)</u>	<u>(14,327)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>10,468</u>	<u>(5,140)</u>	<u>5,328</u>	<u>17,555</u>	<u>(634)</u>	<u>16,921</u>
NET ASSETS		<u>108,892</u>	<u>104,260</u>	<u>213,152</u>	<u>107,594</u>	<u>104,068</u>	<u>211,662</u>
ACCUMULATED FUNDS							
Restricted funds	15	14,678	15,195	29,873	17,690	14,793	32,483
Unrestricted funds							
- Designated	16	45	87,545	87,590	45	83,365	83,410
- General		<u>94,169</u>	<u>1,520</u>	<u>95,689</u>	<u>89,859</u>	<u>5,910</u>	<u>95,769</u>
		<u>108,892</u>	<u>104,260</u>	<u>213,152</u>	<u>107,594</u>	<u>104,068</u>	<u>211,662</u>

The financial statements were approved and authorised for issue by the trustees on 3 June 2025 and signed on their behalf by



Rev Canon Aidan Prescott
Trustee

The notes on pages 44 to 85 form part of these accounts.

Archdiocese of Liverpool
Charity Balance Sheet
At 31 December 2023

	Notes	Parochial 2023 £000's	Curial 2023 £000's	Total 2023 £000's	Parochial 2022 £000's	Curial 2022 £000's	Total 2022 £000's
FIXED ASSETS							
Tangible assets							
Property, plant and equipment	11.2	11,657	4,212	15,869	12,371	4,335	16,706
Investments							
Listed Investments	12.2	60,974	73,434	134,408	56,042	68,093	124,135
Investment in group undertakings	12.3	-	22,559	22,559	-	22,558	22,558
Investment properties	12.5	25,793	18,894	44,687	21,626	15,083	36,709
Total investments		<u>86,767</u>	<u>114,887</u>	<u>201,654</u>	<u>77,668</u>	<u>105,734</u>	<u>183,402</u>
Total Fixed Assets		<u>98,424</u>	<u>119,099</u>	<u>217,523</u>	<u>90,039</u>	<u>110,069</u>	<u>200,108</u>
CURRENT ASSETS							
Debtors							
Debtors - due within one year	13	3,253	973	4,226	3,081	706	3,787
Balance at bank		<u>15,758</u>	<u>18,431</u>	<u>34,189</u>	<u>16,026</u>	<u>21,749</u>	<u>37,775</u>
Current assets		<u>19,011</u>	<u>19,404</u>	<u>38,415</u>	<u>19,107</u>	<u>22,455</u>	<u>41,562</u>
LIABILITIES							
Creditors							
Creditors - amounts falling due within one year	14	(11,075)	(1,954)	(13,029)	(9,635)	(1,421)	(11,056)
Inter designation balances	1.21	<u>2,532</u>	<u>(21,574)</u>	<u>(19,042)</u>	<u>8,083</u>	<u>(23,075)</u>	<u>(14,992)</u>
Current liabilities		<u>(8,543)</u>	<u>(23,528)</u>	<u>(32,071)</u>	<u>(1,552)</u>	<u>(24,496)</u>	<u>(26,048)</u>
NET CURRENT ASSETS		<u>10,468</u>	<u>(4,124)</u>	<u>6,344</u>	<u>17,555</u>	<u>(2,041)</u>	<u>15,514</u>
NET ASSETS		<u>108,892</u>	<u>114,975</u>	<u>223,867</u>	<u>107,594</u>	<u>108,028</u>	<u>215,622</u>
ACCUMULATED FUNDS							
Restricted funds	15	14,678	15,198	29,876	17,690	14,574	32,264
Unrestricted funds							
- Designated	16	45	87,044	87,089	45	83,033	83,078
- General		<u>94,169</u>	<u>12,733</u>	<u>106,902</u>	<u>89,859</u>	<u>10,421</u>	<u>100,280</u>
		<u>108,892</u>	<u>114,975</u>	<u>223,867</u>	<u>107,594</u>	<u>108,028</u>	<u>215,622</u>

The financial statements were approved and authorised for issue by the trustees on 3 June 2025 and signed on their behalf by



Rev Canon Aidan Prescott
Trustee

The notes on pages 44 to 85 form part of these accounts.

Archdiocese of Liverpool
Consolidated Cash Flow Statement
For the Year Ended 31 December 2023

	2023 £'000s	2022 £'000s
Cash flows from operating activities		
Net movement in funds	1,490	(7,554)
Adjustments for:		
Depreciation, impairment, and amortisation of fixed assets	1,255	1,197
Donation of property	300	(287)
Net interest receivable	(601)	(207)
Dividend income from fixed and current asset investments	(3,092)	(2,758)
Difference between net pension expense and cash contribution	5	-
(Increase) in trade and other debtors	(1,562)	(511)
(Increase)/decrease in stocks	26	(32)
Increase in trade and other creditors	4,334	1,372
(Gains) on revaluation of investment properties	(6,761)	(6,021)
(Gains)/losses on revaluation of investments	(5,888)	10,650
Profit on disposal of assets	-	(102)
Net cash outflow from operating activities	<u>(10,494)</u>	<u>(4,253)</u>
Cash flows from investing activities		
Proceeds from sale of tangible fixed assets	278	830
Purchases of tangible fixed assets	(1,325)	(1,313)
Interest received	601	207
Dividends received on fixed asset investments	1,744	2,069
Proceeds from sale of investments	395	355
Net cash from investing activities	<u>1,693</u>	<u>2,148</u>
Cash flows from financing activities		
Loan repayments	-	(1,700)
Net cash outflow from financing	<u>-</u>	<u>(1,700)</u>
Net decrease in cash and cash equivalents	(8,801)	(3,805)
Cash and cash equivalents at beginning of year	26,552	30,357
Cash and cash equivalents at end of year	<u>17,751</u>	<u>26,552</u>
Cash and cash equivalents comprise:		
Cash at bank and in hand	<u>17,751</u>	<u>26,552</u>

Analysis of changes in net debt	At 1 January 2023	Cashflows	Other non-cash movements	At 31 December 2023
Cash at bank and in hand	26,552	(8,801)	-	17,751
Debt due within one year	-	-	-	-
Total	<u>26,552</u>	<u>(8,801)</u>	<u>-</u>	<u>17,751</u>

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

1 PRINCIPAL ACCOUNTING POLICIES

1.1 Charity information

The Archdiocese of Liverpool is a charitable incorporated organisation registered in England and Wales (Charity Number 1199714). The registered office is stated on the reference and administrative details page and the principal objective and activity of the charity is stated in the Report of the Trustees.

1.2 Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments and investment properties which are included at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (Charities SORP (FRS 102)), the Charities Act 2011 and applicable reporting standards.

The Archdiocese of Liverpool meets the definition of a public benefit entity under FRS 102.

The accounts are presented in sterling and are rounded to the nearest £1,000.

1.3 Going Concern

In preparing these financial statements, the trustees are required to prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation. In satisfaction of this responsibility the trustees have considered the charity's ability to meet its liabilities as they fall due for a period of at least 12 months from the signing date of the financial statements.

On 20 July 2022, a Charitable Incorporated Organisation, 'Archdiocese of Liverpool' was registered with the Charity Commission. The net assets and undertakings of the Liverpool Roman Catholic Archdiocesan Trust were transferred to the new entity, charity number 1199714, on 1 January 2023. The new Charitable Incorporated Organisation became the new reporting entity from the accounting period 1 January to 31 December 2023 and will continue to account for all activities of the Liverpool Roman Catholic Archdiocesan Trust. The charity continues to collect legacies, donations and any other income due to it and transferred assets and liabilities to the new charity under the Charity Commission order dated 5 December 2022 which also authorises the granting of an indemnity by the new charity under section 105 of the Charities Act 2011 to settle liabilities properly incurred.

Net assets were transferred to the Archdiocese of Liverpool without impairment as the core objectives and activities remain consistent with the archdiocesan trust. The Charity Commission has categorised the archdiocesan trust as a linked charity of the Archdiocese of Liverpool Charitable Incorporated Organisation.

The trustees conclude that it remains appropriate to prepare the financial statements on a going concern basis.

1.4 Basis of consolidation

The consolidated financial statements include those of the subsidiary undertakings, as shown in note 21, which are consolidated on a line-by-line basis using appropriate headings for those subsidiaries which prepare their accounts under the Companies Act or SORP formats.

The consolidated accounts also include the net assets and transactions of other charities under the control of the charity. The accounts do not include the net assets and results of connected charities as these entities are not under the control of the trustees.

The charity has taken advantage of the exemption from preparing a charity cash flow statement.

1.5 Income

Income is included in the Statement of Financial Activities once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income from trading activities is included in the period that the relevant services are provided, or goods supplied.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

Legacies and donations are recognised when receipt is probable, the archdiocese becomes legally entitled to them and they can be measured in financial terms with sufficient reliability.

Collections and fundraising income are recognised on receipt. Investment income, which includes rental income, is recognised when receivable.

Grants receivable are included in the Statement of Financial Activities as soon as the conditions attaching to the grant are satisfied. Grants are mainly in relation to capital projects. Included within the grants figure on the statement of financial activities is £12,862K (2022: £11,625K) in relation to VASCA (Voluntary-Aided Schools Condition Allocation) grants from the Department for Education.

The charity receives substantial voluntary help in the work of the archdiocese, but it is not possible to place a financial value on this work and no amounts are therefore included in the financial statements for the value of services donated by volunteers. Gifts of fixed assets are included at valuation and the corresponding entry is recorded as donation income.

1.6 Expenditure

Expenditure is included in the Statement of Financial Activities on the accruals basis. These are based on the amounts payable for work done or services provided in the year inclusive of irrecoverable VAT.

Costs of raising funds

Costs of raising funds comprises all costs relating to attracting voluntary income, the costs incurred in subsidiary trading and investment management fees.

Charitable activities

Expenditure on charitable activities includes the costs identified as wholly or mainly attributable to achieving the charitable objectives of the charity, including direct staff costs and other direct costs as well as support costs and costs relating to the governance of the charity apportioned to charitable activities.

Governance costs

Governance costs are those costs related to the governance of the charity, to allow it to operate, and to generate information for public accountability. Direct costs include audit and accountancy, legal advice to trustees and costs of trustees' meetings.

Support costs

All support costs are borne by central funds and have been apportioned to governance costs and charitable activities. The share of support costs attributable to governance reflects costs incurred in the preparation of the statutory accounts and the remaining costs have been allocated pro-rata based upon the charitable activity's share of central expenditure.

1.7 Investments and investment gains and losses

Investments and investment properties are included in the financial statements at fair value at the balance sheet date. Investment properties are valued internally annually and are professionally valued on a rolling basis as part of a five-year programme.

Listed investments are included in the balance sheet at bid price.

Realised and unrealised gains and losses on investments and investment properties are charged/credited to the Statement of Financial Activities.

Unrealised gains and losses are calculated as the movement in fair value during the year. Realised gains are calculated as the difference between disposal proceeds and market value brought forward.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

1.8 Tangible fixed assets - other than property

The cost of computer equipment, office equipment and fixtures and fittings is capitalised and depreciation is provided to write off the original cost, less any estimated residual value, over the expected useful life of the assets concerned. The rates of depreciation applied are as follows:

	% of cost per annum
Computer equipment	25
Office equipment and fixtures and fittings	20

Suitable capitalisation thresholds are adopted in the entities comprising the archdiocese.

1.9 Tangible fixed assets - Functional church property

Prior to 31 December 1997 capital expenditure on functional church property was written off in full as incurred.

At 31 December 1997 the trustees considered that a reasonable approximation of the net book value of the functional church property held would be established by discounting the insurance values of those assets by 90%. This was the policy employed to include these assets on the balance sheet at estimated historical cost net of accumulated depreciation.

From 1 January 1998 to 31 December 2008 the cost of functional church property was capitalised and depreciated over its expected useful life of 20 years. From 2009 listed properties and other functional church properties have been depreciated over useful economic lives of 100 years and 50 years respectively. Commercial properties are considered to have useful economic lives of 20 years.

From 1 January 2019 parochial functional property is depreciated by component over the remaining expected useful life of the individual component as set out below.

Building component	% of cost	Average remaining life in 2023	Expected useful life
Roof	30%	22	75
Walls, foundations	50%	97	100
Windows	5%	17	50
Heating installations	5%	7	20
Interior	5%	7	20
Electrical installations	5%	7	20

Works of art, treasures and plate are not capitalised in these accounts as they are historic, have extraordinarily long lives and are worth preserving in perpetuity. They are heritage assets for the purposes of Charities SORP (FRS 102). The trustees consider that it would be prejudicial to the safe custody of these assets to disclose details of their values and usage in the accounts.

Where functional church property is no longer operational, impairment is fully recognised unless there is an investment value, in which case the property is transferred to investment properties.

1.10 Tangible fixed assets - School property

The freehold of the land and buildings legally owned by the archdiocese and occupied rent- free on behalf of the trustees of the governing bodies of catholic voluntary aided schools, which are separate charities and publicly funded, are valued at £Nil. The trustees consider that no meaningful value can be attributed to these assets, since they are not used directly by the archdiocese, do not generate income, and cannot be disposed of in the open market or put to alternative use while such occupation, which may be indefinite, continues.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

1.11 Impairment

The carrying amounts of the archdiocese's fixed assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount and is recognised in the Consolidated Statement of Financial Activities.

1.12 Stocks

Stocks are stated at the lower of cost and net realisable value.

1.13 Pension scheme

The charity and eligible employees make defined contributions to a group personal pension scheme. Contributions are also paid to the Teachers' Pension Superannuation Fund (TPS), a defined benefit scheme, on which further information is given in note 21 to the financial statements. As the TPS is a multi-employer scheme with assets and liabilities that cannot be separated, contributions payable are charged as Resources Expended in the Consolidated Statement of Financial Activities.

1.14 Operating leases

Operating leases in respect of equipment are charged as resources expended in equal annual instalments over the period of the lease. Such operating leases mainly relate to parishes and parish centres. Rentals receivable under operating leases are recognised on a straight-line basis over the period of lease term.

1.15 Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which approximates to the amount that the charity would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset, and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

1.16 Recognition of liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation committing the archdiocese to pay out resources.

1.17 Cash and cash equivalents

Cash and cash equivalents are those associated with the cash management of the archdiocese. To facilitate the effective operation of the archdiocesan investment portfolio, some liquid assets are held by investment managers. These amounts are not considered to be cash and cash equivalents in the financial statements.

1.18 Fund accounting

The funds within the archdiocese are split between Curial and Parochial. Curial Funds can be used across the whole of the archdiocese whereas Parochial Funds comprise funds relating to the individual parishes. These funds are shown separately and subdivided in the financial statements as follows.

Restricted funds

Restricted funds are funds that are used in accordance with specific restrictions imposed by donors or that have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. Details of the restricted funds held are provided in note 15 to the financial statements.

Unrestricted funds - Designated

Designated funds are unrestricted funds that have been set aside by the trustees for specific purposes and are detailed in note 16 to the financial statements.

Unrestricted funds - General

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the objects of the charity and which have not been designated for other purposes.

1.19 Agency arrangements

The archdiocese acts as agent in the collection of grants from government, local authorities and other funds, and payment of approved invoices for school building projects on behalf of Catholic schools in the archdiocese. This income and expenditure are excluded from the income and expenditure of the charity and any balances due from or held on behalf of schools are shown within debtors and creditors.

Voluntary-Aided Schools Condition Allocation (VASCA) grants and the associated allocation to individual school projects are recognised as income and expenditure as the archdiocese is not considered an agent of the Department of Education in this respect. See note 23.

1.20 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Financial Activities.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences.

1.21 Inter designation balances

Inter designation balances represent financial interdependencies and interactions between dedicated funds and other operating units of the charity.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

2 KEY ESTIMATES AND JUDGEMENTS

In preparing these financial statements, the trustees have had to make the following judgements:

- Determine whether leases entered into by the group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.
- Determine whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- Determine whether there are indicators of impairment in the carrying value of investments in subsidiary undertakings. Factors taken into consideration in reaching such a decision include the economic viability and expected future income generating potential of the subsidiary entity.

Other key sources of estimation uncertainty:

Tangible fixed assets (see note 11)

- Tangible fixed assets, other than investments properties, are depreciated over their useful lives considering residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on several factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- Investment properties are valued internally annually and are professionally valued on a rolling basis as part of a five-year programme. Valuations are made considering periodic external valuations, derived from current market rents and property yields for comparable real estate, adjusted, if necessary, for any difference in nature, location, or condition. Judgement is required in assessing the appropriateness of the assumptions and methodology in determining the fair value of investment properties.

Investments (see note 12)

- Estimates, assumptions, and judgments relate to the determination of carrying value of investments at fair value through the Statement of Financial Activities, the group follows the International Private Equity and Venture Capital Valuation Guidelines, applying the overriding concept that fair value is the amount for which an asset can be exchanged between knowledgeable willing parties in an arm's length transaction. The nature, facts and circumstances of the investment drives the valuation methodology.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

3 INCOME	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2023 £000's	2022 £000's
3.1 Collections and donations					
PAROCHIAL					
Group and Charity					
Collections	5,531	-	1,031	6,562	6,018
Donations	2,115	529	-	2,644	2,915
Gift Aid rebates	579	-	-	579	791
	<u>8,225</u>	<u>529</u>	<u>1,031</u>	<u>9,785</u>	<u>9,724</u>
CURIAL					
Group and Charity					
Collections	99	-	12	111	87
Donations	177	2	324	503	459
	<u>276</u>	<u>2</u>	<u>336</u>	<u>614</u>	<u>546</u>
Less income from subsidiaries	(3)	-	-	(3)	(1)
Charity	<u>273</u>	<u>2</u>	<u>336</u>	<u>611</u>	<u>545</u>
TOTAL - GROUP	<u>8,501</u>	<u>531</u>	<u>1,367</u>	<u>10,399</u>	<u>10,270</u>
TOTAL - CHARITY	<u>8,498</u>	<u>531</u>	<u>1,367</u>	<u>10,396</u>	<u>10,269</u>

Total income for the group from collections and donations was £10,399K (2022: £10,270K). The income comprised unrestricted income of £8,501K (2022: £8,612K), designated income of £531K (2022: £444K) and restricted income of £1,367K (2022: £1,214K).

Total income for the charity from collections and donations was £10,396K (2022: £10,270K). The income comprised unrestricted income of £8,498K (2022: £8,611K), designated income of £531K (2022: £444K) and restricted income of £1,367K (2022: £1,214K).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

3.2 Grants	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2023 £000's	2022 £000's
PAROCHIAL					
Group and Charity					
Voluntary-Aided Schools	48	-	12,417	12,465	12,862
Condition Allocation Grants					
Other grants	-	-	-	-	-
	<u>48</u>	<u>-</u>	<u>12,417</u>	<u>12,465</u>	<u>12,862</u>
CURIAL					
Group					
Other	-	2	-	2	8
Less income from trading subsidiaries	-	-	-	-	-
Charity	<u>-</u>	<u>2</u>	<u>-</u>	<u>2</u>	<u>8</u>
TOTAL - GROUP	<u>48</u>	<u>2</u>	<u>12,417</u>	<u>12,467</u>	<u>12,870</u>
TOTAL - CHARITY	<u>48</u>	<u>2</u>	<u>12,417</u>	<u>12,467</u>	<u>12,870</u>

Total group grant income was £12,467K (2022: £12,870K). The income comprised unrestricted income of £48K (2022: £Nil), designated income of £2K (2022: £8K) and restricted income of £12,417K (2022: £12,862K).

Total charity grant income was £12,467K (2022: £12,870K). The income comprised unrestricted income of £48K (2022: £Nil), designated income of £2K (2022: £8K) and restricted income of £12,417K (2022: £12,862K).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

3.3 Fundraising	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2023 £000's	2022 £000's
PAROCHIAL					
Group and Charity					
Parish events and other fundraising activities	161	-	-	161	127
	<u>161</u>	<u>-</u>	<u>-</u>	<u>161</u>	<u>127</u>
CURIAL					
Group					
Income from trading subsidiaries	9,011	-	-	9,011	8,884
Other	7	-	-	7	12
	<u>9,018</u>	<u>-</u>	<u>-</u>	<u>9,018</u>	<u>8,896</u>
Less income from trading subsidiaries	(9,011)	-	-	(9,011)	(8,884)
Charity	<u>7</u>	<u>-</u>	<u>-</u>	<u>7</u>	<u>12</u>
TOTAL - GROUP	<u>9,179</u>	<u>-</u>	<u>-</u>	<u>9,179</u>	<u>9,023</u>
TOTAL - CHARITY	<u>168</u>	<u>-</u>	<u>-</u>	<u>168</u>	<u>139</u>

Total group fundraising income was £9,179K (2022: £9,023K). The income comprised unrestricted income of £9,179K (2022: £9,023K).

Total charity fundraising income was £168K (2022: £139K). The income comprised unrestricted income of £168K (2022: £139K).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

3.4 Investment Income	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2023 £000's	2022 £000's
PAROCHIAL					
Group and Charity					
Income receivable from unitised portfolio	1,118	269	5	1,392	1,323
Rents and other income	1,007	-	-	1,007	565
	<u>2,125</u>	<u>269</u>	<u>5</u>	<u>2,399</u>	<u>1,888</u>
CURIAL					
Group					
Interest receivable	-	601	-	601	207
Income receivable from unitised portfolio	176	1,384	140	1,700	1,435
Rents and other income	304	335	-	639	466
	<u>480</u>	<u>2,320</u>	<u>140</u>	<u>2,940</u>	<u>2,108</u>
Less investment income from trading subsidiaries	(157)	-	-	(157)	(171)
Charity	<u>323</u>	<u>2,320</u>	<u>140</u>	<u>2,783</u>	<u>1,937</u>
TOTAL - GROUP	<u>2,605</u>	<u>2,589</u>	<u>145</u>	<u>5,339</u>	<u>3,996</u>
TOTAL - CHARITY	<u>2,448</u>	<u>2,589</u>	<u>145</u>	<u>5,182</u>	<u>3,825</u>

Total group investment income was £5,354K (2022: £3,996K). The income comprised unrestricted income of £2,605K (2022: £2,078K), designated income of £2,604K (2022: £1,764K) and restricted income of £145K (2022: £154K).

Total charity investment income was £5,197K (2022: £3,825K). The income comprised unrestricted income of £2,448K (2022: £1,907K), designated income of £2,604K (2022: £1,764K) and restricted income of £145K (2022: £154K).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

4 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2023 £000's	2022 £000's
PAROCHIAL					
Group and Charity					
Piety stall	87	-	-	87	95
Newspapers	4	-	-	4	3
	<u>91</u>	<u>-</u>	<u>-</u>	<u>91</u>	<u>98</u>
CURIAL					
Group and Charity					
Cemetery fees	261	-	-	261	319
School Contribution Scheme	-	313	-	313	280
Inspection fees and course income	-	106	-	106	83
Other	76	294	-	370	442
	<u>337</u>	<u>713</u>	<u>-</u>	<u>1,050</u>	<u>1,124</u>
TOTAL - GROUP AND CHARITY	<u>428</u>	<u>713</u>	<u>-</u>	<u>1,141</u>	<u>1,222</u>

Total group and charity income from charitable activities was £1,141K (2022: £1,222K). The income comprised unrestricted income of £428K (2022: £478K), designated income of £713K (2022: £637K) and restricted income of £Nil (2022: £107K).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

5 RAISING FUNDS

	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2023 £000's	2022 £000's
PAROCHIAL Group and Charity					
Parish events and other fundraising activities	43	-	-	43	25
Investment management fees	131	32	1	164	155
	<u>174</u>	<u>32</u>	<u>1</u>	<u>207</u>	<u>180</u>
CURIAL Group					
Expenditure by subsidiaries	8,565	-	-	8,565	8,509
Other	(36)	281	23	268	273
	<u>8,529</u>	<u>281</u>	<u>23</u>	<u>8,833</u>	<u>8,782</u>
Less expenditure by subsidiaries	(8,565)	-	-	(8,565)	(8,509)
Add impairment in value of subsidiary company	-	-	-	-	-
Charity	<u>(36)</u>	<u>281</u>	<u>23</u>	<u>268</u>	<u>273</u>
TOTAL - GROUP	<u>8,703</u>	<u>313</u>	<u>24</u>	<u>9,040</u>	<u>8,962</u>
TOTAL - CHARITY	<u>138</u>	<u>313</u>	<u>24</u>	<u>475</u>	<u>453</u>

Total group expenditure on raising funds was £9,040K (2022: £8,962K). The expenditure comprised unrestricted expenditure of £8,746K (2022: £8,677K), designated expenditure of £270K (2022: £267K) and restricted expenditure of £24K (2022: £18K).

Total charity expenditure on raising funds was £475K (2022: £453K). The expenditure comprised unrestricted expenditure of £181K (2022: £168K), designated expenditure of £270K (2022: £267K) and restricted expenditure of £24K (2022: £18K).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2023 £000's	2022 £000's
PAROCHIAL					
6.1 Ministry Support					
Group and Charity					
Clergy allowances	1,077	-	-	1,077	970
Travel	178	-	-	178	164
Supply	87	-	-	87	92
Other	94	-	-	94	78
	<u>1,436</u>	<u>-</u>	<u>-</u>	<u>1,436</u>	<u>1,304</u>
6.2 Pastoral and Community					
Group and Charity					
Diocesan and other collections	-	-	778	778	709
Liturgical and pastoral costs	715	-	-	715	559
Lay personnel costs	1,426	-	-	1,426	1,320
Housekeeping and hospitality	593	-	-	593	479
Printing, postage, stationery	250	-	-	250	214
Equipment hire	174	-	-	174	176
Telephone	230	-	-	230	179
Professional fees	35	-	-	35	65
Other office	262	-	-	262	108
Piety stall	73	-	-	73	82
Newspapers	5	-	-	5	6
Miscellaneous	240	-	-	240	214
	<u>4,003</u>	<u>-</u>	<u>778</u>	<u>4,781</u>	<u>4,111</u>
6.3 Education					
Group and Charity					
School costs	-	1,622	15,654	17,276	12,603
6.4 Provision for worship					
Group and Charity					
Repairs and maintenance	3,671	-	-	3,671	2,963
Depreciation	588	-	-	588	518
Heat and light	2,436	-	-	2,436	1,546
Insurance	623	-	-	623	552
Council tax and water rates	453	-	-	453	407
Grounds maintenance	381	-	-	381	356
Net loss on disposal of assets	167	-	-	167	-
	<u>8,319</u>	<u>-</u>	<u>-</u>	<u>8,319</u>	<u>6,342</u>
TOTAL PAROCHIAL - GROUP AND CHARITY	<u>13,758</u>	<u>1,622</u>	<u>16,432</u>	<u>31,812</u>	<u>24,360</u>

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

6 EXPENDITURE ON CHARITABLE ACTIVITIES <i>(continued)</i>	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2023 £000's	2022 £000's
CURIAL					
6.1 Ministry Support					
Group					
Cathedral	53	-	-	53	47
Priests' Training Fund	-	-	254	254	219
Retirement costs	-	770	-	770	579
Permanent Diaconate	-	110	-	110	57
Sabbatical fund	-	-	-	-	20
Share of central support costs	-	269	-	269	210
Other	-	335	-	335	311
	<u>53</u>	<u>1,484</u>	<u>254</u>	<u>1,791</u>	<u>1,443</u>
Less other costs associated with subsidiaries	-	-	-	-	(1)
Charity	<u>53</u>	<u>1,484</u>	<u>254</u>	<u>1,791</u>	<u>1,442</u>
6.2 Pastoral and Community					
Group					
Cathedral	381	-	26	407	361
Cemeteries	351	-	-	351	328
Curia	-	22	-	22	31
Tribunal	-	113	-	113	89
Pastoral Development	-	230	-	230	291
Justice and Peace	-	-	-	-	0
Youth	-	401	50	451	347
Safeguarding	-	74	-	74	98
National levies	-	269	-	269	255
Chaplaincies	-	306	-	306	284
Ecumenical grants	-	27	-	27	28
Share of central support costs	-	1,302	-	1,302	1,033
Other	132	706	41	879	773
	<u>864</u>	<u>3,450</u>	<u>117</u>	<u>4,431</u>	<u>3,918</u>
Less other costs associated with subsidiaries	(132)	-	-	(132)	(158)
Charity	<u>732</u>	<u>3,450</u>	<u>117</u>	<u>4,299</u>	<u>3,760</u>

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

6 EXPENDITURE ON CHARITABLE ACTIVITIES *(continued)*

	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2023 £000's	2022 £000's
6.3 Education					
Group					
Education Department	961	972	-	1,933	1,478
Share of central support costs	-	589	-	589	462
	<u>961</u>	<u>1,561</u>	<u>-</u>	<u>2,522</u>	<u>1,940</u>
Less School Improvement Trust expenditure	(961)	-	-	(961)	(671)
Charity	<u>-</u>	<u>1,561</u>	<u>-</u>	<u>1,561</u>	<u>1,269</u>
6.4 Provision for worship					
Group and Charity					
Cathedral	593	-	-	593	458
Depreciation	-	122	-	122	136
Share of central support costs	-	177	-	177	169
Other	-	169	-	169	160
	<u>593</u>	<u>468</u>	<u>-</u>	<u>1,061</u>	<u>923</u>
TOTAL CURIAL - GROUP	<u>2,471</u>	<u>6,963</u>	<u>371</u>	<u>9,805</u>	<u>8,224</u>
TOTAL CURIAL - CHARITY	<u>1,378</u>	<u>6,963</u>	<u>371</u>	<u>8,712</u>	<u>7,394</u>
TOTAL - GROUP	<u>16,229</u>	<u>8,585</u>	<u>16,803</u>	<u>41,617</u>	<u>32,584</u>
TOTAL - CHARITY	<u>15,136</u>	<u>8,585</u>	<u>16,803</u>	<u>40,524</u>	<u>31,754</u>

Total group expenditure on charitable activities was £41,230K (2022: £32,584K). The expenditure comprised unrestricted expenditure of £16,028K (2022: £13,033K), designated expenditure of £8,399K (2022: £7,084K) and restricted expenditure of £16,803K (2022: £12,467K).

Total charity expenditure on charitable activities was £40,137K (2022: £31,754K). The expenditure comprised unrestricted expenditure of £14,935K (2022: £12,205K), designated expenditure of £8,399K (2022: £7,082K) and restricted expenditure of £16,803K (2022: £12,467K).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

7	SUPPORT COSTS	Ministry Support £000's	Pastoral and Community £000's	Education £000's	Provision for worship £000's	2023 £000's	2022 £000's
	CURIAL						
	Group and Charity						
	Office administration and governance						
	- Office of the Chief Operating Officer	85	412	186	56	739	717
	- Finance Department	73	351	159	47	630	422
	- Premises	39	187	85	25	336	231
	- Bank charges and interest	52	253	114	35	454	244
	- Audit fees	8	39	18	5	70	176
	- Other curial	12	60	27	9	108	84
		269	1,302	589	177	2,337	1,874

All support costs are borne by central funds and have been apportioned to governance costs and charitable activities. The share of support costs attributable to governance reflects costs incurred in the preparation of the statutory accounts and the remaining costs have been allocated pro-rata based upon the charitable activity's share of central expenditure.

In addition, other amounts paid to the auditors in relation to the audit of subsidiary companies were £45,000 (2022: £125,000). These are included within expenditure on charitable activities.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

8 STAFF COSTS

	Total 2023 £000's	Total 2022 £000's
Clergy allowances	1,161	1,096
Wages and salaries	6,204	6,461
Social security costs	432	451
Pension costs	<u>356</u>	<u>380</u>
	<u>8,153</u>	<u>8,388</u>

	2023 No.	2022 No.
The average number of employees during the year was:		
Central employees	111	106
Parish employees (excludes parish clergy)	123	122
Parish club employees	<u>148</u>	<u>241</u>
	<u>382</u>	<u>469</u>

The average number of employees as a full-time equivalent during the year was 292 (2022: 294).

The number of employees whose emoluments including taxable benefits in kind, but excluding pension contributions amounted to over £60,000 in the year was in bands as follows:

	2023 No.	2022 No.
The average number of employees during the year was:		
£60,001 to £70,000	3	2
£70,001 to £80,000	1	1
£90,001 to £100,000	1	1
£100,001 to £110,000	1	1

The charity and eligible employees (see note 20) make defined contributions to a group personal pension scheme. The number of higher paid employees in the scheme in 2023 was 6 (2022:5). The total pension contributions made by the charity in respect of higher paid employees was £33,515 (2022: £19,399).

The day-to-day administrative, legal, and financial activity of the archdiocese is directed by the Chief Operating Officer and other members of the Senior Management Team who are the key management personnel of the charity. The total employment cost of key management personnel during the year was £388,218 (2022: £338,838).

9 TRUSTEES

Several of the trustees are clergy of the Liverpool Roman Catholic Archdiocesan Trust. The priests who are trustees are housed and remunerated by the archdiocese and are reimbursed expenses for carrying out their ministry in the same way as other priests of the archdiocese. The 10 (2022:9) trustees who were priests received £81,628 (2022: £84,000) in total remuneration during the year.

No trustee received any remuneration or expenses in respect of their services as a trustee during the year (2022 - £nil expenses).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

10 Net gains / (losses) on investments	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2023 £000's	2022 £000's
PAROCHIAL					
Group and Charity					
Revaluation of investment properties	4,620	-	-	4,620	2,447
Unrealised gains on investments	2,057	486	15	2,558	(4,597)
	<u>6,677</u>	<u>486</u>	<u>15</u>	<u>7,178</u>	<u>(2,150)</u>
CURIAL					
Group					
Revaluation of investment properties	415	1,726	-	2,141	3,574
Unrealised gains on investments	319	2,739	272	3,330	(6,053)
	<u>734</u>	<u>4,465</u>	<u>272</u>	<u>5,471</u>	<u>(2,479)</u>
Less revaluation of investments subsidiaries	(244)	-	-	(244)	357
Charity	<u>490</u>	<u>4,465</u>	<u>272</u>	<u>5,227</u>	<u>(2,122)</u>
TOTAL - GROUP	<u>7,411</u>	<u>4,951</u>	<u>287</u>	<u>12,649</u>	<u>(4,629)</u>
TOTAL - CHARITY	<u>7,167</u>	<u>4,951</u>	<u>287</u>	<u>12,405</u>	<u>(4,272)</u>

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

11 TANGIBLE FIXED ASSETS

11.1 Property, plant and equipment	Parochial Property & Equipment £000's	Curial Fixtures & Equipment £000's	Curial Property £000's	Total £000's
Cost				
At 1 January 2023	35,979	1,018	28,032	65,029
Additions	-	48	1,197	1,245
Transfers	(295)	-	-	(295)
Disposals	-	(3)	-	(3)
At 31 December 2023	35,684	1,063	29,229	65,976
Depreciation				
At 1 January 2023	23,608	818	12,652	37,078
Charge for the year	588	74	593	1,255
Transfers	(169)	-	-	(169)
Disposals	-	(3)	-	(3)
At 31 December 2023	24,027	889	13,245	38,161
Net book value at 31 December 2023	11,657	174	15,984	27,815
At 31 December 2022	12,371	200	15,380	27,951
11.2 Property, plant and equipment - Charity	Parochial Property & Equipment £000's	Curial Fixtures & Equipment £000's	Curial Property £000's	Total £000's
Cost				
At 1 January 2023	35,979	304	6,597	42,880
Additions	-	12	1	13
Transfers	(295)	-	-	(295)
Disposals	-	(3)	-	(3)
At 31 December 2023	35,684	313	6,598	42,595
Depreciation				
At 1 January 2023	23,608	262	2,304	26,174
Charge for the year	588	18	118	724
Transfers	(169)	-	-	(169)
Disposals	-	(3)	-	(3)
At 31 December 2023	24,027	277	2,422	26,726
Net book value	11,657	36	4,176	15,869
At 31 December 2023	11,657	36	4,176	15,869
At 31 December 2022	12,371	42	4,293	16,706

All tangible fixed assets were used for charitable purposes.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

12 INVESTMENTS

12.1 Listed investments - Group	Unrestricted £000's	Designated £000's	Restricted £000's	Total £000's
At 1 January 2023	51,769	70,147	6,575	128,491
Additions / Transfers	(1,081)	2,398	21	1,338
Disposals	(162)	(214)	(19)	(395)
Net losses on revaluation	2,376	3,225	287	5,888
At 31 December 2023	52,902	75,556	6,864	135,322

There are no individual investments which comprise greater than 5% of the value of the portfolio.

All the quoted fixed asset investments are listed on a recognised Stock Exchange. Listed investments are included in the balance sheet at bid price.

At 31 December 2023 the investment portfolio was split into two funds managed by Evelyn Partners and Rathbone Investment Management Limited respectively.

The investment funds are comprised of:

	2023 £000's	2022 £000's
UK Equities	24,779	31,284
Non-UK Equities	80,476	72,494
UK government securities and other fixed interest stocks	18,319	12,679
UK Property Unit Trusts	5,019	5,021
Cash instruments	6,729	7,013
	135,322	128,491

12.2 Listed investments - Charity	Unrestricted £000's	Designated £000's	Restricted £000's	Total £000's
At 1 January 2023	47,411	70,148	6,576	124,135
Transfers	2,544	2,398	20	4,962
Disposals	(148)	(214)	(19)	(381)
Net loss on revaluation	2,180	3,225	287	5,692
At 31 December 2023	51,987	75,557	6,864	134,408

12.3 Investments in subsidiaries	Total £000's
At 1 January 2023 and 31 December 2023	22,558

Investments in related companies comprise the cost of shareholdings in the subsidiary companies listed in note 21.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

12 INVESTMENTS *(continued)*

12.4 Investment property at valuation – Group	Parochial £000's	Curial £000's	Total £000's
At 1 January 2023	21,626	16,673	38,299
Additions	3	80	83
Disposals	(580)	-	(580)
Transfers	124	-	124
Net surplus on revaluation	4,620	2,141	6,761
At 31 December 2023	25,793	18,894	44,687

12.5 Investment property at valuation - Charity	Parochial £000's	Curial £000's	Total £000's
At 1 January 2023	21,626	15,083	36,709
Additions	3	1,718	1,721
Disposals	(580)	-	(580)
Transfers	124	-	124
Net surplus on revaluation	4,620	2,093	6,713
At 31 December 2023	25,793	18,894	44,687

Investment properties are included on a fair value basis. External revaluations were completed in April 2025 by SK Real Estate, Fitton Estates.com, and Hitchcock & Wright and each entity is registered with the Royal Institution of Chartered Surveyors. A valuation exercise is performed annually by management and property valuations are informed by internal staff including a qualified chartered surveyor. The trustees have considered the valuations above as a fair reflection of the year end fair value.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

13	DEBTORS	Parochial	Curial	Total 2023	Total 2022
	Group	£000's	£000's	£000's	£000's
	Due within one year				
	Trade debtors	-	1,116	1,116	570
	Other debtors	413	1,576	1,989	1,045
	Prepayments and accrued income	2,840	69	2,909	2,827
	TOTAL	3,253	2,761	6,014	4,442
	Charity				
	Trade debtors	-	950	950	397
	Other debtors	413	100	513	696
	Prepayments and accrued income	2,840	(77)	2,763	2,694
	TOTAL	3,253	973	4,226	3,787
14	CREDITORS	Parochial	Curial	Total 2023	Total 2022
	Group	£000's	£000's	£000's	£000's
	Amounts falling due within one year				
	School funding in advance	10,116	82	10,198	8,920
	Trade creditors	-	3,489	3,489	1,532
	Other creditors	-	1,647	1,647	1,083
	Accruals and deferred income	959	2,182	3,141	2,554
	Other taxation and social security	-	190	190	238
	TOTAL	11,075	7,590	18,665	14,327
	Charity				
	School funding in advance	10,116	-	10,116	8,920
	Trade creditors	-	117	117	148
	Other creditors	-	594	594	271
	Accruals and deferred income	959	1,153	2,112	1,717
	Other taxation and social security	-	90	90	-
	TOTAL	11,075	1,954	13,029	11,056

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

15 RESTRICTED FUNDS

Unexpended balances from collections, donations, legacies, and grants restricted by donors to specific purposes.

Analysis of Restricted Funds 2023	Opening Balance	Income	Expenditure	Property & Investment Gains, & Transfers	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
VASCA School Projects Fund	15,579	12,417	(15,654)	-	12,342
Foundation Mass capital	459	5	(1)	15	478
Other charitable collections	1,652	1,035	(778)	(51)	1,858
	<u>17,690</u>	<u>13,457</u>	<u>(16,433)</u>	<u>(36)</u>	<u>14,678</u>
Curial - Charity					
Priests' Training Fund	2,868	206	(268)	163	2,969
Metropolitan Cathedral Roof Appeal Fund	3,096	-	-	-	3,096
Metropolitan Cathedral	1,008	39	(27)	18	1,038
Metropolitan Cathedral steps project	2,890	-	-	-	2,890
Metropolitan Cathedral crypt project	1,791	-	-	-	1,791
Liverpool Archdiocesan Missionary Project	1,025	31	(6)	54	1,104
St Joseph's College	830	14	(2)	25	867
Provision for priests in retirement	27	-	-	14	41
Lenten alms	27	-	-	11	38
Other funds	1,012	187	(91)	256	1,364
	<u>14,574</u>	<u>477</u>	<u>(394)</u>	<u>541</u>	<u>15,198</u>
Apostleship of the Sea	219	-	-	(222)	(3)
Curial - Group	<u>14,793</u>	<u>477</u>	<u>(394)</u>	<u>319</u>	<u>15,195</u>

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

15 RESTRICTED FUNDS *(continued)*

Analysis of Restricted Funds 2022	Opening Balance	Income	Expenditure	Property & Investment Gains, & Transfers	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
VASCA School Projects Fund	13,987	12,862	(11,270)	-	15,579
Foundation Mass capital	490	71	(1)	(37)	459
Other charitable collections	1,031	908	(709)	422	1,652
	<u>15,508</u>	<u>13,777</u>	<u>(11,980)</u>	<u>385</u>	<u>17,690</u>
Curial - Charity					
Priests' Training Fund	3,198	144	(228)	(246)	2,868
Metropolitan Cathedral Roof Appeal Fund	3,096	-	-	-	3,096
Metropolitan Cathedral	961	119	(38)	(34)	1,008
Metropolitan Cathedral steps project	2,890	-	-	-	2,890
Metropolitan Cathedral crypt project	1,791	-	-	-	1,791
Liverpool Archdiocesan Missionary Project	1,130	31	(35)	(101)	1,025
St Joseph's College	866	14	(2)	(48)	830
Provision for priests in retirement	14	-	-	13	27
Lenten alms	24	-	(4)	7	27
Other funds	949	323	(198)	(62)	1,012
	<u>14,919</u>	<u>631</u>	<u>(505)</u>	<u>(471)</u>	<u>14,574</u>
Apostleship of the Sea	220	-	-	(1)	219
Curial - Group	<u>15,139</u>	<u>631</u>	<u>(505)</u>	<u>(472)</u>	<u>14,793</u>

PURPOSE OF FUNDS

VASCA School Projects Fund	- Voluntary-Aided Schools Condition Allocation funding from the Department for Education for school building projects.
Foundation Mass capital	- For Masses celebrated for the deceased.
Priests' Training Fund	- Education of students to the priesthood continuing foundation.
Metropolitan Cathedral Roof Appeal Fund	- English Heritage grants received and expended on substantial repair work to the cathedral roof.
Metropolitan Cathedral	- Golden Book Foundation Mass funds and other donations made for specific cathedral projects.
Metropolitan Cathedral steps project	- European objective 1 and regional development grants expended on the construction of the ceremonial steps.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

15 RESTRICTED FUNDS *(continued)*

PURPOSE OF FUNDS *(continued)*

Metropolitan Cathedral crypt project	- European objective 1 and regional development grants expended on the crypt redevelopment project.
St Joseph's College	- Funds associated with priest training.
Provision for priests in retirement	- To meet the costs associated with retired clergy
Lenten alms	- To be expended on projects at the discretion of the archbishop.
English Sports Council capital grants	- English Sports Council grants received and expended on the construction of Cardinal Heenan sports centre.
Apostleship of the Sea	- For the spiritual and temporal welfare of seafarers.

16 DESIGNATED FUNDS

Funds set aside by the trustees for the following purposes:

Analysis of Designated Funds 2023	Opening Balance	Income	Expenditure	Property & Investment Gains, & Transfers	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
School Projects Fund	(43)	798	(1,654)	944	45
Other funds	88	-	-	(88)	-
	<u>45</u>	<u>798</u>	<u>(1,654)</u>	<u>856</u>	<u>45</u>
Curial - Group and Charity					
Central funds	46,880	2,492	(6,693)	2,810	45,489
George Andrew Retirement Fund	7,150	166	(383)	510	7,443
2021 Fund	8,492	193	(23)	354	9,016
Metropolitan Cathedral Roof	8,056	-	-	-	8,056
Appeal Fund					
Metropolitan Cathedral	6,610	111	(13)	197	6,905
Liverpool inner-city	1,291	-	(3)	-	1,288
parish reorganisation					
Sabbatical Fund	2,275	41	(5)	74	2,385
Listed Building Fund	1,969	41	(89)	74	1,995
Other designated funds	642	28	(35)	4,290	4,925
	<u>83,365</u>	<u>3,072</u>	<u>(7,244)</u>	<u>8,309</u>	<u>87,502</u>
Less Other designated funds	(332)	-	-	(169)	(501)
Curial - Charity	<u>83,033</u>	<u>3,072</u>	<u>(7,244)</u>	<u>8,140</u>	<u>87,001</u>

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

16 DESIGNATED FUNDS *(continued)*

Analysis of Designated Funds 2022	Opening Balance	Income	Expenditure	Property & Investment Gains, & Transfers	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
School Projects Fund	1,541	710	(1,366)	(928)	(43)
Other funds	88	-	-	-	88
	<u>1,629</u>	<u>710</u>	<u>(1,366)</u>	<u>(928)</u>	<u>45</u>
Curial - Group and Charity					
Central funds	49,646	2,291	(5,421)	364	46,880
George Andrew Retirement Fund	7,705	-	(17)	(538)	7,150
2021 Fund	9,123	6	-	(637)	8,492
Metropolitan Cathedral Roof Appeal Fund	8,056	-	-	-	8,056
Metropolitan Cathedral Liverpool inner-city parish reorganisation	6,983	-	-	(373)	6,610
Sabbatical Fund	1,289	2	-	-	1,291
Listed Building Fund	2,387	-	(20)	(92)	2,275
Other designated funds	2,127	-	(19)	(139)	1,969
	<u>781</u>	<u>1</u>	<u>-</u>	<u>(140)</u>	<u>642</u>
	<u>88,097</u>	<u>2,300</u>	<u>(5,477)</u>	<u>(1,555)</u>	<u>83,365</u>
Less Other designated funds	(334)	2	-	-	(332)
Curial - Charity	<u>87,763</u>	<u>2,302</u>	<u>(5,477)</u>	<u>(1,555)</u>	<u>83,033</u>

PURPOSE OF FUNDS

School Projects Fund	Funds raised by contributions from parishes and schools to support school building and refurbishment projects.
Central funds	Fund for the archdiocesan central pastoral and administration functions.
George Andrew Retirement Fund	Fund to support priests in retirement.
2021 Fund	Funds to support priests in retirement.
Metropolitan Cathedral Roof Appeal Fund	Investment income expended on the substantial repair work to the Cathedral roof.
Metropolitan Cathedral	Funding running costs of the Cathedral.
Liverpool inner-city parish reorganisation	Funds to provide for the reorganisation of the inner-city parishes.
Sabbatical Fund	To provide for the costs of priests in sabbatical years.
Listed Building Fund	For the preservation of listed buildings.

17 ARCHDIOCESAN BANKING ARRANGEMENTS

An offset banking arrangement exists where the total of all individual bank account balances is invested in several deposits over a variety of timescales.

18 GRANTS PAYABLE IN FURTHERANCE OF THE CHARITY'S OBJECTIVES

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

The archdiocese provides full financial support for the furtherance of its activities and objectives but is not considered a grant-making organisation.

Several ecumenical grants are made annually to organisations with similar objectives to those of the archdiocese. Grants were made to three such organisations totalling £27,252 (2022 - two organisations £27,630). Other small grants totalled £5,942 in 2023 (2022 - £4,452).

The archdiocese covered the tuition and living costs of several individuals studying for the priesthood in the year.

19 COMMITMENTS

	Gross £000's	Net of grant £000's
At 31 December 2023 commitments to future expenditure were as follows:		
School property	6,742	674
Parochial and other property	2,568	2,568
	<u>9,310</u>	<u>3,242</u>
At 31 December 2022 commitments to future expenditure were as follows:		
School property	5,113	511
Parochial and other property	2,245	1,746
	<u>7,358</u>	<u>2,257</u>

The above commitments represent committed property expenditure that has been approved by the trustees on building projects at the year end.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

20 PENSION ARRANGEMENTS

20.1 Personal Pension Schemes

The archdiocese contributes, for eligible staff, to one of two qualifying pension schemes which are fully compliant with the requirements of auto-enrolment. The schemes are managed by an independent firm of pension administrators. The archdiocese has a policy of matching employee contributions up to 6% of pensionable salary and each member has their own individual pension account within the scheme. The archdiocese is neither liable to finance any funding shortfall nor entitled to benefit from any overfunding.

20.2 The 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 can 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). 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

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2019. As a result of this valuation TPS employers started to pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation was to align its introduction with employers' budget planning cycles.

The employer's pension costs paid to TPS in the period amounted to £33,781 (2022 - £34,931).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

The Teachers' Pension Scheme *(continued)*

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, have rejected the government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the 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.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

21 GROUP BODIES AND RELATED PARTY TRANSACTIONS

The charity has interests in subsidiary and associated undertakings, which are consolidated in the financial statements. Each entity is incorporated in England and Wales with a year-end of 31 December apart from school improvement trusts with year-ends of 31 August. A summary of their trading results (including intercompany trading) is as follows:

Subsidiary Companies at 31 December 2023	Associated Church Clubs Limited	Metropolita n Cathedral Services Limited	Tuneside Limited	Cardinal Heenan Sports Centre Limited	Archdiocesan Parish Centres Management Company Limited	Archdiocesan Property Services Limited	Archdiocese of Liverpool Primary School Improvement Trust	Archdiocese of Liverpool Secondary School Improvement Trust
	100	100	100	100		Charity	Guarantee	Guarantee
	£000's	£000's	£000's	£000's	£000's	Guarantee	Company	Company
						Company	£000's	£000's
Income from								
Fundraising	-	426	19,932	147	7,526	1,229	469	415
Investment Income	-	-	-	-	-	21	-	-
Total Income	-	426	19,932	147	7,526	1,250	469	415
Expenditure on								
Raising Funds	-	719	20,194	164	7,406	1,250	499	460
Total Expenditure	-	719	20,194	164	7,406	1,250	499	460
Net gains / (losses) on								
investments	-	-	-	-	-	(39)	-	-
Net income /								
(expenditure)	-	(293)	(262)	(17)	120	(39)	(30)	(45)
Total assets	175	11,308	7,583	107	1,348	1,178	169	911
Total liabilities	(10)	(3,243)	(3,205)	(94)	(2,190)	(952)	(186)	(836)
Total capital and								
reserves	165	8,065	4,378	13	(842)	226	(17)	75

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

21 GROUP BODIES AND RELATED PARTY TRANSACTIONS (continued)

subsidiary Companies at 31 December 2022	Associated Church Clubs Limited	Metropolita n Cathedral Services Limited	Tuneside Limited	Cardinal Heenan Sports Centre Limited	Archdiocesan Parish Centres Management Company Limited	Archdiocesan Property Services Limited	Charity Guarantee Company	Archdiocese of Liverpool Primary School Improvement Trust	Archdiocese of Liverpool Secondary School Improvement Trust
% holding in ordinary shares	100	100	100	100	Guarantee Company	£000's	£000's	£000's	£000's
Income from									
Fundraising	-	368	17,813	159	7,443	1,023	497	395	
Investment Income	-	-	-	-	-	21	-	-	
Total Income	-	368	17,813	159	7,443	1,044	497	395	
Expenditure on									
Raising Funds	-	1,097	18,056	168	6,675	932	454	243	
Total Expenditure	-	1,097	18,056	168	6,675	932	454	243	
Net gains on investments	-	-	-	-	-	(73)	-	-	
Net income / (expenditure)	-	(729)	(243)	(9)	768	39	43	152	
Total assets	175	10,282	6,168	114	1,523	909	488	515	
Total liabilities	(10)	(1,925)	(1,526)	(85)	(2,527)	(723)	(396)	(403)	
Total capital and reserves	165	8,357	4,642	29	(1,004)	186	92	112	

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

21 GROUP BODIES AND RELATED PARTY TRANSACTIONS *(continued)*

Associated Church Clubs Limited (company number 02724031) historically coordinated the bulk purchase of stock for supply to archdiocesan parish centres and other members of the scheme operated by the company. This activity has transferred to Archdiocesan Parish Centres Management Company Limited (company number 03422332) and the directors plan to dissolve Associated Church Clubs Limited (company number 2724031).

Metropolitan Cathedral Services Limited (company number 03115000) manages the commercial aspects of the Metropolitan Cathedral including income generation from its activities, building services and maintenance.

Tuneside Limited (company number 02316276) coordinates the building services scheme for archdiocesan buildings obligations under the Construction Industry Scheme and commercial activities of the Conference Centre.

Cardinal Heenan Sports Centre Limited's (company number 03822516) principal activity is the operation of a sports centre within the grounds of Cardinal Heenan Roman Catholic High School, Liverpool.

Archdiocesan Parish Centres Management Company Limited (company number 03422332) manages the parish centres within the archdiocese.

Archdiocesan Property Services Limited (company number 03142451 charity number 1055049) manages professional services in respect of maintenance, repair and refurbishment of archdiocesan properties.

Archdiocese of Liverpool Primary School Improvement Trust (company number 10912407) promote education standards in primary education.

Archdiocese of Liverpool Secondary School Improvement Trust (company number 10912398) promote education standards in secondary education.

The companies limited by guarantee are wholly controlled by the charity. All the companies are incorporated in the United Kingdom.

The operations of two registered charities which had common trustees were under the control of the charity and therefore their financial activity and positions were consolidated in these accounts. Since a linking directive from the Charity Commission in January 2023, the activities of these funds are now treated as part of the Archdiocese of Liverpool charity with a transfer was made between group and charity to reflect the linking direction (Note 24).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

21 GROUP BODIES AND RELATED PARTY TRANSACTIONS *(continued)*

The funds concerned are as follows:

Linked charities at 31 December 2023	Apostleship of the Sea (Liverpool Archdiocesan Council) £000's	Liverpool Archdiocesan Education Trust £000's
Income from		
Collections and donations	3	-
Investment income	86	50
Total Income	<u>89</u>	<u>50</u>
Expenditure on		
Charitable activities	132	-
Total expenditure	<u>132</u>	<u>-</u>
Net profit on investments	<u>157</u>	<u>-</u>
Net income	<u>114</u>	<u>50</u>
Total assets	4,245	2,264
Total liabilities	(2)	(2)
Total reserves	<u>4,243</u>	<u>2,262</u>
Controlled charities at 31 December 2022	Apostleship of the Sea (Liverpool Archdiocesan Council) £000's	Liverpool Archdiocesan Education Trust £000's
Income from		
Collections and donations	2	-
Investment income	100	50
Total Income	<u>102</u>	<u>50</u>
Expenditure on		
Charitable activities	158	-
Total expenditure	<u>158</u>	<u>-</u>
Net gain on investments	<u>(283)</u>	<u>-</u>
Net income	<u>(339)</u>	<u>50</u>
Total assets	4,143	2,214
Total liabilities	(14)	(2)
Total reserves	<u>4,129</u>	<u>2,212</u>

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

21 GROUP BODIES AND RELATED PARTY TRANSACTIONS *(continued)*

The charitable purpose of the Apostleship of the Sea (Liverpool Archdiocesan Council) (charity number 1199714-2) is the spiritual and temporal welfare of seafarers.

Liverpool Archdiocesan Education Trust (charity number 1199714-3) acquires and holds property for education purposes.

In accordance with FRS 102, the related party transactions entered into by the charity are detailed below. All transactions that arose were in the normal course of activity.

A balance of £164,176 (2022: £164,176) was owed to Associated Church Clubs Limited at the year end.

The charity recharged salary costs of £87,977 (2022: £112,230) to Archdiocesan Parish Centres Management Company Limited, a subsidiary of the charity. A balance of £1,779,550 was owed from the company at the year end. (2022: £1,725,358 owed from the company)

The charity recharged salary costs of £166,613 (2022: £204,094) to Archdiocesan Property Services Limited, a subsidiary of the charity. A balance of £645,721 (2022: £627,384) was owed from the company at the year end.

No salary costs were recharged by the charity in 2023 (2022: £Nil costs) to Metropolitan Cathedral Services Limited, a subsidiary of the charity. A balance of £1,566,054 (2022: £696,352) was owed from the company at the year end.

The charity recharged salary costs of £67,061 (2022: £96,552) to Tuneside Limited, a subsidiary of the charity. A balance of £17,767,604 (2022: £4,327,318) was owed to the company at the year end.

A balance of £278,337 (2022: £130,403) was owed from Archdiocese of Liverpool Primary School Improvement Trust at the year end.

A balance of £346,160 (2022: £50,025) was owed from Archdiocese of Liverpool Secondary School Improvement Trust at the year end.

Associated companies	% holding in ordinary shares	Activity
Inter-Diocesan Fuel Management Limited	11	Fuel and power distribution
Catholic National Mutual Limited	6	Insurance

In the year £3,408,095 (2022 - £2,623,380) of fuel was purchased from Inter-Diocesan Fuel Management Limited by the group.

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

22 CONNECTED CHARITIES

Charities with common trustees with the archdiocese and associated subsidiary undertakings are as follows:

	Charity Number
Nugent Care 2019	1187072
Christ's and Notre Dame College, Liverpool	526463
The Friends of Liverpool Metropolitan Cathedral	513469
Caritas Social Action	1101431
St Mary's College Crosby Trust Limited	1110311
Catholic Trust for England and Wales	1097482
St Cuthbert's College Ushaw	527408
The Catholic Children's Society (Shrewsbury Diocese) Inc	509793
Caritas Diocese of Shrewsbury	1169317
Ushaw Trust	1197075
Leprosy Mission Isle of Man	IOM 1251

The following transactions occurred with these connected charities;

Individual parishes have collections throughout the year where donations are collected on behalf of the Nugent Care 2019 and paid directly to the charity.

The archdiocese made payments totalling £179,277 (2022: £165,805) to the Catholic Trust for England and Wales in respect of activities undertaken at a national level in common with other dioceses.

No other transactions occurred with connected charities.

23 SCHOOL BUILDING PROJECTS

The charity assists archdiocesan voluntary aided schools with the administration of funding for school building projects. Historically the archdiocese acted as the agent of school governing bodies in receiving funding from the Department for Education (DfE) under the Locally Coordinated Voluntary-Aided Programme (LCVAP), local authorities and other funding sources and settling and matching it with the contractors' costs and professional fees. Monies that continue to be received though these activities are not reflected in the Statement of Financial Activities as the transactions are those of the school governing bodies rather than the archdiocese.

In April 2020 the Voluntary-Aided Schools Condition Allocation (VASCA) system was introduced and superseded the LCVAP. The change in funding gives the archdiocese ultimate control over the application of grants to specific schools, therefore the VASCA grant funding received and the related expenditure are recognised in the Statement of Financial Activities.

Total grant income to the School Projects Fund amounted to £12.42M (2022: £12.46M). Total expenditure on school building projects during the year was £17.31M (2022: £12.60M). Balances due to individual archdiocesan schools in relation to devolved formula capital projects amounted to £9.68M (2022: £11.34M).

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

24a	LINKING OF CHARITIES For the year ended 31 December 2023	PAROCHIAL		CURIAL					Total 2023 £000's
		Unrestricted £000's	Designated £000's	Restricted £000's	Total £000's	Unrestricted £000's	Designated £000's	Restricted £000's	Total £000's
	INTRA-DIOCESAN TRANSFERS								
	Transfer on linking of charities	-	-	-	-	2,213	4,070	222	6,505
	INTRA-GROUP TRANSFER								
	Transfer on linking of charities	-	-	-	-	(6,283)	-	(222)	(6,505)
	TOTAL	-	-	-	-	(4,070)	4,070	-	-

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December

24b	TRANSFERS	PAROCHIAL					CURIAL				
For the year ended 31 December 2023		Unrestricted	Designated	Restricted	Total	Unrestricted	Designated	Restricted	Total	Total 2023	
		£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
	INTRA-DIOCESAN TRANSFERS										
	Parish contributions to restricted collections	(13)	-	(51)	(64)	-	(352)	47	(305)	(369)	
	Other	-	370	-	370	(1)	-	-	(1)	369	
		(13)	370	(51)	306	(1)	(352)	47	(306)	-	
	INTRA-GROUP TRANSFER										
	Other	-	-	-	-	(169)	169	-	-	-	
	TOTAL	(13)	370	(51)	306	(170)	(183)	47	(306)	-	
For the year ended 31 December 2022		PAROCHIAL					CURIAL				
		Unrestricted	Designated	Restricted	Total	Unrestricted	Designated	Restricted	Total	Total 2022	
		£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
	INTRA-DIOCESAN TRANSFERS										
	Parish contributions to restricted collections	(472)	-	422	(50)	(51)	20	41	10	(40)	
	Other	-	(7)	-	(7)	47	-	-	47	40	
		(472)	(7)	422	(57)	(5)	20	41	57	-	
	INTRA-GROUP TRANSFER										
	Other	-	-	-	-	-	-	-	-	-	
	TOTAL	(472)	(7)	422	(57)	(5)	20	41	57	-	

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

25 ANALYSIS OF NET ASSETS

Group	Tangible Fixed Assets	Investments	Current Assets less Creditors	Total 2023
	£000's	£000's	£000's	£000's
Restricted Funds				
- Parochial	-	479	14,199	14,678
- Curial	-	6,385	8,810	15,195
	-	6,864	23,009	29,873
Designated Funds				
- Parochial	-	11,429	(11,384)	45
- Curial	17,770	64,127	5,648	87,545
	17,770	75,556	(5,736)	87,590
Unrestricted General Funds				
- Parochial	37,450	49,066	7,653	94,169
- Curial	17,282	3,836	(19,598)	1,520
	54,732	52,902	(11,945)	95,689
Total	72,502	135,322	5,328	213,152

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

25 ANALYSIS OF NET ASSETS *(continued)*

Group 2022	Tangible Fixed Assets £000's	Investments £000's	Current Assets less Creditors £000's	Total 2022 £000's
Restricted Funds				
- Parochial	-	455	17,235	17,690
- Curial	-	6,121	8,672	14,793
	<u>-</u>	<u>6,576</u>	<u>25,907</u>	<u>32,483</u>
Designated Funds				
- Parochial	-	10,976	(10,931)	45
- Curial	3,866	69,641	9,858	83,365
	<u>3,866</u>	<u>80,617</u>	<u>(1,073)</u>	<u>83,410</u>
Unrestricted General Funds				
- Parochial	12,371	66,237	11,251	89,859
- Curial	11,714	13,360	(19,164)	5,910
	<u>24,085</u>	<u>79,597</u>	<u>(7,913)</u>	<u>95,769</u>
Total	<u>27,951</u>	<u>166,790</u>	<u>16,921</u>	<u>211,662</u>

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

25 ANALYSIS OF NET ASSETS *(continued)*

Charity	Tangible Fixed Assets £000's	Investments £000's	Current Assets less Creditors £000's	Total 2023 £000's
Restricted Funds				
- Parochial	-	479	14,199	14,678
- Curial	-	6,385	8,813	15,198
	-	6,864	23,012	29,876
Designated Funds				
- Parochial	-	11,429	(11,384)	45
- Curial	17,770	86,687	(17,413)	87,044
	17,770	98,116	(28,797)	87,089
Unrestricted General Funds				
- Parochial	37,450	49,066	7,653	94,169
- Curial	5,336	2,921	4,476	12,733
	42,786	51,987	12,129	106,902
Total	60,556	156,967	6,344	223,867

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

25 ANALYSIS OF NET ASSETS *(continued)*

Charity 2022	Tangible Fixed Assets £000's	Investments £000's	Current Assets less Creditors £000's	Total 2022 £000's
Restricted Funds				
- Parochial	-	455	17,235	17,690
- Curial	-	6,121	8,453	14,574
	-	6,576	25,688	32,264
Designated Funds				
- Parochial	-	10,976	(10,931)	45
- Curial	3,866	92,198	(13,031)	83,033
	3,866	103,174	(23,962)	83,078
Unrestricted General Funds				
- Parochial	12,371	66,237	11,251	89,859
- Curial	469	7,415	2,537	10,421
	12,840	73,652	13,788	100,280
Total	16,706	183,402	15,514	215,622

Archdiocese of Liverpool
Notes and Accounting Policies
For the Year Ended 31 December 2023

26 OPERATING LEASES

Throughout the archdiocese there are numerous low value operating leases primarily in relation to equipment. The annual payments in relation to these have not been quantified but they are not deemed to be material to the financial statements.

27 CONTINGENT LIABILITIES

The trustees are reviewing the structure of the organisation from a VAT perspective with initial findings indicating that registration for VAT is probable. There remains potential that a future registration may be applied retrospectively but as this likelihood and size of potential liability cannot be fully assessed at this point, no provision has been made within the financial statements.

28 GUARANTEE

An index-linked product amounting to £2.20M (2022: £2.20M) is used as security against any potential liability in connection with a landfill site. The likelihood of this liability falling due on the charity is considered remote.

Accounts

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

**ANNUAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2022**

Registered Charity Number: 232709

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

CONTENTS	PAGE
Report of the Trustees	1 - 17
Statement of Trustees' Responsibilities	18
Independent Auditor's Report to the Trustees	19 - 21
Consolidated Statement of Financial Activities	22 - 24
Charity Statement of Financial Activities	25 - 26
Consolidated Balance Sheet	27
Charity Balance Sheet	28
Consolidated Cash Flow Statement	29 - 30
Notes and Accounting Policies	31 - 73

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

MISSION STATEMENT

Taking to heart the last words of the Lord Jesus, we will go into the world to proclaim the Good News to the whole of creation.

REFERENCE AND ADMINISTRATIVE DETAILS

Trust Corporation

Liverpool Roman Catholic Archdiocesan Trustees Incorporated ('The trustees')

Trustees of the Trust Corporation

Most Rev M P McMahon OP (Chairman)

Rev Mgr J Devine OBE (resigned 17 June 2024)

Rev G Easton

Rev Canon M Fitzsimons

Dr M Goddard (Appointed 26 November 2021 and resigned 31 December 2022)

Mr I Hollows

Rev P Inch

Mr S Keyes

Mrs C Lawrence

Rt Rev T Neylon

Rev M Nunes

Rev Provost A O'Brien

Mrs C O'Brien

Rev Canon A Prescott

Rt Rev T Williams (Resigned 25 March 2023)

Rev G J Callacher (Appointed 19 December 2023)*

Rev G Dunne (Appointed 17 June 2024)*

*Rev G J Callacher was appointed as a trustee of the Archdiocese of Liverpool (registered charity (No 1199714) on 19 December 2023

Rev G Dunne was appointed as a trustee of the Archdiocese of Liverpool (registered charity (No 1199714) on 17 June 2024

Episcopal Vicar for Finance

Rev Mgr John Devine OBE (until 17 June 2024)

Rev Graeme Dunne (from 18 June 2024)

Chief Operating Officer

Mr M Miller

Principal Address

St Margaret Clitherow Centre

Croxteth Drive

Liverpool

L17 1AA

Registered Charity Number: 232709

Auditors

BDO LLP

5 Temple Square

Temple Street

Liverpool L2 5RH

Bankers

HSBC Bank plc

99-101 Lord Street

Liverpool

L2 4SW

Investment Managers

Evelyn Partners

45 Gresham Street

London

EC2V 7BG

Rathbone Investment Management Ltd

Port of Liverpool Building

Pier Head

Liverpool

L3 1NW

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Liverpool Roman Catholic Archdiocesan Trust (more commonly referred to as the Archdiocese of Liverpool) is a registered charity (No 232709), the governing instrument of which is a trust deed dated 18 March 1963. Its trustees are the members of Liverpool Roman Catholic Archdiocesan Trustees Incorporated, a body incorporated by order of the Charity Commissioners under the Charitable Trustees Incorporation Act 1872. The trustees of the corporate body are listed on page 1.

Organisational structure and decision making

The Catholic Church has a worldwide nature and identity and could be compared with a gathering together of family, with a common purpose and faith in Jesus Christ. Canon law (the law of the Church) establishes the rights and responsibilities of each member of this community. Church law applies universally and locally. The worldwide Church community, centred on Christ, under the Word of God and in communion with the Pope in Rome, is governed by canon law. Under canon law the Archbishop of Liverpool is responsible for the activities of the archdiocese, a geographical area in part of the north-west of England, which is a portion of the worldwide Church, making up the pilgrim People of God. The archbishop was assisted during 2022 in archdiocesan executive matters by two auxiliary bishops, a vicar general and several episcopal vicars with delegated responsibilities for strategic oversight in specific matters of the life of the Church. The appointments of vicar general and episcopal vicars are made by the archbishop. The Rt Rev T Williams, auxiliary bishop of Liverpool retired on 25th March 2023.

The affairs of the charity are governed by the trustees. The trustees are ultimately responsible for the administration and assets of the charity. The board of trustees, chaired by the archbishop, meets regularly to provide strategic direction and decision-making on key issues.

The pastoral oversight of the charity is conducted by the archbishop in regular consultation with the recently formed Archbishop's Advisory Group – a body formed as a result of the 2022 synodal processes which comprises clerical and lay advisers from various strands within the archdiocese. This body assists the archbishop in all decisions affecting the life of the archdiocese.

The archdiocese consists of 13 deaneries, each made up of groups of parishes in each local area, in total containing 171 places of worship, extending from the Mersey to the Ribble, encompassing parts of Merseyside, Lancashire, Cheshire, Greater Manchester and the Isle of Man.

The purpose of each deanery is to provide for the pastoral, sacramental and community needs of its people. All priests and deacons are accountable to the archbishop. Parish priests are obliged by canon law to act in the person of the parish¹. They also act as the agents of the trustees of the archdiocese, who are responsible for the administration of the archdiocesan trust, which includes parish assets. It is a further requirement of canon law that every parish should have a finance committee to assist the parish priest in the financial administration of the parish. This committee enjoys consultative status with the parish priest and its constitution has been approved by the trustees.

Some Church policies are developed at a national level by the Catholic Bishops' Conference of England and Wales. The archdiocese is represented on this body by its bishops. The policies may be adopted by the trustees after considering the impact on the activities of the archdiocese.

¹ The Code of Canon Law makes a distinction between actual persons (*persona humana*) and a person (*persona nonficta*) who is a subject of rights and obligations. In the Church this means that there are individual physical persons and juridical personhoods. Canon law assigns canonical identity to various groups and entities within the Church such that they are recognised as subjects of rights and obligations, and these are referred to as juridical persons. A parish therefore is a juridical person, and it is the parish priest who acts in the person of the parish in all juridical matters, and importantly to ensure that parish goods are administered in accordance with the law. Can. 532 In all juridic affairs the pastor represents the parish according to the norm of law. He is to take care that the goods of the parish are administered according to the norm of cann. 1281-1288.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Corporate governance *(continued)*

The trustees welcomed the introduction of the Charity Governance Code in 2017 and continue to review best practice as they aim to improve governance. They have made several steps forward in improving both governance and effectiveness as follows:

Organisational purpose

The trustees regularly review the charity's purposes and consider how it delivers public benefit as described on page 10 of this report. The trustees are satisfied that the charitable purposes of the organisation have been achieved.

Leadership

The Chief Operating Officer continues the review of priorities, governance, structures, and processes. The charity has continued its transition to new governance arrangements which include clarity of oversight of committees and subsidiary undertakings.

The new governance arrangements include the regular review of the purposes of committees and subsidiaries, and constructive challenge to the Chief Operating Officer and archdiocesan officers. The ethos and culture of the charity supports its activities.

Several new policy committees have been established to carry out detailed policy work on behalf of the trustees and to make decisions on matters delegated to them.

The Pastoral Development Committee oversees the work of the Pastoral Development Department in relation to pastoral provision for better delivery of archdiocesan mission objectives and, as far as possible, will align pastoral considerations with deployment of lay and ordained ministries.

The Safeguarding Committee supports, assists and advises the trustees in discharging their duties in safeguarding, in accordance with their legal and regulatory responsibilities.

The Archdiocesan Education Committee (established in November 2023) will oversee the work of the Education Department and the development of education policy and practice consistent with the Catholic faith.

An Audit Committee (established in April 2023) will advise the trustees alongside the reconstituted Finance Committee ensuring that there is detailed oversight of all archdiocesan financial activity and effective stewardship of resources. Subcommittees of the Finance Committee - the Investment Panel and the proposed Building Committee with an expansion of focus beyond schools to include all archdiocesan properties, and the boards of the subsidiary companies - will advise the trustees through the Finance Committee.

Each of the committees are chaired by the relevant episcopal vicar, or vicar general, with further trustee representation on the individual body. While several specialists are co-opted to the existing committees, a recruitment process for lay people with relevant experience was undertaken during 2022 with appointments made to the Finance Committee and other committees during the year. Induction for the Finance Committee members took place in 2022 and appointments to the Audit Committee were made during 2023. The committees meet on a regular basis and their findings are recommended to the trustees or operate under trustee-delegated authority.

Integrity

The transition to new governance arrangements includes the implementation of policies and procedures which support key outcomes in maintaining the reputation of the charity and how it is perceived by other people, partnerships, and the public. Key themes in the implementation of policies and procedures include the expected standards of probity and behaviour, the requirements to operate responsibly and ethically in line with the mission of the archdiocese, and compliance with relevant guidance, whether mandatory or non-mandatory. The requirement for the declaration of actual or potential conflicts of interest is included within the new governance arrangements.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Corporate governance *(continued)*

Decision-making, risk and control

The archdiocese reviews the arrangements for matters reserved to the trustee board and those that are delegated to archdiocesan officers, individual trustees, and committees. A revised scheme of reservation and delegation was implemented in 2022 with clear boundaries. Compliance will be monitored and reported regularly to the Audit Committee.

The revised governance arrangements include the regular review of committee terms of reference. The monitoring of organisational performance is a key component of the new governance arrangements and the implementation of key strategies with associated budgets is in progress. The development of reporting includes the monitoring and management of financial and non-financial risks including departmental, subsidiary, and archdiocesan risks. There is an effective process in place for the appointment and review of auditors.

Board effectiveness

The arrangements for the cycle of board meetings were reviewed as part of the new governance arrangements together with the information needed for trustees to fulfil their duties. The mix of skills, knowledge and experience is kept under review.

Diversity

The trustees understand their responsibilities regarding diversity and value the benefits of a diverse trustee body. They aim to remove obstacles to attracting a diverse pool of candidates.

Openness and accountability

The charity is working towards the development of a transparent, well-publicised, effective, and timely process for making and handling complaints, with the aim of ensuring that internal and external complaints are handled constructively, impartially, and correctly. The review of a strategy for regular and effective communication with key stakeholders is a priority for the organisation and includes consideration of how best to communicate with these stakeholders.

Trustee recruitment and appointment

By right of office, the archbishop chairs the board of trustees. The power of appointing new or additional trustees is vested in the archbishop.

The induction process for any newly appointed trustee is tailored to the requirements of the individual and includes an initial meeting with the archbishop. The new trustee receives copies of Charity Commission guidance, the minutes of the most recent trustees' meetings and a copy of the most recent statutory accounts. Ongoing training provision is planned for all trustees.

Related parties

Various essential functions of the archdiocese are provided through subsidiaries. These include the commercial activities of the Metropolitan Cathedral through Metropolitan Cathedral Services Limited and the management of parish centres by Archdiocesan Parish Centres Management Company Limited. Building services for archdiocesan buildings are managed by Tuneside Limited and Archdiocesan Property Services Limited. The promotion of education standards to archdiocesan schools was undertaken by Archdiocese of Liverpool Primary Schools Improvement Trust and Archdiocese of Liverpool Secondary Schools Improvement Trust. The work of the primary improvement trust was consolidated into the archdiocesan Education Department in 2023 and progress has been made towards rationalising the organisation structure of the secondary school improvement trust.

The boards of trustees of the Liverpool Archdiocesan Education Trust (1199714-3) and the Apostleship of the Sea Liverpool Archdiocesan Council (Linked charity 1199714-2) are identical to that of the archdiocese. To reflect the level of reserves under the control of the trustees, the financial performance and position of these two charities are included in the consolidated accounts of the archdiocese and from 2023 onwards both charities shall be regarded by the Charity Commission as linked to and treated as forming part of the Charitable Incorporated Organisation, Archdiocese of Liverpool (charity number 1199714).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Corporate governance *(continued)*

The charitable objectives of The Apostleship of the Sea (Liverpool Archdiocesan Council) (charity number 1199714-2) are the spiritual and temporal welfare of seafarers. The apostleship aims to achieve its objectives by working in ecumenical partnership with The Mersey Mission to Seafarers in the day-to-day operation of Liverpool Seafarers Centre. Through the facilities and service provided from the Seafarers Centre, the apostleship provides practical and pastoral care to seafarers. The charity had £4.13M of reserves at 31 December 2022 (2021: £4.47M) and from 2023 will be accounted for as part of the Charitable Incorporated Organisation, Archdiocese of Liverpool (charity number 1199714).

Liverpool Archdiocesan Education Trust (charity number 1199714-3) aims to promote the charitable purposes of the archdiocese by facilitating the acquisition and holding of property for education purposes. Reserves of the charity amounted to £2.21M at 31 December 2022 (2021: £2.16M).

The transactions and activities of the Liverpool Archdiocesan Education Trust will be accounted for as part of the Charitable Incorporated Organisation, Archdiocese of Liverpool (charity number 1199714) from 1st January 2023.

COVID-19 and global economic conditions

The global pandemic had a catastrophic impact on the charitable activities and finances of the archdiocese and its subsidiaries until the lifting of all lockdown restrictions in July 2021; while we have seen some recovery, the pandemic continues to have implications for the archdiocese. More recent significant challenges - the war in Ukraine, global economic uncertainty and UK inflation – have also impacted the archdiocese significantly. The cost of energy and construction related activities continue to present significant challenges to the archdiocese in respect of the financial sustainability of buildings.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the trust and are satisfied that systems are in place to mitigate exposure to the major risks.

While the average weekly Mass attendance of 25,327 for 2022 (2021: 19,887) reflects a 27% increase on 2021, the underlying trend continues to be down, with a decline from the 85,357 reported in 2000. Average Mass attendance is usually calculated from the average of the Mass attendance each Sunday in October as submitted by each parish priest to the chancellor of the archdiocese. The average age of parish congregations is generally increasing, and the proportion of younger people is reducing. A key aspect of outreach to young people continues to be the work carried out by Catholic schools and the Animate youth ministry team across the archdiocese and beyond, who are based at Lowe House St. Helens.

The impact of the declining number of active parishioners and total clergy is being addressed through the recommendations of Synod 2020 that have been incorporated into the pastoral plan that was published in Advent 2021.

The vocations director appointed by the archbishop runs events around the archdiocese to help develop vocations to the priesthood and religious life for those people yet to decide whether to embark on ministerial formation.

The health and safety of all individuals that encounter the Church through the many churches and other properties of the archdiocese receives particular attention. A key aspect of the ongoing parish health and safety risk assessment process is risk identification, and through several techniques and processes the trustees aim to take all appropriate steps to mitigate the likely impact of risks identified.

Regulation compliance processes are in place for matters such as asbestos, confined spaces, water hygiene, fire safety and first aid. Quinquennial reporting, regular parish building inspections and parish health and safety risk assessments are undertaken. A culture of reporting of accidents to a designated health and safety coordinator is being improved and visits to all accident sites following serious incidents are undertaken, including reporting of all notifiable incidents to the appropriate authorities.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Regular newsletters are sent to all parishes. Quarterly reports covering health and safety are reviewed by the Health and Safety Committee and reported to the trustees.

Objectives and activities

The objects of the charity as declared in the governing document are:

- the advancement of the Roman Catholic religion
- the advancement of education
- the relief of poverty
- the cure or alleviation of sickness or disease

Achievements and performance

In 2021 the period of listening and reflection on the experience of being Church during the period affected by COVID-19 concluded, and after hearing the preferences of Synod members for proposals, a set of 19 recommendations covering all areas was formalised. A Synod book, 'Together on the Road' helped people discern how they would vote on the recommendations and a week of prayer was held in advance of the Synod. After the vote and a celebration of the Synod process, the Pastoral Plan was published on the first Sunday of Advent 2021. The plan comprises three sections:

- Christ at the centre – our theological underpinnings
- Four signposts to the future
- Six areas of development:
 1. Becoming a Church that accompanies people through life
 2. Becoming a Church that honours the vocation of all the baptised
 3. Becoming a Church where synodality is embedded
 4. Becoming a Church that reviews its organisational structures and administers its property to serve its mission
 5. Becoming a Church where young people and young adults flourish
 6. Becoming a Church that cares for its priests

In March 2022 Archbishop Malcolm went to Rome, to fulfil his promise when he first called for a Synod in the Archdiocese in 2017. Archbishop Malcolm handed the final Synod Report to the Congregation for Bishops and to the Synod Office and he also took to the dicasteries, the issues that were raised that could not form part of the Synod report (issues outside the remit of a Diocesan Synod).

At the Synod Office, Cardinal Mario Grech and Sister Natalie Becquart were delighted to receive the report of the Liverpool Synod. In handing over the final synod report, the result of all the listening and the Pastoral Plan, Archbishop Malcolm was entrusting the work that has taken place over almost five years to the universal Church.

The archdiocese recognises that the Pastoral Plan is not just a document, it represents the hopes and dreams of the local Church.

Work carried out on the development areas of the pastoral plan included an exploration of what accompaniment means. Three side by side events, run by The Proximity Project – A National Group (backed by Jesuits, Benedictines and others) were attended by 131 people from across the archdiocese to explore accompaniment with external facilitators. Sr Lynne Baron, FCJ, was appointed as Archbishop Malcolm's delegate for Catholic social action. Sr Lynne is a key member of the Archbishop's Advisory Body ensuring that the voice of a woman will be heard as the archbishop makes important decisions.

Further achievements during 2022 include the appointment of a social action co-ordinator and the regular celebration of Mass bringing together the LGBTQ+ community. This work has been further developed to focus on what is meant, and not meant, by accompaniment and how this relates to synodality.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance *(continued)*

The need for developing programmes to identify the different accompaniment needs of specific groups has been recognised. Specific groups include parents with young children, those preparing for marriage, elderly, those in mixed marriages, those freshly graduated, catechists, social action groups, sick, disabled, those who are divorced and separated, LGBTQ+, bereaved, single parents, those struggling with cost of living, prisoners and their families, families with children or adults with special needs, Catholic children in special schools or in non-Catholic schools, teachers and others.

Exploration of a joint formation programme for future priests, deacons and lay ministers to train together were explored under the development area of becoming a Church that honours the vocation of all the baptised. Early conversations were undertaken around the new ministries of catechists and an appointment was made to a new training coordinator post in the Pastoral Development Department.

Becoming a Church where synodality is embedded was significantly developed during the year with the decision to incorporate the archdiocese as a Charitable Incorporated Organisation (CIO) with the structure implemented at the end of 2022. The project was subsequently awarded 'Governance Project of the Year' by the Chartered Governance Institute UK and Ireland in at an awards ceremony in 2023.

The review of the statutes of the Metropolitan Cathedral Chapter (last revised in 1955) took place between November 2021 and April 2022 with a new set of statutes that the Chapter proposed to the Archbishop for approval. The Archbishop gave his approval with the new statutes coming into effect on Pentecost Sunday, 5 June 2022. Following this the Archbishop transferred the functions of the College of Consultors from Archbishop's Council to the Chapter of Canons. This made it possible to create the Archbishop's Advisory Body as a replacement for Archbishop's Council as the consultative body that meets most regularly with the Archbishop. Appointments to this new body can be members who are not priests.

Becoming a Church that renews its organisational structures and administers its property to serve its mission included developments such as a terms of reference for the Deanery Synodal Council, meeting for the first time in 2022, with lay people appointed by the archbishop to work in partnership with the deans. The audit of archdiocesan land and buildings continued during 2022 and supported the work on the new CIO structure. Work commenced to create families of parishes.

Work was undertaken on the development of a post to coordinate the way forward for youth ministry in the archdiocese in association with the current youth provision as part of the work on becoming a Church where young people and young adults flourish.

A major piece of work involving 104 out of 106 priests meeting with an external facilitator was carried out as part of becoming a Church that cares for its priests. Religious priests and retired priests also met with the facilitator. The outcome of this work was suggestions exploring support for priests flourishing in the human, spiritual, liturgical, theological, intellectual and pastoral aspects of their lives.

Financial review

The net movement in funds of the group from parochial and curial activities is summarised below.

	2022	Restated ¹
	£000's	2021
		£000's
Net outgoing resources	(2,925)	(1,132)
Unrealised (loss) / gain on investments	(10,650)	13,631
Revaluation of investment properties	6,021	5,114
Net movement	(7,554)	17,613

¹ Further information on the restated amount can be found in note 29

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Financial review *(continued)*

Commercial trading operations and charitable activities increased during 2022. Donors continued to utilise alternative methods of giving, such as online donations and the use of standing orders, and the pressure on reserves was eased by further actions to control the levels of operational expenditure in all areas of the charity.

Overall staff numbers have reduced, primarily due to the cessation of trading and rationalisation of roles in parish centres.

Voluntary income

Parishioners continue to generously support their parishes. Long term initiatives such as the centrally coordinated 'Responsible Giving Campaign' have contributed to the core strength of parish finances. Implemented by small teams of volunteer parishioners, the campaign highlights the rising level of running costs faced by parishes and encourages parishioners to increase their individual level of giving. Separately there have been coordinated gift aid campaigns to boost donations further. Parishes where a responsible giving campaign has been undertaken have experienced sustained increases in giving while other parishes report falling offertories. The coordination of such parish campaigns occurring once every five years, interspersed with gift aid campaigns, continues to maintain the effectiveness of donation levels whilst trying to avoid 'fundraising fatigue' for parishioners.

Parishioners responded to parish need by increasing the number and value of standing order donations made directly to parishes. They also used the online and text giving platforms to maintain their levels of support for their parishes. Offertory income amounted to £5.11M (2021: £4.60M), demonstrating a recovery from 2020 but below the level of giving of £5.78M reported in 2019.

The value of legacies received by the archdiocese was £1.14M in 2022 (2021: £1.39M). The Priests' Training Fund, George Andrew Fund, the cathedral, and individual parishes each continue to benefit from the generosity of parishioners through collection income and bequests. Legacies were reported in 25 individual parishes in 2022 (2021: 20).

Parishioners responded to appeals and special collections during the year with £0.90M received in 2022 (2021: £0.60M) and various external charities, including CAFOD and Nugent, benefited from the income generated in parishes.

Fundraising activities

The activities of the parish centres are consolidated within Archdiocesan Parish Centres Management Company Limited (APCMC). While 37 parish centres continue to trade, all the parish centre buildings remain a valuable resource to parishes and the wider community, with the activities of the company enabling the funding of these costly sites on behalf of the parishes.

In 2021, APCMC obtained a £1.7M loan under the government-backed Coronavirus Business Interruption Scheme to mitigate the negative cash flow impact of the closure of parish centres arising from lockdown restrictions. The amount, calculated as the estimated net income lost by the company during the lock down restrictions was secured against cash balances of APCMC and had no interest cost implications to the company or the archdiocese for the first year of the loan. The loan was repaid in 2022 before any interest became chargeable to the organisation.

The commercial activities of the Conference Centre in the St. Margaret Clitherow Centre were streamlined following the restrictions imposed by the pandemic. The building remained in use for archdiocesan and external groups, without dedicated conferencing and hospitality support. The demand for the facilities of the Conference Centre started to increase during 2022 and this will be kept under review to optimise income generation opportunities.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Fundraising activities *(continued)*

Archdiocesan building projects are managed by Tuneside Limited and Archdiocesan Property Services Limited, and the activities of the subsidiaries have considerable influence in ensuring that building projects are managed in a cost-efficient manner to the benefit of the parishes and schools.

Investment policy and performance

The trust deed authorises the trustees to invest general funds of the charity in any lawful manner.

The archdiocese is committed to investing responsibly and in line with the mission and teachings of the Catholic Church, the United Nations principles for Responsible Investment and the UK Stewardship Code. The archdiocese position is the commitment to align investments to build a better, more just, and peaceful world, with the contribution of all: people and institutions. During 2022 an Ethical Advisory Group (EAG) was convened to consider, discuss and prepare a Responsible Investment Policy aligned with Gospel consistent values. This was supported by presentations by archdiocesan investment managers and agreement was reached to make recommendations to the board of trustees, who agreed the implementation of the Responsible Investment Policy. The investment portfolio is managed on a discretionary basis within the parameters of the Responsible Investment Policy which includes a range of exclusions and restrictions which filter out investments on the grounds that they are not consistent with the mission and teachings of the Catholic Church. Investment managers use the services of bodies such as the Investor Responsibility Research Service in endeavouring to ensure compliance with archdiocesan policy.

The Investment Panel has authority delegated from the trustees to set performance targets and to assess the actual performance of the investment managers against benchmarks, with advice from a specialist firm of investment advisers.

The archdiocesan investment portfolio is split into two separate portfolios managed by different investment managers and representatives of the investment managers meet periodically with the Investment Panel, who assess their relative performance and against benchmarks.

Following adverse performance against the agreed benchmarks and a full investment manager review in 2021, BlackRock Investment Management (UK) Limited was notified of the trustees' intention to transfer management of that element of the portfolio to Evelyn Partners. The transfer took place in 2022 with Rathbone Investment Management Limited continuing to manage the other element of the portfolio.

Investment income generated by the investment managers of the unitised portfolio was £2.76M (2021: £3.86M) and met the targets required by the archdiocese. The charity reported an unrealised loss on investments of £10.65M (2021: Gain £13.63M)

All archdiocesan bank accounts are included within the offset banking system. After daily consideration of commitments and spending patterns, archdiocesan personnel evaluate the cash requirements, the balance being placed in a variety of cash deposits with institutions approved by the trustees.

The investment objective in respect of cash management is to maximise income from cash balances whilst maintaining sufficient available funds to meet the daily operating requirements and to facilitate the timely payment of liabilities. Interest rate increases on cash balances during 2022 have contributed to increased returns in 2022.

Investment properties

The archdiocese sold several assets that were no longer being used as functional church properties and reported a realised gain on the disposal of properties of £0.10M (2021: £0.09M). The trustees have retained several properties no longer required for functional purposes to generate a rental income for individual parishes. Several properties that were previously retained for investment purposes have been returned to functional use during the year. A cyclical valuation programme is operated by the trustees and the revaluations created an unrealised gain of £6.02M in 2022 (2021: £5.11M).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Charitable activities and public benefit

The charity aims to satisfy its objects through four main areas of charitable activity:

- To support pastoral work in parishes and local communities
- To provide support to the clergy in training, ministry and retirement
- To support and direct lifelong Christian education in parishes and schools
- To preserve and invest in the property infrastructure of the archdiocese and parishes, facilitating worship and enabling the charitable work of the Church to take place

In considering the charitable activities of the archdiocese, the trustees have had regard to the charity Commission guidance on public benefit. Success is measured in several ways. The archbishop has oversight of the whole archdiocese, achieved through visitations to parishes and schools and through the wider knowledge and reviews below of the various activities of the organisation.

Pastoral work

The celebration of Mass in parishes within the archdiocese was attended by an average weekly congregation of 25,627 in 2022 and contributed to the spiritual well-being of society and the public in general.

Many activities coordinated through parishes of the archdiocese are focused on the needs of the vulnerable, both at home and abroad, and significant collections are undertaken on behalf of charities such as Nugent, CAFOD and natural disaster appeals. The #Liverpool4Ukraine appeal was launched in 2022 to support those affected by the war in Ukraine. In addition to prayer, humanitarian aid, generously donated by people across the archdiocese, was delivered to the Polish border with Ukraine and handed over to Bishop Gregory Komar of the Diocese of Sambir-Drohobych, an eparchy of the Ukrainian Greek Catholic Church with headquarters in Lviv.

The pastoral work of the archdiocese extends through chaplaincy provision offering spiritual support to those in universities, hospitals, and prisons within the geographical area of operation. A regular and extensive provision of pastoral visiting to the sick at home and in nursing homes is undertaken by clergy and trained lay people.

While most pastoral work is undertaken locally, parishes are supported by the work of the archdiocesan Pastoral Development Department and other centrally funded departments and initiatives facilitate and encourage work in the local community.

The archdiocesan Department of Education through the Christian education section focuses on formation and ethos in our Catholic schools by means of staff training courses, professional catechetical and liturgical support, and statutory religious education inspections.

A team of residential youth workers under the direction of the archdiocesan youth chaplain serves in parishes and schools, engaging with over 10,000 young people each year by undertaking preparation for sacraments, youth events, pilgrimages, and school missions.

This interaction informs young people not only about religion but also about basic values which contribute to the common good of society.

For four decades Liverpool priests have volunteered to serve in Latin America, standing alongside the poor and deprived, supported by the people of the archdiocese. LAMP was established in 1979 to undertake this missionary work and attend to the needs of individuals within the parishes administered by archdiocesan priests operating in Latin America. Investment income derived from restricted investments and legacies currently support the daily activities and pastoral work of the priests, with emphasis on catechesis and the support of medical aid, as well as some of the property needs in their parishes.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Clergy support

At the local level, priests are actively involved in directing, coordinating and undertaking the mission of the Church and delivering the strategy of the archdiocese. Clergy are also responsible for the celebration of Masses as well as baptisms, marriages, funerals, and the provision of the sacraments generally. The priests and deacons of the archdiocese provide welfare to the sick, dying and their relatives through visiting and the administration of the sacraments.

Priests do not retire but can stand down from the full responsibilities of office at 75 years old, or earlier if their health requires. As the anticipated number of such 'retired' priests increases beyond the present number, the requirements on the George Andrew Fund to provide for the living needs of retired priests will increase and the fund value will diminish. The George Andrew Fund levy based on parish donations and income contributes to supporting priests during illness and after leaving office.

Properties in several locations within the archdiocese have been converted and refurbished to increase the level and variety of accommodation available to retired priests. An annual parish collection, 'Provision for Priests in Retirement' continues to be generously supported by parishioners. The proceeds of the annual collection will help to meet the future costs of converting and maintaining such properties and are held separately from those of the George Andrew Fund.

The archdiocese has seven students preparing for the priesthood and the proceeds of an annual parish collection, legacies and specific donations to the Priests' Training Fund provide for the cost of education of students for the priesthood and for continuing formation.

Education

In partnership with the trustees of religious orders, the archdiocese provides a network of schools across a very wide and disparate geographical area embracing eight local education authorities and the Isle of Man.

The Education Department ensures that there is in its schools, at both primary and secondary levels, a place available for every baptised Catholic child. Successive external reports give testament to the enduring quality of the network of schools, which continue to place as much emphasis on personal, spiritual, and moral formation as on academic progress. In celebrating the uniqueness of the individual and fostering independence alongside responsibility to others, the archdiocesan schools strive to offer mutual support for the common good in the wider society.

Through the School Projects Fund, the archdiocese approved 158 individual capital and repair projects to the value of £13.60M in the year (2021: 185 projects, £17.89M). The projects were financed through several different funding sources including Voluntary-Aided Schools Condition Allocation (VASCA).

The introduction of VASCA gives the archdiocese ultimate control over the allocation of grant funding to individual schools. The monies are now included as income in the Statement of Financial Activities and the change in treatment necessitated an adjustment in respect of monies received since April 2020. VASCA income amounted to £12.46M in the year (2021: £11.63M).

Expenditure on school building projects was £12.60M (2021: £10.67M) is now reflected at 100%, incorporating the commitment of VASCA grant and the archdiocesan 10% contribution to the cost of the individual projects. The archdiocesan level of contribution can only be achieved with the support of parishioners and parents who contribute to the annual school levy collection. The School Projects Fund benefited from £0.56M (2021: £0.58M) of donations from parents via archdiocesan schools.

An element of funding of school building projects is paid directly to schools using a formulaic allocation known as devolved formula capital (DFC). Most schools in the archdiocese opt to pay their DFC allocations into an archdiocesan bank account within which they are maintained on an individual basis until they are drawn down by the school. At the year end, the archdiocese was holding £11.34M (2021: £6.92M) on behalf of schools.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Education *(continued)*

Through the Schools' Voluntary Contribution Scheme, the archdiocese can offer an enhanced level of support to schools. Contributions of £0.27M in 2022 (2021: £0.28M) from archdiocesan schools enabled the Education Department to support the development of leadership teams and advise on selection and appointment processes through effective induction, in-service and advanced programmes of training following appointment. In 2022 a significant number of new appointments made by governing bodies were undertaken with the support of archdiocesan officers.

Property

Establishment costs remain the most significant area of expenditure for parishes, with £6.34M (2021: £6.14M) incurred in property running costs, which included repairs and maintenance costs of £2.96M in 2022 (2021: £3.32M).

Effective control exercised through the Finance Committee, which considers and recommends to the trustees repair projects costing in excess of £5,000, and the efforts of the in-house surveying team in obtaining value for money has ensured that building projects remained good value for money with trustee consideration and approval.

The management of the maintenance and repair programme ensures that churches and parish halls are open to the whole community to benefit not only spiritually but also practically from the provision of pastoral care and the many activities provided by our parishes to the wider community.

The major restoration of the organ of the Metropolitan Cathedral was completed in December 2022. At a total cost of £1.14M the project provided for the renewal of mechanical and electrical components and other associated works while also providing safe access for long-term maintenance to the organ which plays a key role in the daily life of the cathedral.

Employees

The employees of the Archdiocese of Liverpool make an immense contribution to the life of the archdiocese. Information about the archdiocesan activities is communicated to employees in several ways including email and intranet and regular meetings are held with staff on general and specific matters.

The Staff Association, which has representation from all areas of employment within the archdiocese and its subsidiaries, exists to enhance the contribution made by employees and to ensure that the wellbeing of staff is a priority consideration by the trustees and management in their decision-making. The association is a forum where staff can consider employment, health and safety and social matters. It also offers the trustees and senior management the opportunity to consult over proposed strategies, policies, and guidance. Staff are encouraged to voice their ideas as well as any concerns.

It is the policy of the archdiocese to consider job applications from disabled persons, having due regard to their aptitudes and abilities, and to provide opportunities for the retention and retraining of employees who become disabled during their employment. Equal opportunities are also given for the training, career development and promotion of disabled persons.

Annual pay changes are considered by the trustees, and job roles and remuneration are reviewed periodically. Archdiocesan benchmarking is employed when new roles are created or when significant roles become vacant.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Grants

The archdiocese is not primarily a grant-making charity. A small number of discretionary grants were made by the trustees to contribute towards the costs of initiatives run by other charities where their objects correlated with those of the archdiocese. Further information on this can be found in note 18 to the accounts.

Plans for future periods

The plans for the charity will be continued by the new Charitable Incorporated Organisation, 'Archdiocese of Liverpool' (charity number 1199714) as described below. The Liverpool Roman Catholic Archdiocesan Trust (charity number 232709) is a linked charity to the new CIO and will remain in place for a period of 24 months to facilitate the collection of donations and legacies before their transfer to the new entity and will be indemnified by the new entity to settle properly incurred liabilities. The proposals for action that emerged from the Synod as presented in the pastoral plan released at the start of Advent 2021 will continue to drive the strategic direction of the archdiocese.

In becoming a Church that accompanies people through life, the Synod identified the key priority for the archdiocese is that it should look outwards and evangelise. The pastoral plan commits the archdiocese to the idea of 'accompaniment' as the paradigm within which the organisation operates. The trustees envisage this as impacting on every aspect of archdiocesan life with an aim to walk alongside all people in the joys and hopes, griefs and anxieties of the lives.

To become a Church that honours the vocation of all the baptised, the archdiocese is to be bold and creative in celebrating the call of Christ and in supporting people to respond. The trustees recognise the need to foster the gifts and callings of all the baptised, and to consider new models of leadership that engage directly with the realities of life today, building up collaboration and embedding synodality.

Becoming a Church where synodality is embedded and heeding the call of Pope Francis that the synodal model is the way of the Church in its third millennium, a new advisory body replaced the Archbishop's Council as the consultative body that meets regularly with the archbishop. Its membership includes lay people, as well as clergy.

An archdiocesan synodal council will also be given the responsibility of monitoring the implementation of the pastoral plan. The Archdiocesan Synodal Council met on 25th November 2023 for the first meeting, with 120 people gathered into small groups around tables, listening, discerning and spending periods of time in silence to identify suggested priorities for the next 12 months.

To become a Church that renews its organisational structures and administers its property to serve its mission, the archdiocese has reorganised the 18 pastoral areas into 13 deaneries with a more stabilised and institutional grouping of various parishes.

In becoming a Church where young people and young adults flourish, the trustees intend to appoint a full-time youth adviser to create a networked youth ministry that brings together present and future provision across the archdiocese. The archdiocese will develop a Youth Council to bring concrete proposals to the agreed archdiocesan structures and increase support for Catholic life in schools by exploring a central archdiocesan chaplaincy structure.

Becoming a Church that cares for its priests, the archdiocese anticipates that the families of parishes created by the pastoral plan will encourage greater mutual support for archdiocesan priests. The archdiocese recognises that it is essential that the priests play an active role in developing plans in this regard and shall establish an externally facilitated process to explore with the priests of the archdiocese what needs to be developed to effectively support their flourishing in the human, spiritual, liturgical, theological, intellectual, and pastoral aspects of their lives.

Capital investment in schools and colleges will continue to focus on maintaining and improving building condition. Education Department officers will also continue to work closely and productively with central government to advocate for our schools on matters of education capital policy and with local authority colleagues to ensure that there continue to be sufficient places across the archdiocese to meet overall Catholic demand.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Plans for future periods *(continued)*

Demand remains very high for places in archdiocesan schools but there is a very high level of assurance that all Catholic children can obtain a place at a local Catholic school. Work will continue to consider admission numbers that maintain our offer of sufficient places to Catholic families, and which also deliver strong and sustainable schools. Where expansion or closures need to be considered officers will work closely with local and national government colleagues, and within the statutory school organisation frameworks, to take appropriate action.

Education department officers will work with the new MATs and the Department for Education to ensure that those schools converting to academy status can be fully and appropriately supported, and that appropriate governance, operational, and administrative structures are established to ensure that the focus of the academies continues to be on the provision of high-quality education.

Having regard to the challenging economic climate, the impact of the war in Ukraine and general economic uncertainty and other inflationary pressures, the trustees have made an assessment of the likely impact of these factors on the charity based on the latest available information.

The assessment has considered the direct consequences of significantly higher operating expenses, with particular reference to energy costs associated with the operation of churches and other parish properties. The trustees have considered the uncertainty arising from shortages of construction raw materials and the potential impact on the school's capital programme and the ongoing repair and maintenance of parish properties. An assessment of the potential impact of the present inflationary climate on the ability of donors to maintain their generous levels of voluntary giving has also been undertaken.

Forecasts have been prepared and reviewed to the end of 2026, including a sensitivity analysis reflecting the uncertainties inherent in the current political and economic environment and have considered the potential impacts of various financial risks under a reverse stress test scenario.

Reserves policy

On 31 December 2022 the reserves were:

	2022 £000's	Restated ¹ 2021 £000's
Restricted funds	32,483	30,647
Unrestricted funds: - general	95,769	98,843
- designated	83,410	89,726
	211,662	219,216

Restricted funds represent unexpended balances from collections, donations, legacies, and grants restricted by donors to specific purposes including the Priests' Training Fund and Foundation Mass capital. Balances on specific building projects at the Metropolitan Cathedral represent amounts of grant-aid and other financial support invested in the fabric of the building. A breakdown of amounts restricted is given and the purpose of the restrictions is explained further in note 15.

Designated funds have been set aside by the trustees for several purposes including school projects, central funds, the George Andrew Fund, and the Metropolitan Cathedral.

To ensure that the reserves of the George Andrew and 2021 funds are enough to support priests in retirement, periodic actuarial reviews are undertaken. The 2021 Fund was set up as a successor to the George Andrew Fund in anticipation of an increase in the number of clergy needing retirement support from 2021 onwards.

¹ Further information on the restated amount can be found in note 29

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Reserves policy *(continued)*

The outcome of the most recent review was confirmation that the level of reserves held was adequate to meet the likely future costs of retirement. At December 2022 reserves of these two funds amounted to £15.64M (2021: £16.83M).

Reflecting the long-term nature of the support provided by these two designated funds, the level of reserves that would otherwise be classified as freely available is more than the general target set for other funds of the archdiocese.

The central funds of the archdiocese which have been designated to meet the costs of central archdiocesan initiatives and support costs were £46.88M December 2022 (2021: £49.65M). The assets of the funds are primarily investment property and holdings in the unitised investment portfolio. The income generated from these investments contributes to the costs of centrally coordinated charitable activities and the support and governance cost obligations of the charity. The level of reserves held ensures that parishes are not required to contribute to central costs by way of an annual levy.

Although collectively our parishes are financially secure, those parishes without sufficient reserves rely on or benefit from the generosity of fellow parishes through the Assessment Fund and offset banking system.

Parishes make voluntary contributions to the Assessment Fund based on income. The Assessment Fund committee, which is made up of parish priests, considers written applications for support from parishes and distributes grants to those parishes in need. In focusing on parishes with negative reserves, the committee has contributed to an improvement in reserves in many parishes.

The level of aggregated reserves held for general parish purposes is broadly consistent with that of the rest of the archdiocese. The collective reserves of parishes have exceeded the target set by the trustees. Around 33% of parishes are managing their activities without any freely available reserves. Reserves in another 34 parishes are below the overall target of 36 months (2021: 37 parishes).

Despite the significant increase in transactions arising from daily sweep activities, the offset banking system continues to ensure that those parishes with limited resources are spared the additional cost of interest charges on bank overdrafts and builds on the Church's values of solidarity with the poor and the common good.

The level of freely available reserves is ordinarily determined as the amount of total unrestricted (including designated) funds less fixed assets as these assets could not be realised without undermining the work of the archdiocese. Typically, this reserve figure is expressed in terms of monthly expenditure. Under this definition, the level of reserves freely available to spend on any or all of the charity's purposes amounted to approximately 47 months' expenditure (2021: 59 months).

The trustees consider that an overall level of reserves, inclusive of designated funds, equating to 47 months' expenditure is sufficient to enable the charity to fulfil all of its obligations and commitments. While investment volatility has contributed to a change in the levels of reserves it is felt the excess of reserves over 36 months is acceptable in the short to medium term. The trustees' expectations in respect of the desired levels of reserves in the longer term remain realistic.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Reserves policy (continued)

Freely available reserves:

	2022	Restated ¹ 2021
	£000s	£000s
Unrestricted reserves Curial	5,910	6,821
Unrestricted reserves Parochial	89,859	92,022
Less:		
Tangible assets Curial	(17,919)	(18,146)
Tangible assets Parochial	(33,997)	(31,538)
Freely available reserves	43,853	49,159
Unrestricted expenditure Curial	10,516	8,687
Unrestricted expenditure Parochial	11,194	10,817
Total unrestricted expenditure	21,710	19,504
Monthly expenditure	1,809	1,625
Months of freely available reserves	24	30

The level of net current assets held by the archdiocese amounted to £16.92M (2021: £20.22M) and represents 6.99 months (2021: 9.85 months) of expenditure on 31 December 2022.

Taking into consideration the specific demands in respect of designated funds set aside by the trustees for specific purposes, the trustees consider any meaningful target for reserves to meet general expenditure should exclude these funds. A target level of reserves of between 24 and 30 months expenditure, while preserving liquidity with net current assets of between 4 and 6 months expenditure, is considered appropriate. The archdiocese held 24 months of freely available reserves at 31 December 2022 (2021: 30 months). The decline in freely available reserves since 2021 is reflective of losses on the investment portfolio and the trustees continue to include consideration of reserves on the schedule of risks which is reviewed regularly.

Going concern

In preparing the financial statements, the trustees are required to prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation. In satisfaction of this responsibility the trustees have considered the charity's ability to meet its liabilities as they fall due for a period of at least 12 months from the signing date of the financial statements.

On 20 July 2022, a Charitable Incorporated Organisation, 'Archdiocese of Liverpool' was registered with the Charity Commission. The net assets and undertakings of the Liverpool Roman Catholic Archdiocesan Trust were transferred to the new entity, charity number 1199714, on 1 January 2023. The new Charitable Incorporated Organisation will become the new reporting entity from the accounting period 1st January to 31st December 2023 and will account for all activities of the Liverpool Roman Catholic Archdiocesan Trust. The charity will continue to collect legacies, donations and any other income due to it. The charity will transfer assets and liabilities to the new charity under the Charity Commission order dated 5 December 2022 which also authorises the granting of an indemnity by the new charity under section 105 of the Charities Act 2011 to settle liabilities properly incurred.

The net assets of the archdiocese have transferred to the new entity without impairment as the core objectives and activities remain consistent with the archdiocesan trust. The Charity Commission has categorised the archdiocesan trust as a linked charity of the new Charitable Incorporated Organisation.

The trustees conclude that it remains appropriate to prepare the financial statements on a going concern basis.

¹ Further information on the restated amount can be found in note 29

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Volunteers

The trustees acknowledge the hard work of so many volunteers in our parishes who help in financial and property administration and also those who are involved in what are a variety of roles that assist in the life and service of the Church and trust and the wider society. They wish to thank them all for all their hard work and dedicated commitment to these aspects of the life of the Church. The monetary value of the volunteers' time is impossible to quantify.

In summary, the overall picture is one of consolidation and improvement of existing resources. The trustees are budgeting in response to archdiocesan needs and priorities to preserve the level of reserves and maintain commitments to existing services, whilst also being able to periodically consider new initiatives in line with the pastoral plan.

Auditor

In respect of each trustee at the date the trustees report is signed:

- So far as we are aware, there is no information needed by the charity's auditor in connection with preparing their report (relevant audit information) of which they are unaware, and
- As the trustees of the charity, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

A resolution to appoint Haysmacintyre LLP as auditors to replace BDO LLP for the ensuing year was made by the trustees at their meeting on 19th March 2024.

Signed on behalf of the trustees



Rev Graeme Dunne
Episcopal Vicar for Finance

30 July 2024

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent Charity's affairs as at 31 December 2022 and of the group's incoming resources and application of resources 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.

We have audited the financial statements of Liverpool Roman Catholic Archdiocesan Trust ("the parent Charity") and its subsidiaries ("the Group") for the year ended 31 December 2022 which comprise the consolidated and charity statement of financial activities, the consolidated and charity balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Charity in accordance with the ethical requirements 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.

Conclusions related 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 Group and the Parent 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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

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 requires us to report to you if, in our opinion;

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept by the Parent Charity; or
- the Parent Charity 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 statement of trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent 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 Group or the parent 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 151 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

Non-compliance with laws and regulations

Based on our understanding of the Group and Charity and the sector in which it operates; discussion with management and those charged with governance including the Audit Committee; and obtaining and understanding of the Group and Charity's policies and procedures regarding compliance with laws and regulations; we considered the significant laws and regulations to be the applicable accounting framework, Financial Reporting Standard 102, Charities Act 2011 and UK tax legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group and Charity's policies and procedures relating to:
 - o Detecting and responding to the risks of fraud; and
 - o Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of control and income recognition.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Testing a sample of supplier master data changes to supporting documentation;
- Assessing significant estimates made by management for bias; and
- Testing a sample of income throughout the year to supporting documentation.

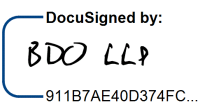
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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.

DocuSigned by:

911B7AE40D374FC...

BDO LLP, statutory auditor
Liverpool, UK
Date: 02 August 2024

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Parochial Restricted Funds £000's	TOTAL Parochial Funds £000's	Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	TOTAL Curial Funds £000's	TOTAL 2022 £000's
INCOME FROM										
Donations and legacies										
Collections and donations	3.1	8,377	444	903	9,724	235	-	311	546	10,270
Legacies		386	-	5	391	26	655	66	747	1,138
Grants	3.2	-	-	12,862	12,862	-	8	-	8	12,870
Other trading activities										
Fundraising	3.3	127	-	-	127	8,896	-	-	8,896	9,023
Investment income	3.4	1,615	266	7	1,888	463	1,498	147	2,108	3,996
Charitable activities	4	98	-	-	98	380	637	107	1,124	1,222
Other										
Net gains on disposal of assets		92	-	-	92	-	10	-	10	102
TOTAL INCOME		10,695	710	13,777	25,182	10,000	2,808	631	13,439	38,621
EXPENDITURE ON										
Raising Funds	5	146	33	1	180	8,531	234	17	8,782	8,962
Charitable activities										
Ministry support	6.1	1,304	-	-	1,304	47	1,177	219	1,443	2,747
Pastoral and community	6.2	3,402	-	709	4,111	809	2,840	269	3,918	8,029
Education	6.3	-	1,333	11,270	12,603	671	1,269	-	1,940	14,543
Provision for worship	6.4	6,342	-	-	6,342	458	465	-	923	7,265
TOTAL EXPENDITURE		11,194	1,366	11,980	24,540	10,516	5,985	505	17,006	41,546
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS		(499)	(656)	1,797	642	(516)	(3,177)	126	(3,567)	(2,925)
Net losses on investments	10	(1,192)	(921)	(37)	(2,150)	(437)	(1,529)	(513)	(2,479)	(4,629)
NET INCOME / (EXPENDITURE) AFTER INVESTMENT LOSSES		(1,691)	(1,577)	1,760	(1,508)	(953)	(4,706)	(387)	(6,046)	(7,554)
TRANSFERS BETWEEN FUNDS	25	(472)	(7)	422	(57)	42	(26)	41	57	-
NET MOVEMENT IN FUNDS		(2,163)	(1,584)	2,182	(1,565)	(911)	(4,732)	(346)	(5,989)	(7,554)
Fund balances at 1 January 2022 (restated ¹)		92,022	1,629	15,508	109,159	6,821	88,097	15,139	110,057	219,216
FUND BALANCES AT 31 DECEMBER 2022	26	89,859	45	17,690	107,594	5,910	83,365	14,793	104,068	211,662

All amounts relate to operations that will continue under the new Charitable Incorporated Organisation see note 1.
The notes on pages 31 to 73 form part of these accounts.

¹ Further information on the restated amount can be found in note 29

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	Parochial Unrestricted Funds £000s	Parochial Designated Funds £000s	Parochial Restricted Funds £000s	TOTAL Parochial Funds £000s	Curial Unrestricted Funds £000s	Curial Designated funds £000s	Curial Restricted Funds £000s	TOTAL Curial Funds £000s	TOTAL 2022 £000s
Fund balances at 1 January 2022 as previously reported	92,022	1,629	15,508	109,159	9,233	88,097	15,139	112,469	221,628
Prior period adjustment					(2,412)			(2,412)	(2,412)
Fund balances at 1 January 2022 as restated ¹	<u>92,022</u>	<u>1,629</u>	<u>15,508</u>	<u>109,159</u>	<u>6,821</u>	<u>88,097</u>	<u>15,139</u>	<u>110,057</u>	<u>219,216</u>

Prior period adjustment

The prior period adjustment relates to an error in the useful economic life historically in relation to Metropolitan Cathedral Services Limited. This has resulted in a restatement of fixed assets, opening reserves and depreciation charge for the year.

¹ Further information on the restated amount can be found in note 29

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Parochial Restricted Funds £000's	TOTAL Parochial Funds £000's	Restated ¹ Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	Restated ¹ TOTAL Curial Funds £000's	Restated ¹ TOTAL 2021 £000's
INCOME FROM										
Donations and legacies										
Collections and donations	3.1	7,248	583	599	8,430	177	-	41	218	8,648
Legacies		904	-	78	982	94	268	42	404	1,386
Grants	3.2	87	-	11,625	11,712	66	507	-	573	12,285
Other trading activities										
Fundraising	3.3	152	-	-	152	5,934	-	-	5,934	6,086
Investment income	3.4	1,666	275	7	1,948	484	2,354	161	2,999	4,947
Charitable activities	4	66	-	-	66	380	1,204	-	1,584	1,650
Other										
Net gains on disposal of assets		51	-	-	51	-	37	-	37	88
TOTAL INCOME		10,174	858	12,309	23,341	7,135	4,370	244	11,749	35,090
EXPENDITURE ON										
Raising Funds	5	213	28	1	242	6,861	295	19	7,175	7,417
Charitable activities										
Ministry support	6.1	1,209	-	-	1,209	44	1,010	212	1,266	2,475
Pastoral and community	6.2	3,257	-	447	3,704	750	2,243	142	3,135	6,839
Education	6.3	-	1,368	9,302	10,670	631	1,018	-	1,649	12,319
Provision for worship	6.4	6,138	-	-	6,138	401	633	-	1,034	7,172
TOTAL EXPENDITURE		10,817	1,396	9,750	21,963	8,687	5,199	373	14,259	36,222
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS / (LOSSES)		(643)	(538)	2,559	1,378	(1,552)	(829)	(129)	(2,510)	(1,132)
Net gains / (losses) on investments		10,207	1,180	48	11,435	805	5,847	658	7,310	18,745
NET INCOME AFTER INVESTMENT GAINS / (LOSSES)		9,564	642	2,607	12,813	(747)	5,018	529	4,800	17,613
TRANSFERS BETWEEN FUNDS		606	(250)	(643)	(287)	143	170	(26)	287	-
NET MOVEMENT IN FUNDS		10,170	392	1,964	12,526	(604)	5,188	503	5,087	17,613
Fund balances at 1 January 2021		81,852	1,237	13,544	96,633	7,425	82,909	14,636	104,970	201,603
FUND BALANCES AT 31 DECEMBER 2021		92,022	1,629	15,508	109,159	6,821	88,097	15,139	110,057	219,216

All amounts relate to operations that will continue under the new Charitable Incorporated Organisation see note 1.

The notes on pages 31 to 73 form part of these accounts.

¹ Further information on the restated amount can be found in note 29

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Parochial Restricted Funds £000's	TOTAL Parochial Funds £000's	Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	TOTAL Curial Funds £000's	TOTAL 2022 £000's
INCOME FROM										
Donations and legacies										
Collections and donations	3.1	8,377	444	903	9,724	234	-	311	545	10,269
Legacies		386	-	5	391	26	655	66	747	1,138
Grants	3.2	-	-	12,862	12,862	-	8	-	8	12,870
Other trading activities										
Fundraising	3.3	127	-	-	127	12	-	-	12	139
Investment income	3.4	1,615	266	7	1,888	292	1,498	147	1,937	3,825
Charitable activities	4	98	-	-	98	380	637	107	1,124	1,222
Other										
Net gains on disposal of assets		92	-	-	92	-	10	-	10	102
TOTAL INCOME		10,695	710	13,777	25,182	944	2,808	631	4,383	29,565
EXPENDITURE ON										
Raising Funds	5	146	33	1	180	22	234	17	273	453
Charitable activities										
Ministry Support	6.1	1,304	-	-	1,304	47	1,176	219	1,442	2,746
Pastoral and Community	6.2	3,402	-	709	4,111	652	2,839	269	3,760	7,871
Education	6.3	-	1,333	11,270	12,603	-	1,269	-	1,269	13,872
Provision for worship	6.4	6,342	-	-	6,342	458	465	-	923	7,265
TOTAL EXPENDITURE		11,194	1,366	11,980	24,540	1,179	5,983	505	7,667	32,207
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS		(499)	(656)	1,797	642	(235)	(3,175)	126	(3,284)	(2,642)
Net losses on investments	10	(1,192)	(921)	(37)	(2,150)	(80)	(1,529)	(513)	(2,122)	(4,272)
NET INCOME AFTER INVESTMENT LOSSES		(1,691)	(1,577)	1,760	(1,508)	(315)	(4,704)	(387)	(5,406)	(6,914)
TRANSFERS BETWEEN FUNDS	24	(472)	(7)	422	(57)	(5)	(26)	42	11	(46)
NET MOVEMENT IN FUNDS		(2,163)	(1,584)	2,182	(1,565)	(320)	(4,730)	(345)	(5,395)	(6,960)
Fund balances at 1 January 2022		92,022	1,629	15,508	109,159	10,741	87,763	14,919	113,423	222,582
FUND BALANCES AT 31 DECEMBER 2022	25	89,859	45	17,690	107,594	10,421	83,033	14,574	108,028	215,622

All amounts relate to operations that will continue under the new Charitable Incorporated Organisation see note 1. .
The notes on pages 31 to 73 form part of these accounts.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Parochial Restricted Funds £000's	TOTAL Parochial Funds £000's	Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	TOTAL Curial Funds £000's	TOTAL 2021 £000's
INCOME FROM										
Donations and legacies										
Collections and donations	3.1	7,248	583	599	8,430	176	-	41	217	8,647
Legacies		904	-	78	982	94	268	42	404	1,386
Grants	3.2	87	-	11,625	11,712	62	507	-	569	12,281
Other trading activities										
Fundraising	3.3	152	-	-	152	15	-	-	15	167
Investment income	3.4	1,666	275	7	1,948	311	2,354	161	2,826	4,774
Charitable activities	4	66	-	-	66	380	1,204	-	1,584	1,650
Other										
Net gains on disposal of assets		51	-	-	51	-	37	-	37	88
TOTAL INCOME		10,174	858	12,309	23,341	1,038	4,370	244	5,652	28,993
EXPENDITURE ON										
Raising Funds	5	213	28	1	242	9	295	19	323	565
Charitable activities										
Ministry Support	6.1	1,209	-	-	1,209	44	1,010	212	1,266	2,475
Pastoral and Community	6.2	3,257	-	447	3,704	579	2,243	141	2,963	6,667
Education	6.3	-	1,368	9,302	10,670	-	1,018	-	1,018	11,688
Provision for worship	6.4	6,138	-	-	6,138	401	633	-	1,034	7,172
TOTAL EXPENDITURE		10,817	1,396	9,750	21,963	1,033	5,199	372	6,604	28,567
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS		(643)	(538)	2,559	1,378	5	(829)	(128)	(952)	426
Net gains on investments	10	10,207	1,180	48	11,435	299	5,847	658	6,804	18,239
NET INCOME AFTER INVESTMENT GAINS		9,564	642	2,607	12,813	304	5,018	530	5,852	18,665
TRANSFERS BETWEEN FUNDS	24	606	(250)	(643)	(287)	(30)	170	30	170	(117)
NET MOVEMENT IN FUNDS		10,170	392	1,964	12,526	274	5,188	560	6,022	18,548
Fund balances at 1 January 2021		81,852	1,237	13,544	96,633	10,467	82,575	14,359	107,401	204,034
FUND BALANCES AT 31 DECEMBER 2021	25	92,022	1,629	15,508	109,159	10,741	87,763	14,919	113,423	222,582

All amounts relate to operations that will continue under the new Charitable Incorporated Organisation see note 1.
The notes on pages 31 to 73 form part of these accounts.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2022

	Notes	Parochial 2022 £000's	Curial 2022 £000's	Total 2022 £000's	Parochial 2021 £000's	Restated ¹ Curial 2021 £000's	Restated ¹ Total 2021 £000's
FIXED ASSETS							
Tangible assets							
Property, plant and equipment	11.1	12,371	15,580	27,951	12,050	16,350	28,400
Investments							
Listed investments	12.1	56,042	72,449	128,491	59,814	78,629	138,443
Investment properties	12.4	21,626	16,673	38,299	19,488	12,669	32,157
Total investments		77,668	89,122	166,790	79,302	91,298	170,600
Total Fixed Assets		90,039	104,702	194,741	91,352	107,648	199,000
CURRENT ASSETS							
Stock		-	254	254	-	222	222
Debtors							
- due within one year	13	3,081	1,361	4,442	2,288	2,001	4,289
Balance at bank		16,026	10,526	26,552	13,310	17,047	30,357
Current assets		19,107	12,141	31,248	15,598	19,270	34,868
LIABILITIES							
Creditors - amounts falling due within one year	14	(9,635)	(4,692)	(14,327)	(7,184)	(7,468)	(14,652)
Inter designation balances	1.21	8,083	(8,083)	-	9,393	(9,393)	-
Current liabilities		(1,552)	(12,775)	(14,327)	2,209	(16,861)	(14,652)
NET CURRENT ASSETS		17,555	(634)	16,921	17,807	2,409	20,216
Provisions for liabilities							
Deferred taxation					-	-	-
NET ASSETS		107,594	104,068	211,662	109,159	110,057	219,216
ACCUMULATED FUNDS							
Restricted funds	15	17,690	14,793	32,483	15,508	15,139	30,647
Unrestricted funds							
- Designated	16	45	83,365	83,410	1,629	88,097	89,726
- General		89,859	5,910	95,769	92,022	6,821	98,843
		107,594	104,068	211,662	109,159	110,057	219,216

The financial statements were approved and authorised for issue by the trustees on 30 July 2024 and signed on their behalf by

Melanie P. McAlister

Chairman of the trustees

The notes on pages 31 to 73 form part of these accounts.

¹ Further information on the restated amount can be found in note 29

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CHARITY BALANCE SHEET AT 31 DECEMBER 2022

	Notes	Parochial 2022 £000's	Curial 2022 £000's	Total 2022 £000's	Parochial 2021 £000's	Curial 2021 £000's	Total 2021 £000's
FIXED ASSETS							
Tangible assets							
Property, plant and equipment	11.2	12,371	4,335	16,706	12,050	4,736	16,786
Investments							
Listed Investments	12.2	56,042	68,093	124,135	59,814	73,989	133,803
Investment in group undertakings	12.3	-	22,558	22,558	-	22,558	22,558
Investment properties	12.5	21,626	15,083	36,709	19,488	11,079	30,567
Total investments		77,668	105,734	183,402	79,302	107,626	186,928
Total Fixed Assets		90,039	110,069	200,108	91,352	112,362	203,714
CURRENT ASSETS							
Debtors							
Debtors - due within one year	13	3,081	706	3,787	2,288	1,523	3,811
Balance at bank		16,026	21,749	37,775	13,310	23,733	37,043
Current assets		19,107	22,455	41,562	15,598	25,256	40,854
LIABILITIES							
Creditors							
Creditors - amounts falling due within one year	14	(9,635)	(1,421)	(11,056)	(7,184)	(1,785)	(8,969)
Inter designation balances	1.21	8,083	(23,075)	(14,992)	9,393	(22,410)	(13,017)
Current liabilities		(1,552)	(24,496)	(26,048)	2,209	(24,195)	(21,986)
NET CURRENT ASSETS		17,555	(2,041)	15,514	17,807	1,061	18,868
NET ASSETS		107,594	108,028	215,622	109,159	113,423	222,582
ACCUMULATED FUNDS							
Restricted funds	15	17,690	14,574	32,264	15,508	14,919	30,427
Unrestricted funds							
- Designated	16	45	83,033	83,078	1,629	87,763	89,392
- General		89,859	10,421	100,280	92,022	10,741	102,763
		107,594	108,028	215,622	109,159	113,423	222,582

The financial statements were approved and authorised for issue by the trustees on 30 July 2024 and signed on their behalf by

Melanie P. McKeown

Chairman of the trustees

The notes on pages 31 to 73 form part of these accounts.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £'000s	Restated ¹ 2021 £'000s
Cash flows from operating activities		
Net movement in funds	(7,554)	17,613
Adjustments for:		
Depreciation, impairment, and amortisation of fixed assets	1,197	1,175
Donation of property	(287)	(143)
Net interest receivable	(207)	(5)
Dividend income from fixed and current asset investments	(2,758)	(3,858)
Difference between net pension expense and cash contribution	-	(26)
(Increase) / decrease in trade and other debtors	(511)	1,729
Increase in stocks	(32)	(103)
Increase / (decrease) in trade and other creditors	1,372	(279)
Decrease in provisions	-	(37)
Gains on revaluation of investment properties	(6,021)	(5,114)
Losses / (gains) on revaluation of investments	10,650	(13,631)
Profit on disposal of assets	(102)	(88)
Net cash outflow from operating activities	(4,253)	(2,767)
Cash flows from investing activities		
Proceeds from sale of tangible fixed assets	830	2,597
Purchases of tangible fixed assets	(1,313)	(314)
Interest received	207	5
Dividends received on fixed asset investments	2,069	3,956
Proceeds from sale of investments	355	360
Net cash from investing activities	2,148	6,604
Cash flows from financing activities		
New loans received	-	1,700
Loan repayments	(1,700)	-
Net cash (outflow) / inflow from financing	(1,700)	1,700
Net (decrease) / increase in cash and cash equivalents	(3,805)	5,537
Cash and cash equivalents at beginning of year	30,357	24,820
Cash and cash equivalents at end of year	26,552	30,357
Cash and cash equivalents comprise:		
Cash at bank and in hand	26,552	30,357

¹ Further information on the restated amount can be found in note 29

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CONSOLIDATED CASH FLOW STATEMENT (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

Analysis of changes in net debt	At 1 January 2022	Cashflows	Other non- cash movements	At 31 December 2022
Cash at bank and in hand	30,357	(3,805)	-	26,552
Debt due within one year	(1,700)	1,700	-	-
Total	<u>28,657</u>	<u>(2,105)</u>	<u>-</u>	<u>26,552</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

1 PRINCIPAL ACCOUNTING POLICIES

1.1 Charity information

Liverpool Roman Catholic Archdiocesan Trust is a charity registered in England and Wales under the Charities Act 2011. The registered office is stated on the reference and administrative details page and the principal objective and activity of the charity is stated in the Report of the Trustees.

1.2 Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments and investment properties which are included at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (Charities SORP (FRS 102)), the Charities Act 2011 and applicable reporting standards.

Liverpool Roman Catholic Archdiocesan Trust meets the definition of a public benefit entity under FRS 102.

The accounts are presented in sterling and are rounded to the nearest £1,000.

1.3 Going Concern

In preparing these financial statements, the trustees are required to prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation. In satisfaction of this responsibility the trustees have considered the charity's ability to meet its liabilities as they fall due for a period of at least 12 months from signing date of the financial statements.

On 20 July 2022, a Charitable Incorporated Organisation, 'Archdiocese of Liverpool' was registered with the Charity Commission. The net assets and undertakings of the Liverpool Roman Catholic Archdiocesan Trust were transferred to the new entity, charity number 1199714, on 1 January 2023. The new Charitable Incorporated Organisation will become the new reporting entity from the accounting period 1st January to 31st December 2023 and will account for all activities of the Liverpool Roman Catholic Archdiocesan Trust. The charity will continue to collect legacies, donations and any other income due to it. The charity will transfer assets and liabilities to the new charity under the Charity Commission order dated 5 December 2022 which also authorises the granting of an indemnity by the new charity under section 105 of the Charities Act 2011 to settle liabilities properly incurred.

The net assets of the archdiocese have transferred to the new entity without impairment as the core objectives and activities remain consistent with the archdiocesan trust. The Charity Commission has categorised the archdiocesan trust as a linked charity of the new Charitable Incorporated Organisation.

The trustees conclude that it remains appropriate to prepare the financial statements on a going concern basis.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

1.4 Basis of consolidation

The consolidated financial statements include those of the subsidiary undertakings, as shown in note 21, which are consolidated on a line-by-line basis using appropriate headings for those subsidiaries which prepare their accounts under the Companies Act or SORP formats.

The consolidated accounts also include the net assets and transactions of other charities under the control of the charity.

The accounts do not include the net assets and results of connected charities as these entities are not under the control of the trustees.

The charity has taken advantage of the exemption from preparing a charity cash flow statement.

1.5 Income

Income is included in the Statement of Financial Activities once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income from trading activities is included in the period that the relevant services are provided, or goods supplied.

Legacies and donations are recognised when receipt is probable, the archdiocese becomes legally entitled to them and they can be measured in financial terms with sufficient reliability.

Collections and fundraising income are recognised on receipt. Investment income, which includes rental income, is recognised when receivable.

Grants receivable are included in the Statement of Financial Activities as soon as the conditions attaching to the grant are satisfied. Grants are mainly in relation to capital projects. Included within the grants figure on the statement of financial activities is £12,862K (2021: £11,625K) in relation to VASCA (Voluntary-Aided Schools Condition Allocation) grants from the Department for Education.

The charity receives substantial voluntary help in the work of the archdiocese, but it is not possible to place a financial value on this work and no amounts are therefore included in the financial statements for the value of services donated by volunteers. Gifts of fixed assets are included at valuation and the corresponding entry is recorded as donation income.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

1.6 Expenditure

Expenditure is included in the Statement of Financial Activities on the accruals basis. These are based on the amounts payable for work done or services provided in the year inclusive of irrecoverable VAT.

Costs of raising funds

Costs of raising funds comprises all costs relating to attracting voluntary income, the costs incurred in subsidiary trading and investment management fees.

Charitable activities

Expenditure on charitable activities includes the costs identified as wholly or mainly attributable to achieving the charitable objectives of the charity, including direct staff costs and other direct costs as well as support costs and costs relating to the governance of the charity apportioned to charitable activities.

Governance costs

Governance costs are those costs related to the governance of the charity, to allow it to operate, and to generate information for public accountability. Direct costs include audit and accountancy, legal advice to trustees and costs of trustees' meetings.

Support costs

All support costs are borne by central funds and have been apportioned to governance costs and charitable activities. The share of support costs attributable to governance reflects costs incurred in the preparation of the statutory accounts and the remaining costs have been allocated pro-rata based upon the charitable activity's share of central expenditure.

1.7 Investments and investment gains and losses

Investments and investment properties are included in the financial statements at fair value at the balance sheet date. Investment properties are valued internally annually and are professionally valued on a rolling basis as part of a five-year programme. Listed investments are included in the balance sheet at bid price.

Realised and unrealised gains and losses on investments and investment properties are charged / credited to the Statement of Financial Activities.

Unrealised gains and losses are calculated as the movement in fair value during the year. Realised gains are calculated as the difference between disposal proceeds and market value brought forward.

1.8 Tangible fixed assets - other than property

The cost of computer equipment, office equipment and fixtures and fittings is capitalised and depreciation is provided to write off the original cost, less any estimated residual value, over the expected useful life of the assets concerned. The rates of depreciation applied are as follows:

	% of cost per annum
Computer equipment	25
Office equipment and fixtures and fittings	20

Suitable capitalisation thresholds are adopted in the entities comprising the archdiocese.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

1.9 Tangible fixed assets - Functional church property

Prior to 31 December 1997 capital expenditure on functional church property was written off in full as incurred.

At 31 December 1997 the trustees considered that a reasonable approximation of the net book value of the functional church property held would be established by discounting the insurance values of those assets by 90%. This was the policy employed to include these assets on the balance sheet at estimated historic cost net of accumulated depreciation.

From 1 January 1998 to 31 December 2008 the cost of functional church property was capitalised and depreciated over its expected useful life of 20 years. From 2009 listed properties and other functional church properties have been depreciated over useful economic lives of 100 years and 50 years respectively. Commercial properties are considered to have useful economic lives of 20 years.

From 1 January 2019 parochial functional property is depreciated by component over the remaining expected useful life of the individual component as set out below.

Building component	% of cost	Average remaining life in 2022	Expected useful life
Roof	30%	22	75
Walls, foundations	50%	97	100
Windows	5%	17	50
Heating installations	5%	7	20
Interior	5%	7	20
Electrical installations	5%	7	20

Works of art, treasures and plate are not capitalised in these accounts as they are historic, have extraordinarily long lives and are worth preserving in perpetuity. They are heritage assets for the purposes of Charities SORP (FRS 102). The trustees consider that it would be prejudicial to the safe custody of these assets to disclose details of their values and usage in the accounts.

Where functional church property is no longer operational, impairment is fully recognised unless there is an investment value, in which case the property is transferred to investment properties.

1.10 Tangible fixed assets - School property

The freehold of the land and buildings legally owned by the archdiocese and occupied rent-free on behalf of the trustees of the governing bodies of catholic voluntary aided schools, which are separate charities and publicly funded, are valued at £Nil. The trustees consider that no meaningful value can be attributed to these assets, since they are not used directly by the archdiocese, do not generate income, and cannot be disposed of in the open market or put to alternative use while such occupation, which may be indefinite, continues.

1.11 Impairment

The carrying amounts of the archdiocese's fixed assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount and is recognised in the Statement.

1.12 Stocks

Stocks are stated at the lower of cost and net realisable value.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

1.13 Pension scheme

The charity and eligible employees make defined contributions to a group personal pension scheme. Contributions are also paid to the Teachers' Pension Superannuation Fund (TPS), a defined benefit scheme, on which further information is given in note 21 to the financial statements. As the TPS is a multi-employer scheme with assets and liabilities that cannot be separated, contributions payable are charged as Resources Expended in the Consolidated Statement of Financial Activities.

1.14 Operating leases

Operating leases in respect of equipment are charged as resources expended on a straight-line basis over the period of the lease. Such operating leases mainly relate to parishes and parish centres. Rentals receivable under operating leases are recognised on a straight-line basis over the period of lease term.

1.15 Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments are measured at cost less impairment.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which approximates to the amount that the charity would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset, and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

1.16 Recognition of liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation committing the archdiocese to pay out resources.

1.17 Cash and cash equivalents

Cash and cash equivalents are those associated with the cash management of the archdiocese. To facilitate the effective operation of the archdiocesan investment portfolio, some liquid assets are held by investment managers. These amounts are not considered to be cash and cash equivalents in the financial statements.

1.18 Fund accounting

The funds within the archdiocese are split between Curial and Parochial. Curial Funds can be used across the whole of the archdiocese whereas Parochial Funds comprise funds relating to the individual parishes. These funds are shown separately and subdivided in the financial statements as follows.

Restricted funds

Restricted funds are funds that are used in accordance with specific restrictions imposed by donors or that have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. Details of the restricted funds held are provided in note 15 to the financial statements.

Unrestricted funds - Designated

Designated funds are unrestricted funds that have been set aside by the trustees for specific purposes and are detailed in note 16 to the financial statements.

Unrestricted funds - General

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the objects of the charity and which have not been designated for other purposes.

1.19 Agency arrangements

The archdiocese acts as agent in the collection of grants from government, local authorities and other funds, and payment of approved invoices for school building projects on behalf of Catholic schools in the archdiocese. This income and expenditure is excluded from the income and expenditure of the charity and any balances due from or held on behalf of schools are shown within debtors and creditors.

Voluntary-Aided Schools Condition Allocation (VASCA) grants and the associated allocation to individual school projects are recognised as income and expenditure as the archdiocese is not considered an agent of the Department of Education in this respect. See note 23.

1.20 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Financial Activities.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

1.20 Current and deferred taxation (*continued*)

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

1.21 Inter designation balances

Inter designation balances represent financial interdependencies and interactions between dedicated funds and other operating units of the charity.

2 KEY ESTIMATES AND JUDGEMENTS

In preparing these financial statements, the trustees have had to make the following judgments:

- Determine whether leases entered into by the group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.
- Determine whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- Determine whether there are indicators of impairment in the carrying value of investments in subsidiary undertakings. Factors taken into consideration in reaching such a decision include the economic viability and expected future income generating potential of the subsidiary entity.

Other key sources of estimation uncertainty:

Tangible fixed assets (see note 11)

- Tangible fixed assets, other than investments properties, are depreciated over their useful lives considering residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on several factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- Investment properties are valued internally annually and are professionally valued on a rolling basis as part of a five-year programme. Valuations are made considering periodic external valuations, derived from current market rents and property yields for comparable real estate, adjusted, if necessary, for any difference in nature, location, or condition. Judgement is required in assessing the appropriateness of the assumptions and methodology in determining the fair value of investment properties.

Investments (see note 12)

- Estimates, assumptions, and judgments relate to the determination of carrying value of investments at fair value through the Statement of Financial Activities, the group follows the International Private Equity and Venture Capital Valuation Guidelines, applying the overriding concept that fair value is the amount for which an asset can be exchanged between knowledgeable willing parties in an arm's length transaction. The nature, facts and circumstances of the investment drives the valuation methodology.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

3 INCOME	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2022 £000's	2021 £000's
3.1 Collections and donations					
PAROCHIAL					
Group and Charity					
Collections	5,115	-	903	6,018	5,194
Donations	2,471	444	-	2,915	2,631
Gift Aid rebates	791	-	-	791	605
	<u>8,377</u>	<u>444</u>	<u>903</u>	<u>9,724</u>	<u>8,430</u>
CURIAL					
Group and Charity					
Collections	75	-	12	87	60
Donations	160	-	299	459	158
	<u>235</u>	<u>-</u>	<u>311</u>	<u>546</u>	<u>218</u>
Less income from subsidiaries	(1)	-	-	(1)	-
Charity	<u>234</u>	<u>-</u>	<u>311</u>	<u>545</u>	<u>218</u>
TOTAL - GROUP	<u>8,612</u>	<u>444</u>	<u>1,214</u>	<u>10,270</u>	<u>8,648</u>
TOTAL - CHARITY	<u>8,611</u>	<u>444</u>	<u>1,214</u>	<u>10,269</u>	<u>8,648</u>

Total income for the group from collections and donations was £10,270K (2021: £8,648K). The income comprised unrestricted income of £8,612K (2021: £7,425K), designated income of £444K (2021: £583K) and restricted income of £1,214K (2021: £640K).

Total income for the charity from collections and donations was £10,270K (2021: £8,648K). The income comprised unrestricted income of £8,611K (2021: £7,425K), designated income of £444K (2021: £583K) and restricted income of £1,214K (2021: £640K).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

3.2 Grants

	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2022 £000's	2021 £000's
PAROCHIAL					
Group and Charity					
Voluntary-Aided Schools	-	-	12,862	12,862	11,625
Condition Allocation Grants	-	-	-	-	87
Other grants	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>12,862</u>	<u>12,862</u>	<u>11,712</u>
CURIAL					
Group					
Other	-	8	-	8	573
Less income from trading subsidiaries	-	-	-	-	(4)
Charity	<u>-</u>	<u>8</u>	<u>-</u>	<u>8</u>	<u>569</u>
TOTAL - GROUP	<u>-</u>	<u>8</u>	<u>12,862</u>	<u>12,870</u>	<u>12,285</u>
TOTAL - CHARITY	<u>-</u>	<u>8</u>	<u>12,862</u>	<u>12,870</u>	<u>12,281</u>

Total group grant income was £12,870K (2021: £12,285K). The income comprised unrestricted income of £nil (2021: £153K), designated income of £8K (2021: £507K) and restricted income of £12,862K (2021: £11,625K).

Total charity grant income was £12,870K (2021: £12,281K). The income comprised unrestricted income of £nil (2021: £149K), designated income of £8K (2021: £507K) and restricted income of £12,862K (2021: £11,625K).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

3.3 Fundraising

	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2022 £000's	2021 £000's
PAROCHIAL					
Group and Charity					
Parish events and other fundraising activities	127	-	-	127	152
	<u>127</u>	<u>-</u>	<u>-</u>	<u>127</u>	<u>152</u>
CURIAL					
Group					
Income from trading subsidiaries	8,884	-	-	8,884	5,919
Other	12	-	-	12	15
	<u>8,896</u>	<u>-</u>	<u>-</u>	<u>8,896</u>	<u>5,934</u>
Less income from trading subsidiaries	(8,884)	-	-	(8,884)	(5,919)
	<u>12</u>	<u>-</u>	<u>-</u>	<u>12</u>	<u>15</u>
Charity					
	<u>12</u>	<u>-</u>	<u>-</u>	<u>12</u>	<u>15</u>
TOTAL - GROUP	<u>9,023</u>	<u>-</u>	<u>-</u>	<u>9,023</u>	<u>6,086</u>
TOTAL - CHARITY	<u>139</u>	<u>-</u>	<u>-</u>	<u>139</u>	<u>167</u>

Total group fundraising income was £9,023K (2021: £6,086K). The income comprised unrestricted income of £9,023K (2021: £6,086K).

Total charity fundraising income was £139K (2021: £167K). The income comprised unrestricted income of £139K (2021: £167K).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

3.4 Investment Income	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2022 £000's	2021 £000's
PAROCHIAL					
Group and Charity					
Income receivable from unitised portfolio	1,050	266	7	1,323	1,364
Rents and other income	565	-	-	565	584
	<u>1,615</u>	<u>266</u>	<u>7</u>	<u>1,888</u>	<u>1,948</u>
CURIAL					
Group					
Interest receivable	-	207	-	207	5
Income receivable from unitised portfolio	172	1,116	147	1,435	2,495
Rents and other income	291	175	-	466	499
	<u>463</u>	<u>1,498</u>	<u>147</u>	<u>2,108</u>	<u>2,999</u>
Less investment income from trading subsidiaries	(171)	-	-	(171)	(173)
Charity	<u>292</u>	<u>1,498</u>	<u>147</u>	<u>1,937</u>	<u>2,826</u>
TOTAL - GROUP	<u>2,078</u>	<u>1,764</u>	<u>154</u>	<u>3,996</u>	<u>4,947</u>
TOTAL - CHARITY	<u>1,907</u>	<u>1,764</u>	<u>154</u>	<u>3,825</u>	<u>4,774</u>

Total group investment income was £3,996K (2021: £4,947K). The income comprised unrestricted income of £2,078K (2021: £2,150K), designated income of £1,764K (2021: £2,629K) and restricted income of £154K (2021: £168K).

Total charity investment income was £3,825K (2021: £4,774K). The income comprised unrestricted income of £1,907K (2021: £1,977K), designated income of £1,764K (2021: £2,629K) and restricted income of £154K (2021: £168K).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

4 INCOME FROM CHARITABLE ACTIVITIES	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2022 £000's	2021 £000's
PAROCHIAL					
Group and Charity					
Piety stall	95	-	-	95	60
Newspapers	3	-	-	3	6
	<u>98</u>	<u>-</u>	<u>-</u>	<u>98</u>	<u>66</u>
CURIAL					
Group and Charity					
Cemetery fees	319	-	-	319	336
School Contribution Scheme	-	280	-	280	302
Inspection fees and course income	-	83	-	83	130
Other	61	274	107	442	816
	<u>380</u>	<u>637</u>	<u>107</u>	<u>1,124</u>	<u>1,584</u>
TOTAL – GROUP AND CHARITY	<u>478</u>	<u>637</u>	<u>107</u>	<u>1,222</u>	<u>1,650</u>

Total group and charity income from charitable activities was £1,222K (2021: £1,650K). The income comprised unrestricted income of £478K (2021: £446K), designated income of £637K (2021: £1,204K) and restricted income of £107K (2021: £nil).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

5 RAISING FUNDS	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2022 £000's	Restated ¹ 2021 £000's
PAROCHIAL Group and Charity					
Parish events and other fundraising activities	25	-	-	25	81
Investment management fees	121	33	1	155	161
	<u>146</u>	<u>33</u>	<u>1</u>	<u>180</u>	<u>242</u>
CURIAL Group					
Expenditure by subsidiaries	8,509	-	-	8,509	6,852
Other	22	234	17	273	323
	<u>8,531</u>	<u>234</u>	<u>17</u>	<u>8,782</u>	<u>7,175</u>
Less expenditure by subsidiaries	(8,509)	-	-	(8,509)	(6,852)
Add impairment in value of subsidiary company	-	-	-	-	-
Charity	<u>22</u>	<u>234</u>	<u>17</u>	<u>273</u>	<u>323</u>
TOTAL - GROUP	<u>8,677</u>	<u>267</u>	<u>18</u>	<u>8,962</u>	<u>7,417</u>
TOTAL - CHARITY	<u>168</u>	<u>267</u>	<u>18</u>	<u>453</u>	<u>565</u>

Total group expenditure on raising funds was £8,962K (2021 restated¹: £7,417K). The expenditure comprised unrestricted expenditure of £8,677K (2021 restated¹: £7,074K), designated expenditure of £267K (2021: £323K) and restricted expenditure of £18K (2021: £20K).

Total charity expenditure on raising funds was £453K (2021: £565K). The expenditure comprised unrestricted expenditure of £168K (2021: £222K), designated expenditure of £267K (2021: £323K) and restricted expenditure of £18K (2021: £20K).

¹ Further information on the restated amount can be found in note 29

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

6 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2022 £000's	2021 £000's
PAROCHIAL					
6.1 Ministry Support					
Group and Charity					
Clergy allowances	970	-	-	970	1,002
Travel	164	-	-	164	104
Supply	92	-	-	92	45
Other	78	-	-	78	58
	<u>1,304</u>	<u>-</u>	<u>-</u>	<u>1,304</u>	<u>1,209</u>
6.2 Pastoral and Community					
Group and Charity					
Diocesan and other collections	-	-	709	709	447
Liturgical and pastoral costs	559	-	-	559	420
Lay personnel costs	1,320	-	-	1,320	1,277
Housekeeping and hospitality	479	-	-	479	419
Printing, postage, stationery	214	-	-	214	163
Equipment hire	176	-	-	176	157
Telephone	179	-	-	179	173
Professional fees	65	-	-	65	29
Other office	108	-	-	108	99
Piety stall	82	-	-	82	48
Newspapers	6	-	-	6	13
Miscellaneous	214	-	-	214	459
	<u>3,402</u>	<u>-</u>	<u>709</u>	<u>4,111</u>	<u>3,704</u>
6.3 Education					
Group and Charity					
School costs	-	1,333	11,270	12,603	10,670
6.4 Provision for worship					
Group and Charity					
Repairs and maintenance	2,963	-	-	2,963	3,322
Depreciation	518	-	-	518	429
Heat and light	1,546	-	-	1,546	1,221
Insurance	552	-	-	552	457
Council tax and water rates	407	-	-	407	387
Grounds maintenance	356	-	-	356	322
	<u>6,342</u>	<u>-</u>	<u>-</u>	<u>6,342</u>	<u>6,138</u>
TOTAL PAROCHIAL – GROUP AND CHARITY					
	<u>11,048</u>	<u>1,333</u>	<u>11,979</u>	<u>24,360</u>	<u>21,721</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

6 EXPENDITURE ON CHARITABLE ACTIVITIES <i>(continued)</i>	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2022 £000's	Restated¹ 2021 £000's
CURIAL					
6.1 Ministry Support Group					
Cathedral	47	-	-	47	44
Priests' Training Fund	-	-	219	219	212
Retirement costs	-	579	-	579	579
Permanent Diaconate	-	57	-	57	44
Sabbatical fund	-	20	-	20	3
Share of central support costs	-	210	-	210	164
Other	-	311	-	311	220
	<u>47</u>	<u>1,177</u>	<u>219</u>	<u>1,443</u>	<u>1,266</u>
Less other costs associated with subsidiaries	-	(1)	-	(1)	-
Charity	<u>47</u>	<u>1,176</u>	<u>219</u>	<u>1,442</u>	<u>1,266</u>
6.2 Pastoral and Community Group					
Cathedral	324	-	37	361	329
Cemeteries	328	-	-	328	317
Curia	-	31	-	31	21
Tribunal	-	89	-	89	69
Pastoral Development	-	291	-	291	239
Justice and Peace	-	-	-	-	2
Youth	-	209	138	347	117
Safeguarding	-	98	-	98	94
National levies	-	255	-	255	299
Chaplaincies	-	284	-	284	313
Ecumenical grants	-	28	-	28	24
Share of central support costs	-	1,033	-	1,033	860
Other	157	522	94	773	451
	<u>809</u>	<u>2,840</u>	<u>269</u>	<u>3,918</u>	<u>3,135</u>
Less other costs associated with subsidiaries	(157)	(1)	-	(158)	(172)
Charity	<u>652</u>	<u>2,839</u>	<u>269</u>	<u>3,760</u>	<u>2,963</u>

¹ Further information on the restated amount can be found in note 29

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

6 EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2022 £000's	Restated ¹ 2021 £000's
6.3 Education					
Group					
Education Department	671	807	-	1,478	1,258
Share of central support costs	-	462	-	462	391
	<u>671</u>	<u>1,269</u>	<u>-</u>	<u>1,940</u>	<u>1,649</u>
Less School Improvement Trust expenditure	(671)	-		(671)	(631)
Charity	<u>-</u>	<u>1,269</u>	<u>-</u>	<u>1,269</u>	<u>1,018</u>
6.4 Provision for worship					
Group and Charity					
Cathedral	458	-	-	458	422
Depreciation		136	-	136	145
Share of central support costs		169	-	169	235
Other		160	-	160	232
	<u>458</u>	<u>465</u>	<u>-</u>	<u>923</u>	<u>1,034</u>
TOTAL CURIAL - GROUP	<u>1,985</u>	<u>5,751</u>	<u>488</u>	<u>8,224</u>	<u>7,084</u>
TOTAL CURIAL - CHARITY	<u>1,157</u>	<u>5,749</u>	<u>488</u>	<u>7,394</u>	<u>6,281</u>
TOTAL - GROUP	<u>13,033</u>	<u>7,084</u>	<u>12,467</u>	<u>32,584</u>	<u>28,805</u>
TOTAL - CHARITY	<u>12,205</u>	<u>7,082</u>	<u>12,467</u>	<u>31,754</u>	<u>28,002</u>

Total group expenditure on charitable activities was £32,584K (2021: £28,805K). The expenditure comprised unrestricted expenditure of £13,033K (2021: £12,430K), designated expenditure of £7,084K (2021: £6,272K) and restricted expenditure of £12,467K (2021: £10,103K).

Total charity expenditure on charitable activities was £31,754K (2021: £28,002K). The expenditure comprised unrestricted expenditure of £12,205K (2021: £11,628K), designated expenditure of £7,082K (2021: £6,272K) and restricted expenditure of £12,467K (2021: £10,102K).

¹ Further information on the restated amounts can be found in note 29

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

	Ministry Support £000's	Pastoral and Community £000's	Education £000's	Provision for worship £000's	2022 £000's	2021 £000's
7 SUPPORT COSTS						
CURIAL						
Group and Charity						
Office administration and governance						
- Office of the Chief Operating Officer	80	395	177	65	717	610
- Finance Department	47	233	104	38	422	423
- Premises	26	127	57	21	231	171
- Bank charges and interest	27	135	60	22	244	204
- Audit fees	20	97	43	16	176	126
- Other curial	10	46	21	7	84	116
	<u>210</u>	<u>1,033</u>	<u>462</u>	<u>169</u>	<u>1,874</u>	<u>1,650</u>

All support costs are borne by central funds and have been apportioned to governance costs and charitable activities. The share of support costs attributable to governance reflects costs incurred in the preparation of the statutory accounts and the remaining costs have been allocated pro-rata based upon the charitable activity's share of central expenditure.

In addition, other amounts paid to the auditors in relation to the audit of subsidiary companies were £125,000 (2021: £102,000). These are included within expenditure on charitable activities.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

8 STAFF COSTS

	Total 2022 £000's	Total 2021 £000's
Clergy allowances	1,096	1,110
Wages and salaries	6,461	6,526
Social security costs	451	396
Pension costs	380	225
	8,388	8,257

	2022 No.	2021 No.
The average number of employees during the year was:		
Central employees	106	116
Parish employees (excludes parish clergy)	122	122
Parish club employees	241	261
	469	499

The average number of employees as a full-time equivalent during the year was 294 (2021: 302).

The number of employees whose emoluments including taxable benefits in kind, but excluding pension contributions amounted to over £60,000 in the year was in bands as follows:

	2022 No.	2021 No.
The average number of employees during the year was:		
£60,001 to £70,000	2	2
£70,001 to £80,000	1	1
£90,001 to £100,000	1	1
£100,001 to £110,000	1	-

The charity and eligible employees (see note 20) make defined contributions to a group personal pension scheme. The number of higher paid employees in the scheme in 2022 was 5 (2021:4). The total pension contributions made by the charity in respect of higher paid employees was £19,399 (2021: £15,714).

The day-to-day administrative, legal, and financial activity of the archdiocese is directed by the Chief Operating Officer and other members of the Senior Management Team who are the key management personnel of the charity. The total employment cost of key management personnel during the year was £338,838 (2021: £271,392).

9 TRUSTEES

Several of the trustees are clergy of the Liverpool Roman Catholic Archdiocesan Trust. The priests who are trustees are housed and remunerated by the archdiocese and are reimbursed expenses for carrying out their ministry in the same way as other priests of the archdiocese. The 9 (2021:9) trustees who were priests received £82,800 (2021: £84,000) in total remuneration during the year.

No trustee received any remuneration or expenses in respect of their services as a trustee during the year (2021 - £nil expenses).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

10 Net gains / (losses) on investments	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2022 £000's	2021 £000's
PAROCHIAL					
Group and Charity					
Revaluation of investment properties	2,447	-	-	2,447	5,521
Unrealised gains on investments	(3,639)	(921)	(37)	(4,597)	5,914
	<u>(1,192)</u>	<u>(921)</u>	<u>(37)</u>	<u>(2,150)</u>	<u>11,435</u>
CURIAL					
Group					
Revaluation of investment properties	155	3,419	-	3,574	(407)
Unrealised gains on investments	(592)	(4,948)	(513)	(6,053)	7,717
	<u>(437)</u>	<u>(1,529)</u>	<u>(513)</u>	<u>(2,479)</u>	<u>7,310</u>
Less revaluation of investments subsidiaries	357	-	-	357	(506)
Charity	<u>(80)</u>	<u>(1,529)</u>	<u>(513)</u>	<u>(2,122)</u>	<u>6,804</u>
TOTAL - GROUP	<u>(1,629)</u>	<u>(2,450)</u>	<u>(550)</u>	<u>(4,629)</u>	<u>18,745</u>
TOTAL - CHARITY	<u>(1,272)</u>	<u>(2,450)</u>	<u>(550)</u>	<u>(4,272)</u>	<u>18,239</u>

11 TANGIBLE FIXED ASSETS

11.1 Property, plant and equipment	Parochial Property & Equipment £000's	Restated ¹ Curial Fixtures & Equipment £000's	Restated ¹ Curial Property £000's	Restated ¹ Total £000's
Cost				
At 1 January 2022	35,336	1,272	28,775	65,383
Additions	911	114	142	1,167
Transfers	(268)			(268)
Disposals	-	(368)	(885)	(1,253)
At 31 December 2022	35,979	1,018	28,032	65,029
Depreciation				
At 1 January 2022	23,286	1,060	12,637	36,983
Charge for the year	518	98	581	1,197
Transfers	(196)			(196)
Disposals	-	(340)	(566)	(906)
Impairment	-			
At 31 December 2022	23,608	818	12,652	37,078
Net book value at 31 December 2022	12,371	200	15,380	27,951
At 31 December 2021	12,050	212	16,138	28,400

¹ Further information on the restated amount can be found in note 29

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

11.2 Property, plant and equipment - Charity	Parochial Property & Equipment £000's	Curial Fixtures & Equipment £000's	Curial Property £000's	Total £000's
Cost				
At 1 January 2022	35,336	322	6,929	42,587
Additions	911	20	65	996
Transfers	(268)			(268)
Disposals	-	(38)	(397)	(435)
At 31 December 2022	35,979	304	6,597	42,880
Depreciation				
At 1 January 2022	23,286	240	2,275	25,801
Charge for the year	518	36	114	668
Transfers	(196)			(196)
Disposals		(14)	(85)	(99)
At 31 December 2022	23,608	262	2,304	26,174
Net book value				
At 31 December 2022	12,371	42	4,293	16,706
At 31 December 2021	12,050	82	4,654	16,786

All tangible fixed assets were used for charitable purposes.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

12 INVESTMENTS

12.1 Listed investments - Group	Unrestricted £000's	Designated £000's	Restricted £000's	Total £000's
At 1 January 2022	55,075	76,242	7,126	138,443
Additions / Transfers	1,066	(29)	18	1,055
Disposals	(141)	(197)	(19)	(357)
Net losses on revaluation	(4,231)	(5,869)	(550)	(10,650)
At 31 December 2022	51,769	70,147	6,575	128,491

There are no individual investments which comprise greater than 5% of the value of the portfolio.

All the quoted fixed asset investments are listed on a recognised Stock Exchange. Listed investments are included in the balance sheet at bid price.

At 31 December 2022 the investment portfolio was split into two funds managed by Evelyn Partners and Rathbone Investment Management Limited respectively.

The investment funds are comprised of:

	2022 £000's	2021 £000's
UK Equities	31,284	54,916
Non-UK Equities	72,494	47,259
UK government securities and other fixed interest stocks	12,679	16,619
UK Property Unit Trusts	5,021	13,181
Cash instruments	7,013	6,468
	128,491	138,443

12.2 Listed investments - Charity	Unrestricted £000's	Designated £000's	Restricted £000's	Total £000's
At 1 January 2022	50,435	76,242	7,126	133,803
Transfers	980	(29)	18	969
Disposals	(130)	(196)	(18)	(344)
Net loss on revaluation	(3,874)	(5,869)	(550)	(10,293)
At 31 December 2022	47,411	70,148	6,576	124,135

12.3 Investments in subsidiaries	Total £000's
At 1 January 2022 and 31 December 2022	22,558

Investments in related companies comprise the cost of shareholdings in the subsidiary companies listed in note 21.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

12 INVESTMENTS *(continued)*

12.4 Investment property at valuation – Group	Parochial £000's	Curial £000's	Total £000's
At 1 January 2022	19,488	12,669	32,157
Additions	-	430	430
Disposals	(381)	-	(381)
Transfers	72	-	72
Net surplus on revaluation	2,447	3,574	6,021
At 31 December 2022	21,626	16,673	38,299

12.5 Investment property at valuation - Charity	Parochial £000's	Curial £000's	Total £000's
At 1 January 2022	19,488	11,079	30,567
Additions	-	430	430
Disposals	(381)	-	(381)
Transfers	72	-	72
Net surplus on revaluation	2,447	3,574	6,021
At 31 December 2022	21,626	15,083	36,709

Investment properties are included on a fair value basis. External revaluations were completed in November 2023 by Eddisons Real Estate and Business Valuers, Armistead Barnett, and Matthews Goodman and each entity is registered with the Royal Institution of Chartered Surveyors. A valuation exercise is performed annually by management and property valuations are informed by internal staff including a qualified chartered surveyor. The trustees have considered the valuations above as a fair reflection of the year end fair value.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

13	DEBTORS	Parochial	Curial	Total 2022	Total 2021
	Group	£000's	£000's	£000's	£000's
	Due within one year				
	Trade debtors	-	570	570	898
	Other debtors	580	465	1,045	246
	Prepayments and accrued income	2,501	326	2,827	3,145
	TOTAL	3,081	1,361	4,442	4,289
	Charity				
	Trade debtors	-	397	397	764
	Other debtors	580	116	696	121
	Prepayments and accrued income	2,501	193	2,694	2,926
	TOTAL	3,081	706	3,787	3,811
14	CREDITORS	Parochial	Curial	Total 2022	Total 2021
	Amounts falling due within one year	£000's	£000's	£000's	£000's
	Group				
	School funding in advance	8,920	-	8,920	6,680
	Trade creditors	-	1,532	1,532	2,066
	Other creditors	-	1,083	1,083	2,696
	Accruals and deferred income	715	1,839	2,554	2,976
	Other taxation and social security	-	238	238	234
	TOTAL	9,635	4,692	14,327	14,652
	Charity				
	School funding in advance	8,920	-	8,920	6,680
	Trade creditors	-	148	148	530
	Other creditors	-	271	271	218
	Accruals and deferred income	715	1,002	1,717	1,541
	Other taxation and social security	-	-	-	-
	TOTAL	9,635	1,421	11,056	8,969

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

15 RESTRICTED FUNDS

Unexpended balances from collections, donations, legacies, and grants restricted by donors to specific purposes.

Analysis of Restricted Funds 2022	Opening Balance	Net Incoming / (Outgoing) Resources	Investment Gains / (Losses)	Transfers	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
VASCA School Projects Fund	13,987	1,592	-	-	15,579
Foundation Mass capital	490	6	(37)	-	459
Other charitable collections	1,031	199	-	422	1,652
	<u>15,508</u>	<u>1,797</u>	<u>(37)</u>	<u>422</u>	<u>17,690</u>
Curial – Charity					
Priests' Training Fund	3,198	(84)	(267)	21	2,868
Metropolitan Cathedral Roof Appeal Fund	3,096	-	-	-	3,096
Metropolitan Cathedral	961	81	(34)	-	1,008
Metropolitan Cathedral steps project	2,890	-	-	-	2,890
Metropolitan Cathedral crypt project	1,791	-	-	-	1,791
Liverpool Archdiocesan Missionary Project	1,130	(4)	(102)	1	1,025
St Joseph's College	866	12	(48)	-	830
Provision for priests in retirement	14	-	-	13	27
Lenten alms	24	(4)	-	7	27
Other funds	949	125	(62)	-	1,012
	<u>14,919</u>	<u>126</u>	<u>(513)</u>	<u>42</u>	<u>14,574</u>
English Sports Council capital grants	-	-	-	-	-
Apostleship of the Sea	220	-	-	(1)	219
Curial – Group	<u>15,139</u>	<u>126</u>	<u>(513)</u>	<u>41</u>	<u>14,793</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

15 RESTRICTED FUNDS *(continued)*

Analysis of Restricted Funds 2021	Opening Balance Restated	Net Incoming / (Outgoing) Resources	Investment Gains	Transfers	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
VASCA School Projects Fund	11,664	2,323	-	-	13,987
Foundation Mass capital	452	6	48	(16)	490
Other charitable collections	1,428	230	-	(627)	1,031
	<u>13,544</u>	<u>2,559</u>	<u>48</u>	<u>(643)</u>	<u>15,508</u>
Curial - Charity					
Priests' Training Fund	2,936	(93)	341	14	3,198
Metropolitan Cathedral Roof Appeal Fund	3,096	-	-	-	3,096
Metropolitan Cathedral	945	(28)	44	-	961
Metropolitan Cathedral steps project	2,890	-	-	-	2,890
Metropolitan Cathedral crypt project	1,791	-	-	-	1,791
Liverpool Archdiocesan Missionary Project	1,019	(20)	131	-	1,130
St Joseph's College	791	13	62	-	866
Provision for priests in retirement	5	-	-	9	14
Lenten alms	24	(7)	-	7	24
Other funds	862	7	80	-	949
	<u>14,359</u>	<u>(128)</u>	<u>658</u>	<u>30</u>	<u>14,919</u>
English Sports Council capital grants	55			(55)	-
Apostleship of the Sea	222	(1)	-	(1)	220
	<u>14,636</u>	<u>(129)</u>	<u>658</u>	<u>(26)</u>	<u>15,139</u>
Curial - Group					

PURPOSE OF FUNDS

VASCA School Projects Fund	-	Voluntary-Aided Schools Condition Allocation funding from the Department for Education for school building projects.
Foundation Mass capital	-	For Masses celebrated for the deceased.
Priests' Training Fund	-	Education of students to the priesthood continuing foundation.
Metropolitan Cathedral Roof Appeal Fund	-	English Heritage grants received and expended on substantial repair work to the cathedral roof.
Metropolitan Cathedral	-	Golden Book Foundation Mass funds and other donations made for specific cathedral projects.
Metropolitan Cathedral steps project	-	European objective 1 and regional development grants expended on the construction of the ceremonial steps.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

15 RESTRICTED FUNDS *(continued)*

PURPOSE OF FUNDS *(continued)*

Metropolitan Cathedral crypt project	- European objective 1 and regional development grants expended on the crypt redevelopment project.
St Joseph's College	- Funds associated with priest training.
Provision for priests in retirement	- To meet the costs associated with retired clergy
Lenten alms	- To be expended on projects at the discretion of the archbishop.
English Sports Council capital grants	- English Sports Council grants received and expended on the construction of Cardinal Heenan sports centre.
Apostleship of the Sea	- For the spiritual and temporal welfare of seafarers.

16 DESIGNATED FUNDS

Funds set aside by the trustees for the following purposes:

Analysis of Designated Funds 2022	Opening Balance	Net Incoming / (Outgoing) Resources	Property & Investment Gains / (Losses)	Transfers	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
School Projects Fund	1,541	(656)	(921)	(7)	(43)
Other funds	88	-	-	-	88
	<u>1,629</u>	<u>(656)</u>	<u>(921)</u>	<u>(7)</u>	<u>45</u>
Curial - Group and Charity					
Central funds	49,646	(3,130)	390	(26)	46,880
George Andrew Retirement Fund	7,705	(17)	(538)	-	7,150
2021 Fund	9,123	6	(637)	-	8,492
Metropolitan Cathedral Roof Appeal Fund	8,056	-	-	-	8,056
Metropolitan Cathedral Liverpool inner-city parish reorganisation	6,983	-	(373)	-	6,610
Sabbatical Fund	1,289	2	-	-	1,291
Listed Building Fund	2,387	(20)	(92)	-	2,275
Other designated funds	2,127	(19)	(139)	-	1,969
	<u>781</u>	<u>1</u>	<u>(140)</u>	<u>-</u>	<u>642</u>
	<u>88,097</u>	<u>(3,177)</u>	<u>(1,529)</u>	<u>(26)</u>	<u>83,365</u>
Less Other designated funds	<u>(334)</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>(332)</u>
Curial - Charity	<u>87,763</u>	<u>(3,175)</u>	<u>(1,529)</u>	<u>(26)</u>	<u>83,033</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

16 DESIGNATED FUNDS *(continued)*

Analysis of Designated Funds 2021	Opening Balance	Net Incoming / (Outgoing) Resources	Property & Investment Gains	Transfers	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
School Projects Fund	899	(538)	1,180	-	1,541
Other funds	338	-	-	(250)	88
	<u>1,237</u>	<u>(538)</u>	<u>1,180</u>	<u>(250)</u>	<u>1,629</u>
Curial - Group and Charity					
Central funds	47,719	(1,513)	3,470	(30)	49,646
George Andrew Retirement Fund	7,182	(87)	610	-	7,705
2021 Fund	8,145	166	812	-	9,123
Metropolitan Cathedral Roof Appeal Fund	7,856	-	-	200	8,056
Metropolitan Cathedral	5,899	605	479	-	6,983
Liverpool inner-city parish reorganisation	1,289	-	-	-	1,289
Sabbatical Fund	2,174	34	179	-	2,387
Listed Building Fund	1,977	(30)	180	-	2,127
Other designated funds	668	(4)	117	-	781
	<u>82,909</u>	<u>(829)</u>	<u>5,847</u>	<u>170</u>	<u>88,097</u>
Less Other designated funds	<u>(334)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(334)</u>
Curial - Charity	<u>82,575</u>	<u>(829)</u>	<u>5,847</u>	<u>170</u>	<u>87,763</u>

PURPOSE OF FUNDS

School Projects Fund	- Funds raised by contributions from parishes and schools to support school building and refurbishment projects.
Central funds	- Fund for the archdiocesan central pastoral and administration functions.
George Andrew Retirement Fund	- Fund to support priests in retirement.
2021 Fund	- Funds to support priests in retirement.
Metropolitan Cathedral Roof Appeal Fund	- Investment income expended on the substantial repair work to the Cathedral roof.
Metropolitan Cathedral	- Funding running costs of the Cathedral.
Liverpool inner-city parish reorganisation	- Funds to provide for the reorganisation of the inner-city parishes.
Sabbatical Fund	- To provide for the costs of priests in sabbatical years.
Listed Building Fund	- For the preservation of listed buildings.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

17 ARCHDIOCESAN BANKING ARRANGEMENTS

An offset banking arrangement exists where the total of all individual bank account balances is invested in several deposits over a variety of timescales.

18 GRANTS PAYABLE IN FURTHERANCE OF THE CHARITY'S OBJECTIVES

The archdiocese provides full financial support for the furtherance of its activities and objectives but is not considered a grant-making organisation.

Several ecumenical grants are made annually to organisations with similar objectives to those of the archdiocese. Grants were made to three such organisations totalling £27,630 (2021 - two organisations £24,060). Other small grants totalled £4,452 in 2022 (2021 - £12,828).

The archdiocese covered the tuition and living costs of several individuals studying for the priesthood in the year.

19 COMMITMENTS

	Gross	Net of
	£000's	grant
		£000's
At 31 December 2022 commitments to future expenditure were as follows:		
School property	5,113	511
Parochial and other property	2,245	1,746
	<u>7,358</u>	<u>2,257</u>
At 31 December 2021 commitments to future expenditure were as follows:		
School property	11,189	1,176
Parochial and other property	1,537	365
	<u>12,726</u>	<u>1,541</u>

The above commitments represent committed property expenditure that has been approved by the trustees on building projects at the year end.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

20 PENSION ARRANGEMENTS

20.1 Personal Pension Schemes

The archdiocese contributes, for eligible staff, to one of two qualifying pension schemes which are fully compliant with the requirements of auto-enrolment. The schemes are managed by an independent firm of pension administrators. The archdiocese has a policy of matching employee contributions up to 6% of pensionable salary and each member has their own individual pension account within the scheme. The archdiocese is neither liable to finance any funding shortfall nor entitled to benefit from any overfunding.

20.2 The 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 can 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). 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

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2019. As a result of this valuation TPS employers started to pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation was to align its introduction with employers' budget planning cycles.

The employer's pension costs paid to TPS in the period amounted to £34,931 (2021 - £35,327).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

The Teachers' Pension Scheme *(continued)*

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, have rejected the government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the 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 considered when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

21 GROUP BODIES AND RELATED PARTY TRANSACTIONS

The charity has interests in subsidiary and associated undertakings, which are consolidated in the financial statements. Each entity is incorporated in England and Wales with a year-end of 31 December apart from school improvement trusts with year-ends of 31 August. A summary of their trading results (including intercompany trading) is as follows:

Subsidiary Companies at 31 December 2022	Associated Church Clubs Limited	Metropolitan Cathedral Services Limited	Tuneside Limited	Cardinal Heenan Sports Centre Limited	Archdiocesan Parish Centres Management Company Limited	Archdiocesan Property Services Limited	Archdiocese of Liverpool Primary School Improvement Trust	Archdiocese of Liverpool Secondary School Improvement Trust
% holding in ordinary shares	100	100	100	100	Guarantee Company	Charity Guarantee Company	Guarantee Company	Guarantee Company
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Income from								
Fundraising	-	368	17,813	159	7,443	1,023	497	395
Investment Income	-	-	-	-	-	21	-	-
Total Income	-	368	17,813	159	7,443	1,044	497	395
Expenditure on								
Raising Funds	-	1,097	18,056	168	6,675	932	454	243
Total Expenditure	-	1,097	18,056	168	6,675	932	454	243
Net gains / (losses) on investments	-	-	-	-	-	(73)	-	-
Net income / (expenditure)	-	(729)	(243)	(9)	768	39	43	152
Total assets	175	10,282	6,168	114	1,523	909	488	515
Total liabilities	(10)	(1,925)	(1,526)	(85)	(2,527)	(723)	(396)	(403)
Total capital and reserves	165	8,357	4,642	29	(1,004)	186	92	112

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

21 GROUP BODIES AND RELATED PARTY TRANSACTIONS *(continued)*

Subsidiary Companies at 31 December 2021	Associated Church Clubs Limited	Restated ¹ Metropolitan Cathedral Services Limited	Tuneside Limited	Cardinal Heenan Sports Centre Limited	Archdiocesan Parish Centres Management Company Limited	Archdiocesan Property Services Limited	Archdiocese of Liverpool Primary School Improvement Trust	Archdiocese of Liverpool Secondary School Improvement Trust
% holding in ordinary shares	100	100	100	100	Guarantee Company	Charity Guarantee Company	Guarantee Company	Guarantee Company
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Income from								
Fundraising	-	74	13,228	140	4,966	916	434	395
Investment Income	-	-	-	-	-	22	-	-
Total Income	-	74	13,228	140	4,966	938	434	395
Expenditure on								
Raising Funds	-	1,096	13,430	123	5,375	910	357	274
Total Expenditure	-	1,096	13,430	123	5,375	910	357	274
Net gains on investments	-	-	-	-	-	97	-	-
Net income / (expenditure)	-	(1,022)	(202)	17	(409)	125	77	121
Total assets	175	10,528	7,379	101	1,132	996	511	391
Total liabilities	(10)	(1,442)	(2,494)	(62)	(2,905)	(848)	(462)	(431)
Total capital and reserves	165	9,086	4,885	39	(1,773)	148	49	(40)

¹ Further information on the restated amount can be found in note 29

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

21 GROUP BODIES AND RELATED PARTY TRANSACTIONS *(continued)*

Associated Church Clubs Limited (company number 02724031) historically coordinated the bulk purchase of stock for supply to archdiocesan parish centres and other members of the scheme operated by the company. This activity has transferred to Archdiocesan Parish Centres Management Company Limited (company number 03422332) and the directors plan to dissolve Associated Church Clubs Limited (company number 2724031).

Metropolitan Cathedral Services Limited (company number 03115000) manages the commercial aspects of the Metropolitan Cathedral including income generation from its activities, building services and maintenance.

Tuneside Limited (company number 02316276) coordinates the building services scheme for archdiocesan buildings obligations under the Construction Industry Scheme and commercial activities of the Conference Centre.

Cardinal Heenan Sports Centre Limited's (company number 03822516) principal activity is the operation of a sports centre within the grounds of Cardinal Heenan Roman Catholic High School, Liverpool.

Archdiocesan Parish Centres Management Company Limited (company number 03422332) manages the parish centres within the archdiocese.

Archdiocesan Property Services Limited (company number 03142451 charity number 1055049) manages professional services in respect of maintenance, repair and refurbishment of archdiocesan properties.

Archdiocese of Liverpool Primary School Improvement Trust (company number 10912407) promote education standards in primary education.

Archdiocese of Liverpool Secondary School Improvement Trust (company number 10912398) promote education standards in secondary education.

The companies limited by guarantee are wholly controlled by the charity. All the companies are incorporated in the United Kingdom.

The operations of several other registered charities which have common trustees are under the control of the charity and therefore their incoming resources and resources expended, and net assets have been consolidated with those of the charity on these accounts.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

21 GROUP BODIES AND RELATED PARTY TRANSACTIONS *(continued)*

The charities concerned are as follows:

Controlled charities at 31 December 2022	Apostleship of the Sea (Liverpool Archdiocesan Council) £000's	Liverpool Archdiocesan Education Trust £000's
Income from		
Collections and donations	2	-
Investment income	100	50
Total Income	102	50
Expenditure on		
Charitable activities	158	-
Total expenditure	158	-
Net loss on investments	(283)	-
Net expenditure	(339)	50
Total assets	4,143	2,214
Total liabilities	(14)	(2)
Total reserves	4,129	2,212

Controlled charities at 31 December 2021	Apostleship of the Sea (Liverpool Archdiocesan Council) £000's	Liverpool Archdiocesan Education Trust £000's
Income from		
Collections and donations	2	-
Investment income	101	50
Total Income	103	50
Expenditure on		
Charitable activities	172	-
Total expenditure	172	-
Net gain on investments	408	-
Net income	339	50
Total assets	4,479	2,164
Total liabilities	(10)	(1)
Total reserves	4,469	2,163

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

21 GROUP BODIES AND RELATED PARTY TRANSACTIONS *(continued)*

The charitable purpose of the Apostleship of the Sea (Liverpool Archdiocesan Council) (charity number 1199714-2) is the spiritual and temporal welfare of seafarers.

Liverpool Archdiocesan Education Trust (charity number 1199714-3) acquires and holds property for education purposes.

In accordance with FRS 102, the related party transactions entered into by the charity are detailed below. All transactions that arose were in the normal course of activity.

A balance of £164,176 (2021: £164,176) was owed to Associated Church Clubs Limited at the year end.

The charity recharged salary costs of £112,230 (2021: £120,137) to Archdiocesan Parish Centres Management Company Limited, a subsidiary of the charity. A balance of £1,725,358 was owed from the company at the year end. (2021: £312,737 owed from the company)

The charity recharged salary costs of £204,094 (2021: £205,810) to Archdiocesan Property Services Limited, a subsidiary of the charity. A balance of £627,384 (2021: £775,259) was owed from the company at the year end.

No salary costs were recharged by the charity in 2022 (2021: £Nil costs) to Metropolitan Cathedral Services Limited, a subsidiary of the charity. A balance of £696,352 (2021: £1,076,107) was owed from the company at the year end.

The charity recharged salary costs of £96,552 (2021: £90,238) to Tuneside Limited, a subsidiary of the charity. A balance of £4,327,318 (2021: £4,122,671) was owed to the company at the year end.

A balance of £173,704 (2021: £300,929) was owed to Apostleship of the Sea (Liverpool Archdiocesan Council) at the year end.

A balance of £1,113,493 (2021: £1,063,493) was owed to Liverpool Archdiocesan Education Trust at the year end.

A balance of £130,403 (2021: £193,918) was owed from Archdiocese of Liverpool Primary School Improvement Trust at the year end.

A balance of £50,025 (2021: £118,360) was owed from Archdiocese of Liverpool Secondary School Improvement Trust at the year end.

Associated companies	% holding in ordinary shares	Activity
Inter-Diocesan Fuel Management Limited	11	Fuel and power distribution
Catholic National Mutual Limited	6	Insurance

In the year £2,623,380 (2021 - £2,369,927) of fuel was purchased from Inter-Diocesan Fuel Management Limited by the group.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

22 CONNECTED CHARITIES

Charities with common trustees with the archdiocese and associated subsidiary undertakings are as follows:

	Charity Number
Nugent Care 2019	1187072
Christ's and Notre Dame College, Liverpool	526463
The Friends of Liverpool Metropolitan Cathedral	513469
Caritas Social Action	1101431
St Mary's College Crosby Trust Limited	1110311
Catholic Trust for England and Wales	1097482
St Cuthbert's College Ushaw	527408
The Catholic Children's Society (Shrewsbury Diocese) Inc	509793
Caritas Diocese of Shrewsbury	1169317
Ushaw Trust	1197075
Leprosy Mission Isle of Man	IOM 1251

The following transactions occurred with these connected charities;

Individual parishes have collections throughout the year where donations are collected on behalf of the Nugent Care 2019 and paid directly to the charity.

The archdiocese made payments totalling £165,805 (2021: £258,672) to the Catholic Trust for England and Wales in respect of activities undertaken at a national level in common with other dioceses.

No other transactions occurred with connected charities.

23 SCHOOL BUILDING PROJECTS

The charity assists archdiocesan voluntary aided schools with the administration of funding for school building projects. Historically the archdiocese acted as the agent of school governing bodies in receiving funding from the Department for Education (DfE) under the Locally Coordinated Voluntary-Aided Programme (LCVAP), local authorities and other funding sources and settling and matching it with the contractors' costs and professional fees. Monies that continue to be received though these activities are not reflected in the Statement of Financial Activities as the transactions are those of the school governing bodies rather than the archdiocese.

In April 2020 the Voluntary-Aided Schools Condition Allocation (VASCA) system was introduced and superseded the LCVAP. The change in funding gives the archdiocese ultimate control over the application of grants to specific schools, therefore the VASCA grant funding received and the related expenditure are recognised in the Statement of Financial Activities.

Total grant income to the School Projects Fund amounted to £12.46M (2021: £11.63M). Total expenditure on school building projects during the year was £12.60M (2021: £10.67M). Balances due to individual archdiocesan schools in relation to devolved formula capital projects amounted to £11.34M (2021: £6.92M).

In 2022 £Nil (2021: £Nil) was received from the DfE in relation to LCVAP projects. £0.18M was expended on LCVAP projects in 2022 (2021: £0.22M). £0.14M (2021: £0.31M) was held by the archdiocese as an agent at the end of the year and is included within creditors.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

24 TRANSFERS

For the year ended 31 December 2022

	PAROCHIAL				CURIAL				
	Unrestricted	Designated	Restricted	Total	Unrestricted	Designated	Restricted	Total	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	2022 £000's
INTRA-DIOCESAN TRANSFERS									
Parish contributions to restricted collections	(472)		422	(50)	(5)	(33)	42	4	(46)
Other		(7)		(7)		7		7	-
	(472)	(7)	422	(57)	(5)	(26)	42	11	(46)
INTRA-GROUP TRANSFER									
Other	-	-	-	-	47	-	(1)	46	46
TOTAL	(472)	(7)	422	(57)	42	(26)	41	57	-

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

24 TRANSFERS *(continued)*
For the year ended 31 December 2021

	PAROCHIAL				CURIAL				
	Unrestricted	Designated	Restricted	Total	Unrestricted	Designated	Restricted	Total	Total 2021
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
INTRA-DIOCESAN TRANSFERS									
Assessment Fund grants	-	(250)	-	(250)	50	200		250	-
Parish contributions to restricted collections	606	-	(643)	(37)		(37)	30	(7)	(44)
Other	-	-	-	-	(80)	7		(73)	(73)
	<u>606</u>	<u>(250)</u>	<u>(643)</u>	<u>(287)</u>	<u>(30)</u>	<u>170</u>	<u>30</u>	<u>170</u>	<u>(117)</u>
INTRA-GROUP TRANSFER									
Other	-	-	-	-	173	-	(56)	117	117
TOTAL	<u>606</u>	<u>(250)</u>	<u>(643)</u>	<u>(287)</u>	<u>143</u>	<u>170</u>	<u>(26)</u>	<u>287</u>	<u>-</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

25 ANALYSIS OF NET ASSETS

Group	Tangible Fixed Assets £000's	Investments £000's	Current Assets less Creditors £000's	Total 2022 £000's
Restricted Funds				
- Parochial	-	455	17,235	17,690
- Curial	-	6,121	8,672	14,793
	-	6,576	25,907	32,483
Designated Funds				
- Parochial	-	10,976	(10,931)	45
- Curial	3,866	69,641	9,858	83,365
	3,866	80,617	(1,073)	83,410
Unrestricted General Funds				
- Parochial	12,371	66,237	11,251	89,859
- Curial	11,714	13,360	(19,164)	5,910
	24,085	79,597	(7,913)	95,769
Total	27,951	166,790	16,921	211,662

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

25 ANALYSIS OF NET ASSETS *(continued)*

Group 2021	Restated¹ Tangible Fixed Assets £000's	Investments £000's	Current Assets less Creditors £000's	Restated¹ Total 2021 £000's
Restricted Funds				
- Parochial	-	486	15,022	15,508
- Curial	-	6,641	8,498	15,139
	-	7,127	23,520	30,647
Designated Funds				
- Parochial	-	11,927	(10,298)	1,629
- Curial	4,254	70,934	12,909	88,097
	4,254	82,861	2,611	89,726
Unrestricted General Funds				
- Parochial	12,050	66,889	13,083	92,022
- Curial	12,096	13,723	(18,998)	6,821
	24,416	80,612	(5,915)	98,843
Total	28,400	170,600	20,216	219,216

¹ Further information on the restated amount can be found in note 29

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

25 ANALYSIS OF NET ASSETS *(continued)*

Charity	Tangible Fixed Assets £000's	Investments £000's	Current Assets less Creditors £000's	Total 2022 £000's
Restricted Funds				
- Parochial	-	455	17,235	17,690
- Curial	-	6,121	8,453	14,574
	-	6,576	25,688	32,264
Designated Funds				
- Parochial	-	10,976	(10,931)	45
- Curial	3,866	92,198	(13,031)	83,033
	3,866	103,174	(23,962)	83,078
Unrestricted General Funds				
- Parochial	12,371	66,237	11,251	89,859
- Curial	469	7,415	2,537	10,421
	12,840	73,652	13,788	100,280
Total	16,706	183,402	15,514	215,622

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2022

25 ANALYSIS OF NET ASSETS *(continued)*

Charity 2021	Tangible Fixed Assets £000's	Investments £000's	Current Assets less Creditors £000's	Total 2021 £000's
Restricted Funds				
- Parochial	-	486	15,022	15,508
- Curial	-	6,641	8,278	14,919
	-	7,127	23,300	30,427
Designated Funds				
- Parochial	-	11,927	(10,298)	1,629
- Curial	4,254	93,492	(9,983)	87,763
	4,254	105,419	(20,281)	89,392
Unrestricted General Funds				
- Parochial	31,538	47,400	13,084	92,022
- Curial	482	7,494	2,765	10,741
	32,020	54,894	15,849	102,763
Total	36,274	167,440	18,868	222,582

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

26 OPERATING LEASES

Throughout the archdiocese there are numerous low value operating leases primarily in relation to equipment. The annual payments in relation to these have not been quantified but they are not deemed to be material to the financial statements.

27 CONTINGENT LIABILITIES

The trustees are reviewing the structure of the organisation from a VAT perspective with initial findings indicating that registration for VAT is probable. There remains potential that a future registration may be applied retrospectively but as this likelihood and size of potential liability cannot be fully assessed at this point, no provision has been made within the financial statements.

28 GUARANTEE

An index-linked product amounting to £2.20M (2021: £2.10M) is used as security against any potential liability in connection with a landfill site. The likelihood of this liability falling due on the charity is considered remote.

29 PRIOR YEAR RESTATEMENT

The prior year other tangible fixed asset balance has been restated on the balance sheet and in note 11.3 to reflect an error in the useful economic life applied to assets historically in relation to Metropolitan Cathedral Services Limited. This has resulted in a restatement of fixed assets, opening reserves and depreciation charge for the year.

As a result of the incorrect useful economic life, opening reserves for 2021 have reduced by £2,338K to account for the increased depreciation that should have been charged historically. During 2021 there was also an increase in the depreciation charge for the year of £74K.

After accounting for the depreciation above the net book value of other tangible fixed assets for 2021 decreased by £2,412K to £28.40M.

The impact of the restatement on the result for 2021 was a decrease in the net movement in funds of £74K from £17.685M to £17.613M. This resulted in closing reserves at 31 December 2021 of £219.216M.

Prior year freely available reserves used to calculate the number of months of unrestricted expenditure supported by those reserves, excluded restricted and specific designated funds' reserves. This calculation has been restated to exclude all designated funds and restricted funds.

Accounts

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

**ANNUAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2021**

Registered Charity Number: 232709

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

CONTENTS	PAGE
Report of the Trustees	1 - 16
Statement of Trustees' Responsibilities	17
Independent Auditor's Report to the Trustees	18 - 20
Consolidated Statement of Financial Activities	21 - 22
Charity Statement of Financial Activities	23 - 24
Consolidated Balance Sheet	25
Charity Balance Sheet	26
Consolidated Cash Flow Statement	27 - 28
Notes and Accounting Policies	29 - 72

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

MISSION STATEMENT

Taking to heart the last words of the Lord Jesus, we will go into the world to proclaim the Good News to the whole of creation.

REFERENCE AND ADMINISTRATIVE DETAILS

Trust Corporation

Liverpool Roman Catholic Archdiocesan Trustees Incorporated ('The trustees')

Trustees of the Trust Corporation

Most Rev M P McMahon OP (Chairman)

Rev Mgr J Devine OBE

Rev G Easton

Rev Canon M Fitzsimons

Dr M Goddard (Appointed 26 November 2021 and resigned 31 December 2022)

Mr I Hollows

Rev P Inch

Mr S Keyes

Mrs C Lawrence

Rt Rev T Neylon

Rev M Nunes

Rev Provost A O'Brien

Mrs C O'Brien

Rev Canon A Prescott (Appointed 27 May 2021)

Rt Rev T Williams

Episcopal Vicar for Finance

Rev Mgr John Devine OBE

Chief Operating Officer

Mr M Miller

Principal Address

St Margaret Clitherow Centre

Croxteth Drive

Liverpool

L17 1AA

Registered Charity Number: 232709

Auditors

BDO LLP

5 Temple Square

Temple Street

Liverpool

L2 5RH

Bankers

HSBC Bank plc

99-101 Lord Street

Liverpool

L2 4SW

Investment Managers

Evelyn Partners

45 Gresham Street

London

EC2V 7BG

Rathbone Investment Management Ltd

Port of Liverpool Building

Pier Head

Liverpool

L3 1NW

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Liverpool Roman Catholic Archdiocesan Trust (more commonly referred to as the Archdiocese of Liverpool) is a registered charity (No 232709), the governing instrument of which is a trust deed dated 18 March 1963. Its trustees are the members of Liverpool Roman Catholic Archdiocesan Trustees Incorporated, a body incorporated by order of the Charity Commissioners under the Charitable Trustees Incorporation Act 1872. The trustees of the corporate body are listed on page 1.

Organisational structure and decision making

The Catholic Church has a worldwide nature and identity and could be compared with a gathering together of family, with a common purpose and faith in Jesus Christ. Canon law (the law of the Church) establishes the rights and responsibilities of each member of this community. Church law applies universally and locally. The worldwide Church community, centred on Christ, under the Word of God and in communion with the Pope in Rome, is governed by canon law. Under canon law the Archbishop of Liverpool is responsible for the activities of the archdiocese, a geographical area in part of the north-west of England, which is a portion of the worldwide Church, making up the pilgrim People of God. He is assisted in archdiocesan executive matters by two auxiliary bishops, a vicar general and several episcopal vicars with delegated responsibilities for strategic oversight in specific matters of the life of the Church. The appointments of vicar general and episcopal vicars are made by the archbishop.

The affairs of the charity are governed by the trustees. The trustees are ultimately responsible for the administration and assets of the charity. The board of trustees, chaired by the archbishop, meets regularly to provide strategic direction and decision-making on key issues.

The pastoral oversight of the charity is conducted by the archbishop in regular consultation with the Archbishop's Council. This body assists the archbishop in all decisions affecting the life of the archdiocese.

The archdiocese consists of 13 deaneries, each made up of groups of parishes in each local area, in total containing 173 places of worship, extending from the Mersey to the Ribble, encompassing parts of Merseyside, Lancashire, Cheshire, Greater Manchester and the Isle of Man.

The purpose of each deanery is to provide for the pastoral, sacramental and community needs of its people. All priests and deacons are accountable to the archbishop. Parish priests are obliged by canon law to act in the person of the parish. They also act as the agents of the trustees of the archdiocese, who are responsible for the administration of the archdiocesan trust, which includes parish assets. It is a further requirement of canon law that every parish should have a finance committee to assist the parish priest in the financial administration of the parish. This committee enjoys consultative status with the parish priest and its constitution has been approved by the trustees.

Some Church policies are developed at a national level by the Catholic Bishops' Conference of England and Wales. The archdiocese is represented on this body by its bishops. The policies may be adopted by the trustees after considering the impact on the activities of the archdiocese.

Corporate governance

The trustees welcomed the introduction of the Charity Governance Code in 2017 and continue to review best practice as they aim to improve governance. They have made several steps forward in improving both governance and effectiveness as follows:

Organisational purpose

The trustees regularly review the charity's purposes and consider how it delivers public benefit as described on page 9 of this report. The trustees are satisfied that the charitable purposes of the organisation have been achieved.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Corporate governance *(continued)*

Leadership

The Chief Operating Officer continues the review of priorities, governance, structures, and processes. The charity is in transition to new governance arrangements which include clarity of oversight of committees and subsidiary undertakings.

The new governance arrangements include the regular review of the purposes of committees and subsidiaries, and constructive challenge to the Chief Operating Officer and archdiocesan officers. The ethos and culture of the charity supports its activities.

Several new policy committees have been established carry out detailed policy work on behalf of the trustees and Archbishop's Council and to make decisions on matters delegated to them.

The Pastoral Development Committee oversees the work of the Pastoral Development Department in relation to pastoral provision for better delivery of archdiocesan mission objectives and, as far as possible, will align pastoral considerations with deployment of lay and ordained ministries.

The Safeguarding Committee supports, assists and advises the trustees in discharging their duties in safeguarding, in accordance with their legal and regulatory responsibilities.

The Archdiocesan Education Committee will oversee the work of the Education Department and the development of education policy and practice consistent with the Catholic faith.

An Audit Subcommittee will advise the trustees alongside the reconstituted Finance Committee ensuring that there is detailed oversight of all archdiocesan financial activity and effective stewardship of resources. Subcommittees of the Finance Committee - the Investment Panel and the proposed Building Committee with an expansion of focus beyond schools to include all archdiocesan properties, and the boards of the subsidiary companies - will continue to advise the trustees through the Finance Committee.

Each of the committees are chaired by the relevant episcopal vicar with further trustee representation on the individual body. While several specialists are co-opted to the existing committees, a recruitment process for lay people with relevant experience, interested in serving as members, was ongoing in 2021. The committees meet on a regular basis and their findings are recommended to the trustees or operate under trustee-delegated authority.

Integrity

The transition to new governance arrangements includes the implementation of policies and procedures which support key outcomes in maintaining the reputation of the charity and how it is perceived by other people, partnerships, and the public. Key themes in the implementation of policies and procedures include the expected standards of probity and behaviour, the requirements to operate responsibly and ethically in line with the mission of the archdiocese, and compliance with relevant guidance, whether mandatory or non-mandatory. The requirement for the declaration of actual or potential conflicts of interest is included within the new governance arrangements.

Decision-making, risk and control

The archdiocese reviews the arrangements for matters reserved to the trustee board and those that are delegated to archdiocesan officers, individual trustees, and committees. Progress has been made towards the implementation of a revised scheme of delegation with clear boundaries. Compliance will be monitored and reported regularly to the Audit Subcommittee.

The revised governance arrangements include the regular review of committee terms of reference. The monitoring of organisational performance is a key component of the new governance arrangements and the implementation of key strategies with associated budgets is in progress. The development of reporting includes the monitoring and management of financial and non-financial risks including departmental, subsidiary, and archdiocesan risks. There is an effective process in place for the appointment and review of auditors.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Corporate governance *(continued)*

Board effectiveness

The arrangements for the cycle of board meetings were reviewed as part of the new governance arrangements together with the information needed for trustees to fulfil their duties. The mix of skills, knowledge and experience is kept under review and a recruitment process was completed recently.

Diversity

The trustees understand their responsibilities regarding diversity and value the benefits of a diverse trustee body. They aim to remove obstacles to attracting a diverse pool of candidates.

Openness and accountability

The charity is working towards the development of a transparent, well-publicised, effective, and timely process for making and handling complaints, with the aim of ensuring that internal and external complaints are handled constructively, impartially, and correctly. The review of a strategy for regular and effective communication with key stakeholders is a priority for the organisation and includes consideration of how best to communicate with these stakeholders.

Trustee recruitment and appointment

By right of office, the archbishop chairs the board of trustees. The power of appointing new or additional trustees is vested in the archbishop.

The induction process for any newly appointed trustee is tailored to the requirements of the individual and includes an initial meeting with the archbishop. The new trustee receives copies of Charity Commission guidance, the minutes of the most recent trustees' meetings and a copy of the most recent statutory accounts. Ongoing training is provided for all trustees.

Related parties

Various essential functions of the archdiocese are provided through subsidiaries. These include the commercial activities of the Metropolitan Cathedral through Metropolitan Cathedral Services Limited and the management of parish centres by Archdiocesan Parish Centres Management Company Limited. Building services for archdiocesan buildings are managed by Tuneside Limited and Archdiocesan Property Services Limited. The promotion of education standards to archdiocesan schools is undertaken by Archdiocese of Liverpool Primary Schools Improvement Trust and Archdiocese of Liverpool Secondary Schools Improvement Trust.

The boards of trustees of two charities are identical to that of the archdiocese. To reflect the level of reserves under the control of the trustees, the financial performance and position of these two charities are included in the consolidated accounts of the archdiocese.

The charitable objectives of The Apostleship of the Sea (Liverpool Archdiocesan Council) (charity number 224664) are the spiritual and temporal welfare of seafarers. The apostleship aims to achieve its objectives by working in ecumenical partnership with The Mersey Mission to Seafarers in the day-to-day operation of Liverpool Seafarers Centre. Through the facilities and service provided from the Seafarers Centre, the apostleship provides practical and pastoral care to seafarers. The charity had £4.47M of reserves in December 2021 (2020: £4.13M).

Liverpool Archdiocesan Education Trust (charity number 505264) aims to promote the charitable purposes of the archdiocese by facilitating the acquisition and holding of property for education purposes. Reserves of the charity amounted to £2.16M in December 2021 (2020: £2.11M).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

COVID-19

The global pandemic has had a catastrophic impact on the charitable activities and finances of the archdiocese and its subsidiaries. Continued disruption to activities experienced in 2021 and every effort was undertaken to ensure that all essential elements of archdiocesan activity continued during the year. Social distancing and the utilisation of parish grounds for services was common and the meeting of the Synod in June 2021 took place via Zoom. Clergy and lay chaplains continued to work in hospitals throughout this period.

Many COVID-19 secure measures continued to be observed at archdiocesan places of worship, parishes, the cathedral, and Liverpool Archdiocesan Office following the second national lockdown in late 2020 and many parish centres remained closed until May 2021.

The archdiocese made use of the Coronavirus Job Retention Scheme and the flexible furlough arrangements until September 2021 to assist with meeting the employment costs of staff who were unable to work from home or who had their typical working hours affected by reduced business activity. The application of the furlough afforded security of earnings, particularly for those working variable hours. Successful applications were made by the Metropolitan Cathedral to the National Lottery Heritage Recovery Fund for pandemic support, which generated further welcome cash flows in 2021.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the trust and are satisfied that systems are in place to mitigate exposure to the major risks.

While the average weekly Mass attendance of 19,887 for 2021 reflects the impact of Covid restrictions, the underlying trend continued to be down, with a decline from the 85,357 reported in 2000. Usually calculated from the average of the Mass attendance each Sunday in October as submitted by each parish priest to the chancellor of the archdiocese. The average age of parish congregations is generally increasing, and the proportion of younger people is reducing. A key aspect of outreach to young people continues to be the work carried out by Catholic schools and the Animate youth ministry team across the archdiocese and beyond, who are based at Lowe House in St Helens.

The impact of the declining number of active parishioners and total clergy is being addressed through the recommendations of Synod 2020 that have been incorporated into the pastoral plan that was published in Advent 2021.

The vocations director appointed by the archbishop runs events around the archdiocese to help develop vocations to the priesthood and religious life for those people yet to decide whether to embark on ministerial formation.

The health and safety of all individuals that encounter the Church through the many churches and other properties of the archdiocese receives particular attention. A key aspect of the ongoing parish health and safety risk assessment process is risk identification, and through several techniques and processes the trustees aim to take all appropriate steps to mitigate the likely impact of risks identified. Guidance was issued to parishes to ensure that the reopening of churches, initially for private prayer and subsequently for public worship, met the social distancing and hygiene requirements. The provision of personal protective equipment was facilitated centrally and distributed to parishes as required.

Regulation compliance processes are acted upon for subjects such as asbestos, confined spaces, water hygiene, fire safety and first aid. Quinquennial reporting, three-monthly parish building inspections and parish health and safety risk assessments are undertaken. A culture of reporting of accidents to a designated health and safety coordinator is being improved and visits to all accident sites following serious incidents are undertaken. Systems are in place to ensure that all notifiable incidents are reported to the appropriate authorities and regular newsletters are sent to all parishes. Monthly reports covering health and safety are reviewed by the Finance Committee. The minutes of these meetings are reported to the trustees.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Objectives and activities

The objects of the charity as declared in the governing document are:

- the advancement of the Roman Catholic religion
- the advancement of education
- the relief of poverty
- the cure or alleviation of sickness or disease

Achievements and performance

In 2017 Archbishop McMahon, having become aware of the most recent pastoral challenges in the archdiocese, decided to call an archdiocesan Synod. This enabled the whole archdiocese to be involved in charting the way forward, and its outcomes for the goals, structures, styles, and methods of evangelisation in the archdiocesan community are being incorporated into the charity's review of its charitable purposes. The members of the Synod were chosen by the parishes and deaneries from around the archdiocese. Additional Synod members represented religious congregations, retired priests, seminarians, and others who make up the archdiocesan community.

Archbishop McMahon called the Synod for the archdiocese to facilitate what the International Theological Commission calls a grace filled event in which the People of God together with the bishop meet to address the pastoral challenges of the time.

Following the announcement of the four Synod themes in 2019, further listening and reflection took place with the opportunity for Synod members and their communities to reflect on each theme in turn and to develop them into practical proposals for action. The four themes were:

- All are called and gifted by God
- Sharing the mission of Jesus
- How we pray together
- Building community, nurturing belonging

Due to the implications of the pandemic, the period of listening and reflection was extended to conclude in March 2021 and included extra time for reflection on the experience of being Church during the period affected by COVID-19. After hearing the preferences of Synod members for the proposals a set of 19 recommendations covering all areas were formalised. A Synod book, 'Together on the Road' was produced to help people discern how they would vote on the recommendations and a week of prayer was held in advance of the Synod.

The Synod met in June 2021 via Zoom to vote on the proposals and to celebrate the Synod process. Archbishop McMahon opened the day and members heard from Cardinal Mario Grech of the Office of the Synod of Bishops, and Archbishop Claudio Gugerotti, Apostolic Nuncio to Great Britain.

In response to what was heard through the Synod process the Pastoral Plan was published on the first Sunday of Advent 2021. The plan comprises three sections:

- Christ at the centre – our theological underpinnings
- Four signposts to the future
- Six areas of development:
 1. Becoming a Church that accompanies people through life
 2. Becoming a Church that honours the vocation of all the baptised
 3. Becoming a Church where synodality is embedded
 4. Becoming a Church that reviews its organisational structures and administers its property to serve its mission
 5. Becoming a Church where young people and young adults flourish
 6. Becoming a Church that cares for its priests

The pastoral plan is to serve as the charter for implementing the work of Synod 2020 with a detailed consideration of the six areas of development that will evolve and be worked on in future years.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

The net movement in funds of the group from parochial and curial activities is summarised below.

	2021	Restated ¹
	£000's	2020
		£000's
Net (outgoing) / incoming resources	(1,060)	4,049
Unrealised gain / (loss) on investments	13,631	(6,315)
Revaluation of investment properties	5,114	2,917
Net movement	17,685	651

Commercial trading operations and charitable activities were adversely impacted in many areas of the charity's mission but the gradual easing of COVID-19 restrictions through 2021 facilitated increased activity. Donors continued to utilise alternative methods of giving, such as online donations, and the use of standing orders and the pressure on reserves was eased by further actions to control the levels of operational expenditure in all areas of the charity.

Accelerated by the financial impact of the pandemic, the trustees undertook a restructuring of central services that was initiated in December 2020. To better align services with archdiocesan need, several new employment roles were created but a reduction in staff numbers was experienced in early 2021 through a redundancy process.

Voluntary income

While the pandemic continued to have a negative impact on Mass attendance in 2021, parishioners continue to generously support their parishes. Long term initiatives such as the centrally coordinated 'Responsible Giving Campaign' have contributed to the core strength of parish finances. Implemented by small teams of volunteer parishioners, the campaign highlights the rising level of running costs faced by parishes and encourages parishioners to increase their individual level of giving. Separately there have been coordinated gift aid campaigns to boost donations further. Parishes where a responsible giving campaign has been undertaken have experienced sustained increases in giving while other parishes report falling offertories. The coordination of such parish campaigns occurring once every five years, interspersed with gift aid campaigns, continues to maintain the effectiveness of donation levels whilst trying to avoid 'fundraising fatigue' for parishioners.

Parishioners responded to parish need by increasing the number and value of standing order donations made directly to parishes. They also used the online and text giving platforms to maintain their levels of support for their parishes. Offertory income amounted to £4.60M (2020: £3.91M), demonstrating a recovery from 2020 but below the level of giving of £5.78M reported in 2019.

The value of legacies received by the archdiocese was £1.39M in 2021 (2020: £0.46M). The Priests' Training Fund, George Andrew Fund, the cathedral, and individual parishes each continue to benefit from the generosity of parishioners through collection income and bequests. Legacies were reported in 20 individual parishes in 2021 (2020: 25).

The gradual easing of pandemic restrictions facilitated parishioners' abilities to respond to appeals and special collections during the year. £0.60M was received in 2021 (2020: £0.60M) and various external charities, including CAFOD and Nugent, benefited from the income generated in parishes.

Fundraising activities

The activities of the parish centres are consolidated within Archdiocesan Parish Centres Management Company Limited (APCMC). Trading continued to be disrupted until May 2021 when the majority of centres re-opened. The trustees decided that 20 parish centres would cease to trade commercially and the decision to end the licensed trade in those centres necessitated a redundancy consultation in 2021.

¹ Further information on the restated amounts can be found in note 31

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Fundraising activities *(continued)*

that resulted in the redundancy of 85 parish centre staff. While 37 parish centres continue to trade, all the parish centre buildings remain a valuable resource to parishes and the wider community, with the activities of the company enabling the funding of these costly sites on behalf of the parishes.

In 2021, APCMC obtained a £1.7M loan under the government-backed Coronavirus Business Interruption Scheme to mitigate the negative cash flow impact of the closure of parish centres arising from lockdown restrictions. The amount, calculated as the estimated net income lost by the company during the lockdown restrictions is secured against cash balances of APCMC and has no interest cost implications to the company or the archdiocese for the first year of the loan. The loan was repaid in 2022 before any interest became chargeable to the organisation.

Following a review of operations, the commercial activities of the Conference Centre at LACE have been streamlined. The building remains in use for archdiocesan and external groups, without dedicated conferencing and hospitality support.

Archdiocesan building projects are managed by Tuneside Limited and Archdiocesan Property Services Limited, and the activities of the subsidiaries have considerable influence in ensuring that building projects are managed in a cost-efficient manner to the benefit of the parishes and schools.

Investment policy and performance

The trust deed authorises the trustees to invest general funds of the charity in any lawful manner.

The investment portfolio is managed on a discretionary basis within the parameters of a general ethical investment policy restricting the investment managers from investing in any area that would be incompatible with the objectives of the trust. The policy states that no investments are to be made in companies which generate more than 10% of their turnover from military activity, the production of anything which threatens the sanctity of life, or the production of pornography. An enhanced policy is being developed which reflects the trustees' attitude to sustainable and socially responsible investing, ensuring that environmental and ethical considerations remain a key driver of archdiocesan investment strategy. The investment managers use the services of bodies such as the Investor Responsibility Research Service in endeavouring to ensure compliance with archdiocesan policy.

The Investment Panel has authority delegated from the trustees to set performance targets and to assess the actual performance of the investment managers against benchmarks, with advice from a specialist firm of investment advisers.

The archdiocesan investment portfolio is split into two separate portfolios managed by different investment managers and representatives of the investment managers meet periodically with the Investment Panel, who assess their relative performance and against benchmarks.

Following adverse performance against the agreed benchmarks and a full investment manager review in 2021, BlackRock Investment Management (UK) Limited was notified of the trustees' intention to transfer management of that element of the portfolio to Evelyn Partners. The transfer took place in 2022 with Rathbone Investment Management Limited continuing to manage the other element of the portfolio.

Investment income generated by the investment managers of the unitised portfolio was £3.86M (2020: £3.62M) and met the targets required by the archdiocese. The charity reported an unrealised gain on investments of £13.63M (2020: Loss £6.32M) but subsequent volatility in 2022 seen those unrealised gains eliminated.

All archdiocesan bank accounts are included within the offset banking system. After daily consideration of commitments and spending patterns, archdiocesan personnel evaluate the cash requirements, the balance being placed in a variety of cash deposits with institutions approved by the trustees.

The investment objective in respect of cash management is to maximise income from cash balances whilst maintaining sufficient available funds to meet the daily operating requirements and to facilitate the timely payment of liabilities.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Investment policy and performance *(continued)*

The low rates of interest available on cash balances continued to present a challenge in 2021. Income derived from cash management activities was limited but rate increases since December 2021 have contributed to increased returns in 2022.

Investment properties

The archdiocese sold several assets that were no longer being used as functional church properties and reported a realised gain on the disposal of properties of £0.09M (2020: £0.02M). The trustees have retained several properties no longer required for functional purposes to generate a rental income for individual parishes. Several properties that were previously retained for investment purposes have been returned to functional use during the year. A cyclical valuation programme is operated by the trustees and the revaluations created an unrealised gain of £5.11M in 2021 (2020: £2.92M).

Charitable activities and public benefit

The charity aims to satisfy its objects through four main areas of charitable activity:

- To support pastoral work in parishes and local communities
- To provide support to the clergy in training, ministry and retirement
- To support and direct lifelong Christian education in parishes and schools
- To preserve and invest in the property infrastructure of the archdiocese and parishes, facilitating worship and enabling the charitable work of the Church to take place

In considering the charitable activities of the archdiocese, the trustees have had regard to the charity Commission guidance on public benefit. Success is measured in several ways. The archbishop has oversight of the whole archdiocese, achieved through visitations to parishes and schools and through the wider knowledge and reviews below of the various activities of the organisation.

Pastoral work

Despite the pandemic and subject to varying levels of lockdown restrictions, the celebration of Mass in parishes within the archdiocese was attended by an average weekly congregation of 19,887 in 2021 and contributed to the spiritual well-being of society and the public in general. The adaptiveness of parishes and the cathedral in the facilitation of online streaming of regular and special services ensured that the archdiocese continued to have a positive impact.

Many activities coordinated through parishes of the archdiocese are focused on the needs of the vulnerable, both at home and abroad, and significant collections are undertaken on behalf of charities such as Nugent, CAFOD and natural disaster appeals. The pastoral work of the archdiocese extends through chaplaincy provision offering spiritual support to those in universities, hospitals, and prisons within the geographical area of operation. A regular and extensive provision of pastoral visiting to the sick at home and in nursing homes is undertaken by clergy and trained lay people.

While most pastoral work is undertaken locally, parishes are supported by the work of the archdiocesan Pastoral Development Department and other centrally funded departments and initiatives facilitate and encourage work in the local community.

The archdiocesan Department of Education through the Christian education section focuses on formation and ethos in our Catholic schools by means of staff training courses, professional catechetical and liturgical support, and statutory religious education inspections.

Parish work with young people is complemented by the activities of the Animate youth ministry team based at Lowe House in St Helens. A team of residential youth workers under the direction of the archdiocesan youth chaplain serves in parishes and schools, engaging with over 10,000 young people each year by undertaking preparation for sacraments, youth events, pilgrimages, and school missions.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Pastoral work *(continued)*

This interaction informs young people not only about religion but also about basic values which contribute to the common good of society.

For four decades Liverpool priests have volunteered to serve in Latin America, standing alongside the poor and deprived, supported by the people of the archdiocese. LAMP was established in 1979 to undertake this missionary work and attend to the needs of individuals within the parishes administered by archdiocesan priests operating in Latin America. Investment income derived from restricted investments and legacies currently support the daily activities and pastoral work of the priests, with emphasis on catechesis and the support of medical aid, as well as some of the property needs in their parishes.

Clergy support

At the local level, priests are actively involved in directing, coordinating and undertaking the mission of the Church and delivering the strategy of the archdiocese. Clergy are also responsible for the celebration of Masses as well as baptisms, marriages, funerals, and the provision of the sacraments generally. The priests and deacons of the archdiocese provide welfare to the sick, dying and their relatives through visiting and the administration of the sacraments.

Priests do not retire but can stand down from the full responsibilities of office at 75 years old, or earlier if their health requires. As the anticipated number of such 'retired' priests increases beyond the present number, the requirements on the George Andrew Fund to provide for the living needs of retired priests will increase and the fund value will diminish. The George Andrew Fund levy based on parish donations and income contributes to supporting priests during illness and after leaving office.

Properties in several locations within the archdiocese have been converted and refurbished to increase the level and variety of accommodation available to retired priests. An annual parish collection, 'Provision for Priests in Retirement' continues to be generously supported by parishioners. The proceeds of the annual collection will help to meet the future costs of converting and maintaining such properties and are held separately from those of the George Andrew Fund.

The archdiocese has seven students preparing for the priesthood and the proceeds of an annual parish collection, legacies and specific donations to the Priests' Training Fund provide for the cost of education of students for the priesthood and for continuing formation.

Education

In partnership with the trustees of religious orders, the archdiocese provides a network of schools across a very wide and disparate geographical area embracing eight local education authorities and the Isle of Man.

The Education Department ensures that there is in its schools, at both primary and secondary levels, a place available for every baptised Catholic child. Successive external reports give testament to the enduring quality of the network of schools, which continue to place as much emphasis on personal, spiritual, and moral formation as on academic progress. In celebrating the uniqueness of the individual and fostering independence alongside responsibility to others, the archdiocesan schools strive to offer mutual support for the common good in the wider society.

Through the School Projects Fund, the archdiocese approved 185 individual capital and repair projects to the value of £17.89M in the year (2020: 157 projects, £11.98M). The projects were financed through several different funding sources including Voluntary-Aided Schools Condition Allocation (VASCA) that was introduced in April 2020 as a replacement for the Locally Coordinated Voluntary-Aided Programme (LCVAP).

The introduction of VASCA gives the archdiocese ultimate control over the allocation of grant funding to individual schools. The monies are now included as income in the Statement of Financial Activities and the change in treatment necessitated an adjustment in respect of monies received since April 2020. Further information is available in note 31 to the accounts. VASCA income amounted to £11.63M in the

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Education *(continued)*

year (2020: £14,73M). Expenditure on school building projects was £10.67M (2020: £3.85M) is now reflected at 100%, incorporating the commitment of VASCA grant and the archdiocesan 10% contribution to the cost of the individual projects. The archdiocesan level of contribution can only be achieved with the support of parishioners and parents who contribute to the annual school levy collection. The School Projects Fund benefited from £0.58M (2020: £0.54M) of donations from parents via archdiocesan schools but in acknowledgement of the pandemic impact on parish and parishioners' finances no contribution was sought from this source in 2020 or 2021.

The year witnessed the development of two Catholic multi academy trusts (MATs). The Pope Francis Catholic MAT will initially support two high schools and the St Joseph MAT will provide intensive support to a number of schools with directive academy orders. The MATs will add to the existing provision offered by the All Saints MAT, which to date contains two joint Catholic and Anglican high schools.

Maintaining the policy direction established in recent years, capital investment in schools and colleges continued to focus on improving building condition. This year around 87% of the school capital funding accessed by archdiocesan schools was targeted at maintaining and improving the fabric of our school buildings.

The year saw the continuation of significant investment targeted on the improvement in the condition of Catholic high school buildings in the Wigan local authority area. This long-term strategy aims to provide support in each Catholic high school in each of the two target areas to deliver a significant improvement in the overall quality of the school buildings. This year saw completion of the funding allocation for St Mary's school in Wigan and focus will now move on to Savio Salesian College in Bootle. Following a successful engagement with the Department of Education, St John Fisher high school in Wigan will be rebuilt through the government's School Rebuilding Programme, following the successful conclusion of a feasibility study during the year. Development work also progressed for the new build project at St Aloysius primary school in Knowsley.

During the year a whole-school condition-led redevelopment of St Paul's and St Timothy's infant school in Liverpool progressed to site and further progress was made in the significant refurbishments and redevelopment projects at St Oswald's primary school, Liverpool, and St Aidan's primary school in Wigan. A project to improve accessibility and suitability at St Mary's Little Crosby was also developed with view to future delivery. An additional programme of work focussing on addressing heating projects at 15 schools across the archdiocese was also implemented.

An element of funding of school building projects is paid directly to schools using a formulaic allocation known as devolved formula capital (DFC). Most schools in the archdiocese opt to pay their DFC allocations into an archdiocesan bank account within which they are maintained on an individual basis until they are drawn down by the school. At the year end, the archdiocese was holding £6.92M (2020: £7.58M) on behalf of schools.

Through the Schools' Voluntary Contribution Scheme, the archdiocese can offer an enhanced level of support to schools. Contributions of £0.28M in 2021 (2020: £0.30M) from archdiocesan schools enabled the Education Department to support the development of leadership teams and advise on selection and appointment processes through effective induction, in-service and advanced programmes of training following appointment. In 2021 a significant number of new appointments made by governing bodies were undertaken with the support of archdiocesan officers.

Property

Establishment costs remain the most significant area of expenditure for parishes, with £6.14M (2020: £5.70M) incurred in property running costs, which included repairs and maintenance costs of £3.32M in 2021 (2020: £2.98M).

Effective control exercised through the Finance Committee, which considers and recommends to the trustees repair projects costing in excess of £5,000, and the efforts of the in-house surveying team in obtaining value for money has ensured that building projects remained good value for money with trustee consideration and approval.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2021

Property *(continued)*

The management of the maintenance and repair programme ensures that churches and parish halls are open to the whole community to benefit not only spiritually but also practically from the provision of pastoral care and the many activities provided by our parishes to the wider community.

During the year work continued on the major restoration of the organ of the Metropolitan Cathedral. At a cost of £1.14M the project will provide for the renewal of mechanical and electrical components and other associated works. Providing safe access for long-term maintenance, the organ which plays a key role in the daily life of the cathedral was fully active in December 2022.

Employees

The employees of the Archdiocese of Liverpool make an immense contribution to the life of the archdiocese. Information about the archdiocesan activities is communicated to employees in several ways including email and intranet and regular meetings are held with staff on general and specific matters.

The Staff Association, which has representation from all areas of employment within the archdiocese and its subsidiaries, exists to enhance the contribution made by employees and to ensure that the wellbeing of staff is a priority consideration by the trustees and management in their decision-making. The association is a forum where staff can consider employment, health and safety and social matters. It also offers the trustees and senior management the opportunity to consult over proposed strategies, policies, and guidance. Staff are encouraged to voice their ideas as well as any concerns.

It is the policy of the archdiocese to consider job applications from disabled persons, having due regard to their aptitudes and abilities, and to provide opportunities for the retention and retraining of employees who become disabled during their employment. Equal opportunities are also given for the training, career development and promotion of disabled persons.

Annual pay changes are considered by the trustees, and job roles and remuneration are reviewed periodically. Archdiocesan benchmarking is employed when new roles are created or when significant roles become vacant.

Grants

The archdiocese is not primarily a grant-making charity. A small number of discretionary grants were made by the trustees to contribute towards the costs of initiatives run by other charities where their objects correlated with those of the archdiocese. Further information on this can be found in note 19 to the accounts.

Reserves policy

On 31 December 2021 the reserves were:

	2021 £000's	Restated ¹ 2020 £000's
Restricted funds	30,647	28,180
Unrestricted funds: - general	101,255	91,617
- designated	89,726	84,146
	221,628	203,943

Restricted funds represent unexpended balances from collections, donations, legacies, and grants restricted by donors to specific purposes including the Priests' Training Fund and Foundation Mass capital. Balances on specific building projects at the Metropolitan Cathedral represent amounts of grant-

¹ Further information on the restated amounts can be found in note 31

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Reserves policy *(continued)*

aid and other financial support invested in the fabric of the building. A breakdown of amounts restricted is given and the purpose of the restrictions is explained further in note 16.

Designated funds have been set aside by the trustees for several purposes including school projects, central funds, the George Andrew Fund, and the Metropolitan Cathedral.

To ensure that the reserves of the George Andrew and 2021 funds are enough to support priests in retirement, periodic actuarial reviews are undertaken. The 2021 Fund was set up as a successor to the George Andrew Fund in anticipation of an increase in the number of clergy needing retirement support from 2021 onwards. The outcome of the most recent review was confirmation that the level of reserves held was adequate to meet the likely future costs of retirement. At December 2021 reserves of these two funds amounted to £16.83M (2020: £15.33M). Reflecting the long-term nature of the support provided by these two designated funds, the level of reserves that would otherwise be classified as freely available is more than the general target set for other funds of the archdiocese.

The central funds of the archdiocese which have been designated to meet the costs of central archdiocesan initiatives and support costs were £49.65M in December 2021 (2020: £47.72M). The assets of the funds are primarily investment property and holdings in the unitised investment portfolio. The income generated from these investments contributes to the costs of centrally coordinated charitable activities and the support and governance cost obligations of the charity. The level of reserves held ensures that parishes are not required to contribute to central costs by way of an annual levy.

Although collectively our parishes are financially secure, those parishes without sufficient reserves rely on or benefit from the generosity of fellow parishes through the Assessment Fund and offset banking system.

Parishes make voluntary contributions to the Assessment Fund based on income. The Assessment Fund committee, which is made up of parish priests, considers written applications for support from parishes and distributes grants to those parishes in need. In focusing on parishes with negative reserves, the committee has contributed to an improvement in reserves in many parishes.

The level of aggregated reserves held for general parish purposes is broadly consistent with that of the rest of the archdiocese. The collective reserves of parishes have exceeded the target set by the trustees. Around 33% of parishes are managing their activities without any freely available reserves representing an improvement from 35% in 2020. Reserves in another 37 parishes are below the overall target of 36 months (2020: 33 parishes).

Despite the significant increase in transactions arising from daily sweep activities, the offset banking system continues to ensure that those parishes with limited resources are spared the additional cost of interest charges on bank overdrafts and builds on the Church's values of solidarity with the poor and the common good.

The level of freely available reserves is ordinarily determined as the amount of total unrestricted (including designated) funds less fixed assets as these assets could not be realised without undermining the work of the archdiocese. Typically, this reserve figure is expressed in terms of monthly expenditure. Under this definition, the level of reserves freely available to spend on any or all of the charity's purposes amounted to approximately 59 months' expenditure (2020: 51 months).

Taking into consideration the specific demands in respect of funds designated to meet the costs of clergy in retirement, the trustees consider any meaningful target for reserves to meet general expenditure should exclude these funds. At December 2021, 51 months of expenditure were available (2020: 45 months).

The level of net current assets held by the archdiocese amounted to £20.22M (2020: £17.79M) and represents 9.85 months (2020: 7.34 months) of expenditure at December 2021.

While aiming to maintain working capital or net current assets of between 4 to 6 months' expenditure, the trustees consider that an overall level of reserves equating to 51 months' expenditure is sufficient to enable the charity to fulfil all of its obligations and commitments. While investment

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Reserves policy *(continued)*

volatility has contributed to a change in the levels of reserves, as returns on cash management remain limited, it is felt the excess of reserves over 36 months is acceptable in the short to medium term. The trustees' expectations in respect of the desired levels of reserves in the longer term remain realistic.

Going concern

In preparing the financial statements, the trustees are required to prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation. In satisfaction of this responsibility the trustees have considered the charity's ability to meet its liabilities as they fall due for a period of at least 12 months from the signing date of the financial statements.

On 20 July 2022, a Charitable Incorporated Organisation, 'Archdiocese of Liverpool' was registered with the Charity Commission. The net assets and undertakings of the Liverpool Roman Catholic Archdiocesan Trust were transferred to the new entity, charity number 1199714, on 31 December 2022.

The net assets of the archdiocese have transferred to the new entity without impairment as the core objectives and activities remain consistent with the archdiocesan trust. The Charity Commission has categorised the archdiocesan trust as a linked charity of the new Charitable Incorporated Organisation.

Having regard to the challenging economic climate, the impact of the war in Ukraine and general economic uncertainty and other inflationary pressures, the trustees have made an assessment of the likely impact of these factors on the charity based on the latest available information.

The assessment has considered the direct consequences of significantly higher operating expenses, with particular reference to energy costs associated with the operation of churches and other parish properties. The trustees have considered the uncertainty arising from shortages of construction raw materials and the potential impact on the schools capital programme and the ongoing repair and maintenance of parish properties. An assessment of the potential impact of the present inflationary climate on the ability of donors to maintain their generous levels of voluntary giving has also been undertaken.

Forecasts have been prepared and reviewed for the forthcoming year, including a sensitivity analysis reflecting the uncertainties inherent in the current political and economic environment and have considered the potential impacts of various financial risks under a reverse stress test scenario.

The trustees conclude that it remains appropriate to prepare the financial statements on a going concern basis.

Plans for future periods

The proposals for action that emerged from the Synod as presented in the pastoral plan released at the start of Advent 2021 will drive the strategic direction of the archdiocese.

In becoming a Church that accompanies people through life, the Synod identified the key priority for the archdiocese is that it should look outwards and evangelise. The pastoral plan commits the archdiocese to the idea of 'accompaniment' as the paradigm within which the organisation operates. The trustees envisage this as impacting on every aspect of archdiocesan life with an aim to walk alongside all people in the joys and hopes, griefs and anxieties of the lives.

To become a Church that honours the vocation of all the baptised, the archdiocese is to be bold and creative in celebrating the call of Christ and in supporting people to respond. The trustees recognise the need to foster the gifts and callings of all the baptised, and to consider new models of leadership that engage directly with the realities of life today, building up collaboration and embedding synodality.

Becoming a Church where synodality is embedded and heeding the call of Pope Francis that the synodal model is the way of the Church in its third millennium, a new advisory body will replace the Archbishop's Council as the consultative body that meets regularly with the archbishop. Its membership

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Plans for future periods (continued)

will include lay people, as well as clergy. An archdiocesan synodal council will also be given the responsibility of monitoring the implementation of the pastoral plan.

To become a Church that renews its organisational structures and administers its property to serve its mission, the archdiocese has reorganised the 18 pastoral areas into 13 deaneries with a more stabilised and institutional grouping of various parishes.

In becoming a Church where young people and young adults flourish, the trustees intend to appoint a full-time youth adviser to create a networked youth ministry that brings together present and future provision across the archdiocese. The archdiocese will develop a Youth Council to bring concrete proposals to the agreed archdiocesan structures and increase support for Catholic life in schools by exploring a central archdiocesan chaplaincy structure.

Becoming a Church that cares for its priests, the archdiocese anticipates that the families of parishes created by the pastoral plan will encourage greater mutual support for archdiocesan priests. The archdiocese recognises that it is essential that the priests play an active role in developing plans in this regard and shall establish an externally facilitated process to explore with the priests of the archdiocese what needs to be developed to effectively support their flourishing in the human, spiritual, liturgical, theological, intellectual, and pastoral aspects of their lives.

Capital investment in schools and colleges will continue to focus on maintaining and improving building condition. Education Department officers will also continue to work closely and productively with central government to advocate for our schools on matters of education capital policy and with local authority colleagues to ensure that there continue to be sufficient places across the archdiocese to meet overall Catholic demand. The new year will see a movement to a new system of capital administration by the Department for Education, with school condition allocations aggregated to diocese level in a single allocation, along with greater flexibility at local level to move funding between financial years. This development will support a more efficient and responsive programme delivery.

Demand remains very high for places in archdiocesan schools but there is a very high level of assurance that all Catholic children can obtain a place at a local Catholic school. Work will continue to consider admission numbers that maintain our offer of sufficient places to Catholic families and which also deliver strong and sustainable schools. Where expansion or closures need to be considered officers will work closely with local and national government colleagues, and within the statutory school organisation frameworks, to take appropriate action.

Education department officers will work with the new MATs and the Department for Education to ensure that those schools converting to academy status can be fully and appropriately supported, and that appropriate governance, operational, and administrative structures are established to ensure that the focus of the academies continues to be on the provision of high quality education.

Volunteers

The trustees acknowledge the hard work of so many volunteers in our parishes who help in financial and property administration and also those who are involved in what are a variety of roles that assist in the life and service of the Church and trust and the wider society. They wish to thank them all for all their hard work and dedicated commitment to these aspects of the life of the Church. The monetary value of the volunteers' time is impossible to quantify.

In summary, the overall picture is one of consolidation and improvement of existing resources. The trustees are budgeting carefully in response to archdiocesan needs and priorities to preserve the level of reserves and maintain commitments to existing services, whilst also being able to periodically consider new initiatives in line with the pastoral plan.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Auditor

In respect of each trustee at the date the trustees report is signed:

- So far as we are aware, there is no information needed by the charity's auditor in connection with preparing their report (relevant audit information) of which they are unaware, and
- As the trustees of the charity, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

A resolution to reappoint BDO LLP as auditors for the ensuing year will be proposed.

Signed on behalf of the trustees



Rev Mgr J Devine OBE
Episcopal Vicar for Finance

14 July 2023

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
FOR THE YEAR ENDED 31 DECEMBER 2021

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2021 and of the group's incoming resources and application of resources 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.

We have audited the financial statements of Liverpool Roman Catholic Archdiocesan Trust ("the parent charity") and its subsidiaries ("the group") for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the charity statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the group and the parent charity in accordance with the ethical requirements 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.

Conclusions related 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 group and the parent 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
FOR THE YEAR ENDED 31 DECEMBER 2021

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 Act 2011 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the trustees' annual report; or
- adequate accounting records have not been kept by the parent charity; or
- the parent charity 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, 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 determines 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 group's and the parent 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 group or the parent 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 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

Based on our understanding of the Charity and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the reporting framework (Charities SORP 2019, FRS 102 and the Charities Act 2011) and we considered the extent to which non-compliance might have a direct impact and material effect on the Charity Financial Statements or their continued operation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

**LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
FOR THE YEAR ENDED 31 DECEMBER 2021**

Extent to which the audit was capable of detecting irregularities, including fraud (continued)

The audit procedures to address the risks identified included:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions made by management in their significant accounting estimates and judgements, in particular investment properties;
- Identifying and testing journal entries posted to the financial statements;
- Discussions with management and trustees, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud; and
- Reading minutes of meetings of those charged with governance and reviewing any correspondence with Charity Commission.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with the Charities Act 2011. 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.

DocuSigned by:
BDO LLP
73D9B18FE9AC459...
BDO LLP, statutory auditor

London, UK

Date 14 July 2023

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Parochial Restricted Funds £000's	TOTAL Parochial Funds £000's	Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	TOTAL Curial Funds £000's	TOTAL 2021 £000's
INCOME FROM										
Donations and legacies										
Collections and donations	3.1	7,248	583	599	8,430	177	-	41	218	8,648
Legacies		904	-	78	982	94	268	42	404	1,386
Grants	3.2	87	-	11,625	11,712	66	507	-	573	12,285
Other trading activities										
Fundraising	3.3	152	-	-	152	5,934	-	-	5,934	6,086
Investment income	3.4	1,666	275	7	1,948	484	2,354	161	2,999	4,947
Charitable activities	4	66	-	-	66	380	1,204	-	1,584	1,650
Other										
Net gains on disposal of assets		51	-	-	51	-	37	-	37	88
TOTAL INCOME		10,174	858	12,309	23,341	7,135	4,370	244	11,749	35,090
EXPENDITURE ON										
Raising Funds	5	213	28	1	242	6,789	295	19	7,103	7,345
Charitable activities										
Ministry support	6.1	1,209	-	-	1,209	44	1,010	212	1,266	2,475
Pastoral and community	6.2	3,257	-	447	3,704	750	2,243	142	3,135	6,839
Education	6.3	-	1,368	9,302	10,670	631	1,018	-	1,649	12,319
Provision for worship	6.4	6,138	-	-	6,138	401	633	-	1,034	7,172
TOTAL EXPENDITURE		10,817	1,396	9,750	21,963	8,615	5,199	373	14,187	36,150
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS		(643)	(538)	2,559	1,378	(1,480)	(829)	(129)	(2,438)	(1,060)
Net gains on investments	10	10,207	1,180	48	11,435	805	5,847	658	7,310	18,745
NET INCOME / (EXPENDITURE) AFTER INVESTMENT GAINS		9,564	642	2,607	12,813	(675)	5,018	529	4,872	17,685
TRANSFERS BETWEEN FUNDS	25	606	(250)	(643)	(287)	143	170	(26)	287	-
NET MOVEMENT IN FUNDS		10,170	392	1,964	12,526	(532)	5,188	503	5,159	17,685
Fund balances at 1 January 2021 (restated ¹)		81,852	1,237	13,544	96,633	9,765	82,909	14,636	107,310	203,943
FUND BALANCES AT 31 DECEMBER 2021	26	92,022	1,629	15,508	109,159	9,233	88,097	15,139	112,469	221,628

All amounts relate to continuing operations.
The notes on pages 29 to 72 form part of these accounts.

¹ Further information on the restated amounts can be found in note 31

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Restated ¹ Parochial Restricted Funds £000's	Restated ¹ TOTAL Parochial Funds £000's	Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	TOTAL Curial Funds £000's	Restated ¹ TOTAL 2020 £000's
INCOME FROM										
Donations and legacies										
Collections and donations	3.1	6,347	546	598	7,491	121	58	30	209	7,700
Legacies		208	-	-	208	31	9	209	249	457
Grants	3.2	357	-	14,725	15,082	214	200	-	414	15,496
Other trading activities										
Fundraising	3.3	61	-	-	61	5,120	-	-	5,120	5,181
Investment income	3.4	1,588	243	6	1,837	424	2,514	134	3,072	4,909
Charitable activities	4	59	-	-	59	357	955	-	1,312	1,371
Other										
Net gains on disposal of assets		23	-	-	23	-	-	-	-	23
TOTAL INCOME		8,643	789	15,329	24,761	6,267	3,736	373	10,376	35,137
EXPENDITURE ON										
Raising Funds	5	107	25	1	133	7,459	350	14	7,823	7,956
Charitable activities										
	6									
Ministry support	6.1	1,397	-	-	1,397	43	1,374	288	1,705	3,102
Pastoral and community	6.2	3,429	-	463	3,892	866	2,419	124	3,409	7,301
Education	6.3	-	786	3,061	3,847	764	1,449	-	2,213	6,060
Provision for worship	6.4	5,705	-	-	5,705	389	575	-	964	6,669
TOTAL EXPENDITURE		10,638	811	3,525	14,974	9,521	6,167	426	16,114	31,088
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS / (LOSSES)		(1,995)	(22)	11,804	9,787	(3,254)	(2,431)	(53)	(5,738)	4,049
Net gains / (losses) on investments		116	(549)	(21)	(454)	(301)	(2,338)	(305)	(2,944)	(3,398)
NET INCOME AFTER INVESTMENT GAINS / (LOSSES)		(1,879)	(571)	11,783	9,333	(3,555)	(4,769)	(358)	(8,682)	651
TRANSFERS BETWEEN FUNDS										
		166	(312)	(130)	(276)	143	170	(37)	276	-
NET MOVEMENT IN FUNDS		(1,713)	(883)	11,653	9,057	(3,412)	(4,599)	(395)	(8,406)	651
Fund balances at 1 January 2020		83,565	2,120	1,891	87,576	13,177	87,508	15,031	115,716	203,292
FUND BALANCES AT 31 DECEMBER 2020		81,852	1,237	13,544	96,633	9,765	82,909	14,636	107,310	203,943

All amounts relate to continuing operations.

The notes on pages 29 to 72 form part of these accounts

¹ Further information on the restated amounts can be found in note 31

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Parochial Restricted Funds £000's	TOTAL Parochial Funds £000's	Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	TOTAL Curial Funds £000's	TOTAL 2021 £000's
INCOME FROM										
Donations and legacies										
Collections and donations	3.1	7,248	583	599	8,430	176	-	41	217	8,647
Legacies		904	-	78	982	94	268	42	404	1,386
Grants	3.2	87	-	11,625	11,712	62	507	-	569	12,281
Other trading activities										
Fundraising	3.3	152	-	-	152	15	-	-	15	167
Investment income	3.4	1,666	275	7	1,948	311	2,354	161	2,826	4,774
Charitable activities	4	66	-	-	66	380	1,204	-	1,584	1,650
Other										
Net gains on disposal of assets		51	-	-	51	-	37	-	37	88
TOTAL INCOME		10,174	858	12,309	23,341	1,038	4,370	244	5,652	28,993
EXPENDITURE ON										
Raising Funds	5	213	28	1	242	9	295	19	323	565
Charitable activities	6									
Ministry Support	6.1	1,209	-	-	1,209	44	1,010	212	1,266	2,475
Pastoral and Community	6.2	3,257	-	447	3,704	579	2,243	141	2,963	6,667
Education	6.3	-	1,368	9,302	10,670	-	1,018	-	1,018	11,688
Provision for worship	6.4	6,138	-	-	6,138	401	633	-	1,034	7,172
TOTAL EXPENDITURE		10,817	1,396	9,750	21,963	1,033	5,199	372	6,604	28,567
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS		(643)	(538)	2,559	1,378	5	(829)	(128)	(952)	426
Net gains on investments	10	10,207	1,180	48	11,435	299	5,847	658	6,804	18,239
NET INCOME AFTER INVESTMENT GAINS		9,564	642	2,607	12,813	304	5,018	530	5,852	18,665
TRANSFERS BETWEEN FUNDS	25	606	(250)	(643)	(287)	(30)	170	30	170	(117)
NET MOVEMENT IN FUNDS		10,170	392	1,964	12,526	274	5,188	560	6,022	18,548
Fund balances at 1 January 2021 (restated ¹)		81,852	1,237	13,544	96,633	10,467	82,575	14,359	107,401	204,034
FUND BALANCES AT 31 DECEMBER 2021	26	92,622	1,629	15,508	109,159	10,741	87,763	14,919	113,423	222,582

All amounts relate to continuing operations
The notes on pages 29 to 72 form part of these accounts.

¹ Further information on the restated amounts can be found in note 31

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Restated ¹ Parochial Restricted Funds £000's	Restated ¹ TOTAL Parochial Funds £000's	Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	TOTAL Curial Funds £000's	Restated ¹ TOTAL 2020 £000's
INCOME FROM										
Donations and legacies										
Collections and donations	3.1	6,347	546	598	7,491	121	58	30	209	7,700
Legacies		208	-	-	208	31	9	209	249	457
Grants	3.2	357	-	14,725	15,082	123	200	-	323	15,405
Other trading activities										
Fundraising	3.3	61	-	-	61	14	-	-	14	75
Investment income	3.4	1,588	243	6	1,837	305	2,514	134	2,953	4,790
Charitable activities	4	59	-	-	59	357	955	-	1,312	1,371
Other										
Net gains on disposal of assets		23	-	-	23	-	-	-	-	23
TOTAL INCOME		8,643	789	15,329	24,761	951	3,736	373	5,060	29,821
EXPENDITURE ON										
Raising Funds	5	107	25	1	133	21	350	14	385	518
Charitable activities										
Ministry Support	6.1	1,397	-	-	1,397	43	1,374	288	1,705	3,102
Pastoral and Community	6.2	3,429	-	463	3,892	732	2,419	123	3,274	7,166
Education	6.3	-	786	3,061	3,847	-	1,449	-	1,449	5,296
Provision for worship	6.4	5,705	-	-	5,705	389	575	-	964	6,669
TOTAL EXPENDITURE		10,638	811	3,525	14,974	1,185	6,167	425	7,777	22,751
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS		(1,995)	(22)	11,804	9,787	(234)	(2,431)	(52)	(2,717)	7,070
Net gains on investments	10	116	(549)	(21)	(454)	(119)	(2,338)	(305)	(2,762)	(3,216)
NET INCOME AFTER INVESTMENT GAINS		(1,879)	(571)	11,783	9,333	(353)	(4,769)	(357)	(5,479)	3,854
TRANSFERS BETWEEN FUNDS	25	166	(312)	(130)	(276)	83	170	19	272	(4)
NET MOVEMENT IN FUNDS		(1,713)	(883)	11,653	9,057	(270)	(4,599)	(338)	(5,207)	3,850
Fund balances at 1 January 2020		83,565	2,120	1,891	87,576	10,737	87,174	14,697	112,608	200,184
FUND BALANCES AT 31 DECEMBER 2020	26	81,852	1,237	13,544	96,633	10,467	82,575	14,359	107,401	204,034

All amounts relate to continuing operations.
The notes on pages 29 to 72 form part of these accounts.

¹ Further information on the restated amounts can be found in note 31

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2021

	Notes	Parochial 2021 £000's	Curial 2021 £000's	Total 2021 £000's	Restated ¹ Parochial 2020 £000's	Curial 2020 £000's	Restated ¹ Total 2020 £000's
FIXED ASSETS							
Tangible assets							
- investment properties	11.1	19,488	12,669	32,157	15,020	15,154	30,174
- other	11.3	12,050	18,762	30,812	11,759	19,080	30,839
		31,538	31,431	62,969	26,779	34,234	61,013
Investments	12.1	59,814	78,629	138,443	53,843	71,330	125,173
Total Fixed Assets		91,352	110,060	201,412	80,622	105,564	186,186
CURRENT ASSETS							
Stock		-	222	222	-	119	119
Debtors							
- due within one year	13	2,288	2,001	4,289	4,080	2,032	6,112
Balance at bank		13,310	17,047	30,357	10,739	14,081	24,820
		15,598	19,270	34,868	14,819	16,232	31,051
CREDITORS							
- amounts falling due within one year	14	(7,184)	(7,468)	(14,652)	(8,543)	(4,714)	(13,257)
Inter designation balances	1.21	9,393	(9,393)	-	9,735	(9,735)	-
NET CURRENT ASSETS		17,807	2,409	20,216	16,011	1,783	17,794
Provisions for liabilities							
Deferred taxation	15	-	-	-	-	(37)	(37)
NET ASSETS		109,159	112,469	221,628	96,633	107,310	203,943
ACCUMULATED FUNDS							
Restricted funds	16	15,508	15,139	30,647	13,544	14,636	28,180
Unrestricted funds							
- Designated	17	1,629	88,097	89,726	1,237	82,909	84,146
- General		92,022	9,233	101,255	81,852	9,765	91,617
		109,159	112,469	221,628	96,633	107,310	203,943

The financial statements were approved and authorised for issue by the trustees on 14 July 2023 and signed on their behalf by

Melanie P. McAlister

Chairman of the trustees

The notes on pages 29 to 72 form part of these accounts.

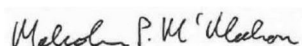
¹ Further information on the restated amounts can be found in note 31

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CHARITY BALANCE SHEET AT 31 DECEMBER 2021

	Notes	Parochial 2021 £000's	Curial 2021 £000's	Total 2021 £000's	Restated ¹ Parochial 2020 £000's	Curial 2020 £000's	Restated ¹ Total 2020 £000's
FIXED ASSETS							
Tangible assets							
- investment properties	11.2	19,488	11,079	30,567	15,020	13,604	28,624
- other	11.4	12,050	4,736	16,786	11,759	4,583	16,342
		31,538	15,815	47,353	26,779	18,187	44,966
Investments	12.2	59,814	73,989	133,803	53,843	67,205	121,048
Investment in related companies	12.3	-	22,558	22,558	-	22,558	22,558
Total Fixed Assets		91,352	112,362	203,714	80,622	107,950	188,572
CURRENT ASSETS							
Debtors							
- due within one year	13	2,288	1,523	3,811	4,080	1,335	5,415
Balance at bank		13,310	23,733	37,043	10,739	21,346	32,085
		15,598	25,256	40,854	14,819	22,681	37,500
LIABILITIES							
Creditors							
- amounts falling due within one year	14	(7,184)	(1,785)	(8,969)	(8,543)	(1,813)	(10,356)
Inter designation balances	1.21	9,393	(22,410)	(13,017)	9,735	(21,417)	(11,682)
NET CURRENT ASSETS		17,807	1,061	18,868	16,011	(549)	15,462
NET ASSETS		109,159	113,423	222,582	96,633	107,401	204,034
ACCUMULATED FUNDS							
Restricted funds	16	15,508	14,919	30,427	13,544	14,359	27,903
Unrestricted funds							
- Designated	17	1,629	87,763	89,392	1,237	82,575	83,812
- General		92,022	10,741	102,763	81,852	10,467	92,319
		109,159	113,423	222,582	96,633	107,401	204,034

The financial statements were approved and authorised for issue by the trustees on 14 July 2023 and signed on their behalf by



Chairman of the trustees

The notes on pages 29 to 72 form part of these accounts.

¹ Further information on the restated amounts can be found in note 31

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £'000s	Restated ¹ 2020 £'000s
Cash flows from operating activities		
Net movement in funds	17,685	651
Adjustments for:		
Depreciation, impairment, and amortisation of fixed assets	1,103	1,463
Donation of property	(143)	-
Net interest receivable	(5)	(42)
Dividend income from fixed and current asset investments	(3,858)	(3,621)
Difference between net pension expense and cash contribution	(26)	(39)
Decrease in trade and other debtors	1,729	29
(Increase) / decrease in stocks	(103)	213
(Decrease) / increase in trade and other creditors	(279)	1,065
Decrease in provisions	(37)	-
Gains on revaluation of investment properties	(5,114)	(2,917)
(Gains) / losses on revaluation of investments	(13,631)	6,315
Profit on disposal of assets	(88)	(23)
Net cash (outflow) / inflow from operating activities	(2,767)	3,094
Cash flows from investing activities		
Proceeds from sale of tangible fixed assets	2,597	1,396
Purchases of tangible fixed assets	(314)	(411)
Interest received	5	42
Dividends received on fixed asset investments	3,956	3,741
Purchase of investments	-	-
Proceeds from sale of investments	360	321
Net cash from investing activities	6,604	5,089
Cash flows from financing activities		
New loans received	1,700	-
Net cash inflow from financing	1,700	-
Net increase in cash and cash equivalents	5,537	8,183
Cash and cash equivalents at beginning of year	24,820	16,637
Cash and cash equivalents at end of year	30,357	24,820
Cash and cash equivalents comprise:		
Cash at bank and in hand	30,357	24,820

¹ Further information on the restated amounts can be found in note 31

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CONSOLIDATED CASH FLOW STATEMENT (continued) FOR THE YEAR ENDED 31 DECEMBER 2021

Analysis of changes in net debt	At 1 January 2021	Cashflows	Other non- cash movements	At 31 December 2021
Cash at bank and in hand	24,820	5,537	-	30,357
Debt due within one year	-	1,700	-	1,700
Total	<u>24,820</u>	<u>7,237</u>	<u>-</u>	<u>32,057</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

1 PRINCIPAL ACCOUNTING POLICIES

1.1 Charity information

Liverpool Roman Catholic Archdiocesan Trust is a charity registered in England and Wales under the Charities Act 2011. The registered office is stated on the reference and administrative details page and the principal objective and activity of the charity is stated in the Report of the Trustees.

1.2 Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments and investment properties which are included at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (Charities SORP (FRS 102)), the Charities Act 2011 and applicable reporting standards.

Liverpool Roman Catholic Archdiocesan Trust meets the definition of a public benefit entity under FRS 102.

The accounts are presented in sterling and are rounded to the nearest £1,000.

1.3 Going Concern

In preparing these financial statements, the trustees are required to prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation. In satisfaction of this responsibility the trustees have considered the charity's ability to meet its liabilities as they fall due for a period of at least 12 months from signing date of the financial statements.

Having regard to the challenging economic climate, the impact of the war in Ukraine and general economic uncertainty and other inflationary pressures, the trustees have made an assessment of the likely impact of these factors on the charity based on the latest available information.

The assessment has considered the direct consequences of significantly higher operating expenses, with particular reference to energy costs associated with the operation of churches and other parish properties. The trustees have considered the uncertainty arising from shortages of construction raw materials and the potential impact on the schools capital programme and the ongoing repair and maintenance of parish properties. An assessment of the potential impact of the present inflationary climate on the ability of donors to maintain their generous levels of voluntary giving has also been undertaken.

The trustees have considered the period of 12 months from the date of approval of these accounts and have reviewed working capital requirements for the period. As part of this review, reverse stress testing has also been performed, considering the potential disruptions and reductions in income over the coming months as well as the level of investment returns.

Although the Covid-19 pandemic and the climate of general economic uncertainty has impacted the finances and reserves of the charity, the trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due based on the carrying value of the assets held by the charity including cash, listed investments and investment property.

The trustees therefore conclude that it remains appropriate to continue to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being appropriate.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

1.4 Basis of consolidation

The consolidated financial statements include those of the subsidiary undertakings, as shown in note 22, which are consolidated on a line-by-line basis using appropriate headings for those subsidiaries which prepare their accounts under the Companies Act or SORP formats.

The consolidated accounts also include the net assets and transactions of other charities under the control of the charity.

The accounts do not include the net assets and results of connected charities as these entities are not under the control of the trustees.

The charity has taken advantage of the exemption from preparing a charity cash flow statement.

1.5 Incoming resources

Incoming resources are included in the Statement of Financial Activities once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income from trading activities is included in the period that the relevant services are provided or goods supplied.

Legacies and donations are recognised when receipt is probable, the archdiocese becomes legally entitled to them and they can be measured in financial terms with sufficient reliability.

Collections and fundraising income is recognised on receipt. Investment income, which includes rental income, is recognised when receivable.

Grants receivable are included in the Statement of Financial Activities as soon as the conditions attaching to the grant are satisfied. Grants are mainly in relation to capital projects. Included within the grants figure on the statement of financial activities is £11,625k (2020: £14,725k) in relation to VASCA (Voluntary-Aided Schools Condition Allocation) grants from the Department for Education, £152k (2020: £540k) in relation to amounts received under the Coronavirus Job Retention Scheme "Furlough" and £10k from the Cathedral Choirs' Emergency Fund.

The charity receives substantial voluntary help in the work of the archdiocese, but it is not possible to place a financial value on this work and no amounts are therefore included in the financial statements for the value of services donated by volunteers. Gifts of fixed assets are included at valuation and the corresponding entry is recorded as donation income.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

1.6 Resources expended

Resources expended are included in the Statement of Financial Activities on the accruals basis. These are based on the amounts payable for work done or services provided in the year inclusive of irrecoverable VAT.

Costs of raising funds

Costs of raising funds comprises all costs relating to attracting voluntary income, the costs incurred in subsidiary trading and investment management fees.

Charitable activities

Expenditure on charitable activities includes the costs identified as wholly or mainly attributable to achieving the charitable objectives of the charity, including direct staff costs and other direct costs as well as support costs and costs relating to the governance of the charity apportioned to charitable activities

Governance costs

Governance costs are those costs related to the governance of the charity, to allow it to operate, and to generate information for public accountability. Direct costs include audit and accountancy, legal advice to trustees and costs of trustees' meetings.

Support costs

All support costs are borne by central funds and have been apportioned to governance costs and charitable activities. The share of support costs attributable to governance reflects costs incurred in the preparation of the statutory accounts and the remaining costs have been allocated pro-rata based upon the charitable activity's share of central expenditure.

1.7 Investments and investment gains and losses

Investments and investment properties are included in the financial statements at fair value at the balance sheet date. Investment properties are valued internally annually and are professionally valued on a rolling basis as part of a five-year programme. Listed investments are included in the balance sheet at bid price.

Realised and unrealised gains and losses on investments and investment properties are charged / credited to the Statement of Financial Activities.

Unrealised gains and losses are calculated as the movement in fair value during the year. Realised gains are calculated as the difference between disposal proceeds and market value brought forward.

1.8 Tangible fixed assets - other than property

The cost of computer equipment, office equipment and fixtures and fittings is capitalised and depreciation is provided to write off the original cost, less any estimated residual value, over the expected useful life of the assets concerned. The rates of depreciation applied are as follows:

	% of cost per annum
Computer equipment	25
Office equipment and fixtures and fittings	20

Suitable capitalisation thresholds are adopted in the entities comprising the archdiocese.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

1.9 Tangible fixed assets - Functional church property

Prior to 31 December 1997 capital expenditure on functional church property was written off in full as incurred.

At 31 December 1997 the trustees considered that a reasonable approximation of the net book value of the functional church property held would be established by discounting the insurance values of those assets by 90%. This was the policy employed to include these assets on the balance sheet at estimated historic cost net of accumulated depreciation.

From 1 January 1998 to 31 December 2008 the cost of functional church property was capitalised and depreciated over its expected useful life of 20 years. From 2009 listed properties and other functional church properties have been depreciated over useful economic lives of 100 years and 50 years respectively. Commercial properties are considered to have useful economic lives of 20 years.

From 1 January 2019 parochial functional property is depreciated by component over the remaining expected useful life of the individual component as set out below.

Building component	% of cost	Average remaining life in 2021	Expected useful life
Roof	30%	23	75
Walls, foundations	50%	98	100
Windows	5%	18	50
Heating installations	5%	8	20
Interior	5%	8	20
Electrical installations	5%	8	20

Works of art, treasures and plate are not capitalised in these accounts as they are historic, have extraordinarily long lives and are worth preserving in perpetuity. They are heritage assets for the purposes of Charities SORP (FRS 102). The trustees consider that it would be prejudicial to the safe custody of these assets to disclose details of their values and usage in the accounts.

Where functional church property is no longer operational, impairment is fully recognised unless there is an investment value, in which case the property is transferred to investment properties.

1.10 Tangible fixed assets - School property

The freehold of the land and buildings legally owned by the archdiocese and occupied rent-free on behalf of the trustees of the governing bodies of catholic voluntary aided schools, which are separate charities and publicly funded, are valued at £Nil. The trustees consider that no meaningful value can be attributed to these assets, since they are not used directly by the archdiocese, do not generate income, and cannot be disposed of in the open market or put to alternative use while such occupation, which may be indefinite, continues.

1.11 Impairment

The carrying amounts of the archdiocese's fixed assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount and is recognised in the Statement

1.12 Stocks

Stocks are stated at the lower of cost and net realisable value.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

1.13 Pension scheme

The charity and eligible employees make defined contributions to a group personal pension scheme. Contributions are also paid to the Teachers' Pension Superannuation Fund (TPS), a defined benefit scheme, on which further information is given in note 21 to the financial statements. As the TPS is a multi-employer scheme with assets and liabilities that cannot be separated, contributions payable are charged as Resources Expended in the Consolidated Statement of Financial Activities.

1.14 Operating leases

Operating leases in respect of equipment are charged as resources expended on a straight-line basis over the period of the lease. Such operating leases mainly relate to parishes and parish centres. Rentals receivable under operating leases are recognised on a straight-line basis over the period of lease term.

1.15 Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments are measured at cost less impairment.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which approximates to the amount that the charity would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset, and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

1.16 Recognition of liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation committing the archdiocese to pay out resources.

1.17 Liquid resources

Liquid resources are those associated with the cash management of the archdiocese.

1.18 Fund accounting

The funds within the archdiocese are split between Curial and Parochial. Curial Funds can be used across the whole of the archdiocese whereas Parochial Funds comprise funds relating to the individual parishes. These funds are shown separately and subdivided in the financial statements as follows.

Restricted funds

Restricted funds are funds that are used in accordance with specific restrictions imposed by donors or that have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. Details of the restricted funds held are provided in note 16 to the financial statements.

Unrestricted funds - Designated

Designated funds are unrestricted funds that have been set aside by the trustees for specific purposes and are detailed in note 17 to the financial statements.

Unrestricted funds - General

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the objects of the charity and which have not been designated for other purposes.

1.19 Agency arrangements

The archdiocese acts as agent in the collection of grants from government, local authorities and other funds, and payment of approved invoices for school building projects on behalf of Catholic schools in the archdiocese. This income and expenditure is excluded from the income and expenditure of the charity and any balances due from or held on behalf of schools are shown within debtors and creditors.

Voluntary-Aided Schools Condition Allocation (VASCA) grants and the associated allocation to individual school projects are recognised as income and expenditure as the archdiocese is not considered an agent of the Department of Education in this respect. See note 24.

1.20 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Financial Activities.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

1.20 Current and deferred taxation (*continued*)

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

1.21 Inter designation balances

Inter designation balances represent financial interdependencies and interactions between dedicated funds and other operating units of the charity.

2 KEY ESTIMATES AND JUDGEMENTS

In preparing these financial statements, the trustees have had to make the following judgments:

- Determine whether leases entered into by the group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.
- Determine whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- Determine whether there are indicators of impairment in the carrying value of investments in subsidiary undertakings. Factors taken into consideration in reaching such a decision include the economic viability and expected future income generating potential of the subsidiary entity.

Other key sources of estimation uncertainty:

Tangible fixed assets (see note 11)

- Tangible fixed assets, other than investments properties, are depreciated over their useful lives considering residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on several factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- Investment properties are valued internally annually and are professionally valued on a rolling basis as part of a five-year programme. Valuations are made considering periodic external valuations, derived from current market rents and property yields for comparable real estate, adjusted, if necessary, for any difference in nature, location, or condition. Judgement is required in assessing the appropriateness of the assumptions and methodology in determining the fair value of investment properties.

Investments (see note 12)

- Estimates, assumptions, and judgments relate to the determination of carrying value of investments at fair value through the Statement of Financial Activities, the group follows the International Private Equity and Venture Capital Valuation Guidelines, applying the overriding concept that fair value is the amount for which an asset can be exchanged between knowledgeable willing parties in an arm's length transaction. The nature, facts and circumstances of the investment drives the valuation methodology.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

3 INCOME	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2021 £000's	2020 £000's
3.1 Collections and donations					
PAROCHIAL					
Group and Charity					
Collections	4,595	-	599	5,194	4,534
Donations	2,048	583	-	2,631	2,436
Gift Aid rebates	605	-	-	605	521
	<u>7,248</u>	<u>583</u>	<u>599</u>	<u>8,430</u>	<u>7,491</u>
CURIAL					
Group and Charity					
Collections	55	-	5	60	45
Donations	122	-	36	158	164
	<u>177</u>	<u>-</u>	<u>41</u>	<u>218</u>	<u>209</u>
TOTAL – GROUP AND CHARITY	<u>7,425</u>	<u>583</u>	<u>640</u>	<u>8,648</u>	<u>7,700</u>

Total income for the group and charity from collections and donations was £8,648K (2020: £7,700K). The income comprised unrestricted income of £7,425K (2020: £6,468K), designated income of £583K (2020: £604K) and restricted income of £640k (2020: £628K)

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

3.2 Grants	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2021 £000's	Restated¹ 2020 £000's
PAROCHIAL					
Group and Charity					
Voluntary-Aided Schools	-	-	11,625	11,625	14,725
Condition Allocation Grants					
Other grants	87	-	-	87	357
	<u>87</u>	<u>-</u>	<u>11,625</u>	<u>11,712</u>	<u>15,082</u>
CURIAL					
Group					
Other	66	507	-	573	414
Less income from trading subsidiaries	(4)	-	-	(4)	(91)
Charity	<u>62</u>	<u>507</u>	<u>-</u>	<u>569</u>	<u>323</u>
TOTAL - GROUP	<u>153</u>	<u>507</u>	<u>11,625</u>	<u>12,285</u>	<u>15,496</u>
TOTAL - CHARITY	<u>149</u>	<u>507</u>	<u>11,625</u>	<u>12,281</u>	<u>15,405</u>

Total group grant income was £12,285K (2020 restated¹: £15,496K). The income comprised unrestricted income of £153k (2020: £571K), designated income of £507K (2020: £200K) and restricted income of £11,625K (2020 restated¹: £14,725K).

Total charity grant income was £12,281K (2020 restated¹: £15,405K). The income comprised unrestricted income of £149K (2020: £480K), designated income of £507K (2020 restated¹: £200K) and restricted income of £11,625K (2020: £14,725K).

¹ Further information on the restated amounts can be found in note 31

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

3.3 Fundraising	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2021 £000's	2020 £000's
PAROCHIAL					
Group and Charity					
Parish events and other fundraising activities	152	-	-	152	61
	<u>152</u>	<u>-</u>	<u>-</u>	<u>152</u>	<u>61</u>
CURIAL					
Group					
Income from trading subsidiaries	5,919	-	-	5,919	5,106
Other	15	-	-	15	14
	<u>5,934</u>	<u>-</u>	<u>-</u>	<u>5,934</u>	<u>5,120</u>
Less income from trading subsidiaries	(5,919)	-	-	(5,919)	(5,106)
	<u>15</u>	<u>-</u>	<u>-</u>	<u>15</u>	<u>14</u>
Charity					
	<u>15</u>	<u>-</u>	<u>-</u>	<u>15</u>	<u>14</u>
TOTAL - GROUP	<u>6,086</u>	<u>-</u>	<u>-</u>	<u>6,086</u>	<u>5,181</u>
TOTAL - CHARITY	<u>167</u>	<u>-</u>	<u>-</u>	<u>167</u>	<u>75</u>

Total group fundraising income was £6,086K (2020: £5,181K). The income comprised unrestricted income of £6,086K (2020: £5,181).

Total charity fundraising income was £167K (2020: £75K). The income comprised unrestricted income of £167K (2020: £75K).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

3.4 Investment Income	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2021 £000's	2020 £000's
PAROCHIAL					
Group and Charity					
Income receivable from unitised portfolio	1,082	275	7	1,364	1,199
Rents and other income	584	-	-	584	638
	<u>1,666</u>	<u>275</u>	<u>7</u>	<u>1,948</u>	<u>1,837</u>
CURIAL					
Group					
Interest receivable	-	5	-	5	42
Income receivable from unitised portfolio	175	2,159	161	2,495	2,422
Rents and other income	309	190	-	499	608
	<u>484</u>	<u>2,354</u>	<u>161</u>	<u>2,999</u>	<u>3,072</u>
Less investment income from trading subsidiaries	(173)	-	-	(173)	(119)
Charity	<u>311</u>	<u>2,354</u>	<u>161</u>	<u>2,826</u>	<u>2,953</u>
TOTAL - GROUP	<u>2,150</u>	<u>2,629</u>	<u>168</u>	<u>4,947</u>	<u>4,805</u>
TOTAL - CHARITY	<u>1,977</u>	<u>2,629</u>	<u>168</u>	<u>4,774</u>	<u>4,790</u>

Total group investment income was £4,947K (2020: £4,805K). The income comprised unrestricted income of £2,150K (2020: £2,012K), designated income of £2,629K (2020: £2,653K) and restricted income of £168K (2020: £140K).

Total charity investment income was £4,774K (2020: £4,790K). The income comprised unrestricted income of £1,977K (2020: £1,893K), designated income of £2,629K (2020: £2,757K) and restricted income of £168K (2020: £140K).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

4 INCOME FROM CHARITABLE ACTIVITIES	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2021 £000's	2020 £000's
PAROCHIAL					
Group and Charity					
Piety stall	60	-	-	60	45
Newspapers	6	-	-	6	14
	<u>66</u>	<u>-</u>	<u>-</u>	<u>66</u>	<u>59</u>
CURIAL					
Group and Charity					
Cemetery fees	336	-	-	336	315
School Contribution Scheme	-	302	-	302	305
Inspection fees and course income	-	130	-	130	205
Other	44	772	-	816	487
	<u>380</u>	<u>1,204</u>	<u>-</u>	<u>1,584</u>	<u>1,312</u>
TOTAL – GROUP AND CHARITY	<u>446</u>	<u>1,204</u>	<u>-</u>	<u>1,650</u>	<u>1,371</u>

Total group and charity income from charitable activities was £1,650K (2020: £1,371K). The income comprised unrestricted income of £446K (2020: £416K) and designated income of £1,204K (2020: £955K).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

5 RAISING FUNDS	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2021 £000's	2020 £000's
PAROCHIAL					
Group and Charity					
Parish events and other fundraising activities	81	-	-	81	10
Investment management fees	132	28	1	161	123
	<u>213</u>	<u>28</u>	<u>1</u>	<u>242</u>	<u>133</u>
CURIAL					
Group					
Expenditure by subsidiaries	6,780	-	-	6,780	7,438
Other	9	295	19	323	385
	<u>6,789</u>	<u>295</u>	<u>19</u>	<u>7,103</u>	<u>7,823</u>
Less expenditure by subsidiaries	(6,780)	-	-	(6,780)	(7,438)
Add impairment in value of subsidiary company	-	-	-	-	-
Charity	<u>9</u>	<u>295</u>	<u>19</u>	<u>323</u>	<u>385</u>
TOTAL - GROUP	<u>7,002</u>	<u>323</u>	<u>20</u>	<u>7,345</u>	<u>7,956</u>
TOTAL - CHARITY	<u>222</u>	<u>323</u>	<u>20</u>	<u>565</u>	<u>518</u>

Total group expenditure on raising funds was £7,345K (2020: £7,956K). The expenditure comprised unrestricted expenditure of £7,002K (2020: £7,566K), designated expenditure of £323K (2020: £375K) and restricted expenditure of £20K (2020: £15K).

Total charity expenditure on raising funds was £565K (2020: £518K). The expenditure comprised unrestricted expenditure of £222K (2020: £128K), designated expenditure of £323K (2020: £375K) and restricted expenditure of £20K (2020: £15K).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

6 EXPENDITURE ON CHARITABLE ACTIVITIES	Unrestricted Funds £000's	Designated Funds £000's	Restated¹ Restricted Funds £000's	2021 £000's	Restated¹ 2020 £000's
PAROCHIAL					
6.1 Ministry Support					
Group and Charity					
Clergy allowances	1,002	-	-	1,002	965
Travel	104	-	-	104	107
Supply	45	-	-	45	39
Other	58	-	-	58	286
	<u>1,209</u>	<u>-</u>	<u>-</u>	<u>1,209</u>	<u>1,397</u>
6.2 Pastoral and Community					
Group and Charity					
Diocesan and other collections	-	-	447	447	463
Liturgical and pastoral costs	420	-	-	420	624
Lay personnel costs	1,277	-	-	1,277	1,395
Housekeeping and hospitality	419	-	-	419	211
Printing, postage, stationery	163	-	-	163	209
Equipment hire	157	-	-	157	162
Telephone	173	-	-	173	214
Professional fees	29	-	-	29	74
Other office	99	-	-	99	178
Piety stall	48	-	-	48	39
Newspapers	13	-	-	13	31
Miscellaneous	459	-	-	459	292
	<u>3,257</u>	<u>-</u>	<u>447</u>	<u>3,704</u>	<u>3,892</u>
6.3 Education					
Group and Charity					
School costs	<u>-</u>	<u>1,368</u>	<u>9,302</u>	<u>10,670</u>	<u>3,847</u>
6.4 Provision for worship					
Group and Charity					
Repairs and maintenance	3,322	-	-	3,322	2,984
Depreciation	429	-	-	429	449
Heat and light	1,221	-	-	1,221	1,074
Insurance	457	-	-	457	542
Council tax and water rates	387	-	-	387	406
Grounds maintenance	322	-	-	322	250
	<u>6,138</u>	<u>-</u>	<u>-</u>	<u>6,138</u>	<u>5,705</u>
TOTAL PAROCHIAL – GROUP AND CHARITY	<u>10,604</u>	<u>1,368</u>	<u>9,749</u>	<u>21,721</u>	<u>14,841</u>

¹ Further information on the restated amounts can be found in note 31

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021

6	EXPENDITURE ON CHARITABLE ACTIVITIES <i>(continued)</i>	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2021 £000's	2020 £000's
	CURIAL					
	6.1 Ministry Support					
	Group and Charity					
	Cathedral	44	-	-	44	43
	Priests' Training Fund	-	-	212	212	288
	Retirement costs	-	579	-	579	692
	Permanent Diaconate	-	44	-	44	81
	Sabbatical fund	-	3	-	3	-
	Share of central support costs	-	164	-	164	220
	Other	-	220	-	220	381
		<u>44</u>	<u>1,010</u>	<u>212</u>	<u>1,266</u>	<u>1,705</u>
	6.2 Pastoral and Community					
	Group					
	Cathedral	260	-	69	329	400
	Cemeteries	317	-	-	317	372
	Curia	-	21	-	21	5
	Tribunal	-	69	-	69	61
	Pastoral Development	-	239	-	239	321
	Justice and Peace	-	2	-	2	42
	Youth	-	117	-	117	129
	Safeguarding	-	94	-	94	145
	National levies	-	299	-	299	364
	Chaplaincies	-	313	-	313	269
	Ecumenical grants	-	24	-	24	27
	Share of central support costs	-	860	-	860	766
	Other	173	205	73	451	508
		<u>750</u>	<u>2,243</u>	<u>142</u>	<u>3,135</u>	<u>3,409</u>
	Less other costs associated with subsidiaries	<u>(171)</u>	<u>-</u>	<u>(1)</u>	<u>(172)</u>	<u>(135)</u>
	Charity	<u>579</u>	<u>2,243</u>	<u>141</u>	<u>2,963</u>	<u>3,274</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

6 EXPENDITURE ON CHARITABLE ACTIVITIES <i>(continued)</i>	Unrestricted Funds £000's	Designated Funds £000's	Restated¹ Restricted Funds £000's	2021 £000's	Restated¹ 2020 £000's
6.3 Education					
Group					
Education Department	631	627	-	1,258	1,744
Share of central support costs	-	391	-	391	469
	<u>631</u>	<u>1,018</u>	<u>-</u>	<u>1,649</u>	<u>2,213</u>
Less School Improvement Trust expenditure	(631)	-	-	(631)	(764)
Charity	<u>-</u>	<u>1,018</u>	<u>-</u>	<u>1,018</u>	<u>1,449</u>
6.4 Provision for worship					
Group and Charity					
Cathedral	401	21	-	422	391
Depreciation	-	145	-	145	140
Share of central support costs	-	235	-	235	185
Other	-	232	-	232	248
	<u>401</u>	<u>633</u>	<u>-</u>	<u>1,034</u>	<u>964</u>
TOTAL CURIAL - GROUP	<u>1,826</u>	<u>4,904</u>	<u>354</u>	<u>7,084</u>	<u>8,291</u>
TOTAL CURIAL - CHARITY	<u>1,024</u>	<u>4,904</u>	<u>353</u>	<u>6,281</u>	<u>7,392</u>
TOTAL - GROUP	<u>12,430</u>	<u>6,272</u>	<u>10,103</u>	<u>28,805</u>	<u>23,132</u>
TOTAL - CHARITY	<u>11,628</u>	<u>6,272</u>	<u>10,102</u>	<u>28,002</u>	<u>22,233</u>

Total group expenditure on charitable activities was £28,805K (2020: £23,132K). The expenditure comprised unrestricted expenditure of £12,430K (2020: £12,593K), designated expenditure of £6,272K (2020: £6,603K) and restricted expenditure of £10,103K (2020: £3,936K).

Total charity expenditure on charitable activities was £28,002K (2020: £22,233K). The expenditure comprised unrestricted expenditure of £11,628K (2020: £11,695K), designated expenditure of £6,272K (2020: £6,603K) and restricted expenditure of £10,102K (2020: £3,935K).

¹ Further information on the restated amounts can be found in note 31

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Ministry Support £000's	Pastoral and Community £000's	Education £000's	Provision for worship £000's	2021 £000's	2020 £000's
7 SUPPORT COSTS						
CURIAL						
Group and Charity						
Office administration and governance						
- Office of the Chief Operating Officer	61	318	144	87	610	636
- Finance Department	42	221	100	60	423	461
- Premises	17	89	41	24	171	162
- Bank charges and interest	20	107	48	29	204	197
- Audit fees	12	66	30	18	126	81
- Other curial	12	59	28	17	116	103
	<u>164</u>	<u>860</u>	<u>391</u>	<u>235</u>	<u>1,650</u>	<u>1,640</u>

All support costs are borne by central funds and have been apportioned to governance costs and charitable activities. The share of support costs attributable to governance reflects costs incurred in the preparation of the statutory accounts and the remaining costs have been allocated pro-rata based upon the charitable activity's share of central expenditure.

In addition, other amounts paid to the auditors in relation to the audit of subsidiary companies were £102,000 (2020: £91,097). These are included within expenditure on charitable activities.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

8 STAFF COSTS

	Total 2021 £000's	Total 2020 £000's
Clergy allowances	1,110	1,073
Wages and salaries	6,526	8,256
Social security costs	396	391
Pension costs	225	411
	8,257	10,131

	2021 No.	2020 No.
The average number of employees during the year was:		
Central employees	116	138
Parish employees (excludes parish clergy)	122	128
Parish club employees (including part-time staff)	261	355
	499	621

The average number of employees as a full-time equivalent during the year was 302 (2020: 371).

The number of employees whose emoluments including taxable benefits in kind, but excluding pension contributions amounted to over £60,000 in the year was in bands as follows:

	2021 No.	2020 No.
The average number of employees during the year was:		
£60,001 to £70,000	2	2
£70,001 to £80,000	1	1
£90,001 to £100,000	1	1
£120,001 to £130,000	-	1

The charity and eligible employees (see note 21) make defined contributions to a group personal pension scheme. The number of higher paid employees in the scheme in 2021 was 4 (2020:5). The total pension contributions made by the charity in respect of higher paid employees was £15,714 (2020: £23,459).

The day-to-day administrative, legal, and financial activity of the archdiocese is directed by the Chief Operating Officer and other members of the Senior Management Team who are the key management personnel of the charity. The total employment cost of key management personnel during the year was £271,392 (2020: £447,690).

9 TRUSTEES

Several of the trustees are clergy of the Liverpool Roman Catholic Archdiocesan Trust. The priests who are trustees are housed and remunerated by the archdiocese and are reimbursed expenses for carrying out their ministry in the same way as other priests of the archdiocese. The 9 (2020:12) trustees who were priests received £84,000 (2020: £94,627) in total remuneration during the year.

No trustee received any remuneration or expenses in respect of their services as a trustee during the year (2020 - £nil expenses).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021

10 Net gains / (losses) on investments	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2021 £000's	2020 £000's
PAROCHIAL					
Group and Charity					
Revaluation of investment properties	5,521	-	-	5,521	2,235
Unrealised gains on investments	4,686	1,180	48	5,914	(2,689)
	<u>10,207</u>	<u>1,180</u>	<u>48</u>	<u>11,435</u>	<u>(454)</u>
CURIAL					
Group					
Revaluation of investment properties	40	(447)	-	(407)	682
Unrealised gains on investments	765	6,294	658	7,717	(3,626)
	<u>805</u>	<u>5,847</u>	<u>658</u>	<u>7,310</u>	<u>(2,944)</u>
Less revaluation of investments subsidiaries	(506)	-	-	(506)	182
Charity	<u>299</u>	<u>5,847</u>	<u>658</u>	<u>6,804</u>	<u>(2,762)</u>
TOTAL - GROUP	<u>11,012</u>	<u>7,027</u>	<u>706</u>	<u>18,745</u>	<u>(3,398)</u>
TOTAL - CHARITY	<u>10,506</u>	<u>7,027</u>	<u>706</u>	<u>18,239</u>	<u>(3,216)</u>

11 TANGIBLE FIXED ASSETS

11.1 Investment property at valuation – Group

	Parochial £000's	Curial £000's	Total £000's
At 1 January 2021	15,020	15,154	30,174
Additions	-	143	143
Disposals	(316)	(2,221)	(2,537)
Transfers	(737)	-	(737)
Net surplus on revaluation	5,521	(407)	5,114
At 31 December 2021	<u>19,488</u>	<u>12,669</u>	<u>32,157</u>

11.2 Investment property at valuation - Charity

	Parochial £000's	Curial £000's	Total £000's
At 1 January 2021	15,020	13,604	28,624
Additions	-	143	143
Disposals	(316)	(2,221)	(2,537)
Transfers	(737)	-	(737)
Net surplus on revaluation	5,521	(447)	5,074
At 31 December 2021	<u>19,488</u>	<u>11,079</u>	<u>30,567</u>

Investment properties are included on a fair value basis. External revaluations were completed in November 2022 by Eddisons Real Estate and Business Valuers, Armistead Barnett, and Matthews Goodman and each entity is registered with the Royal Institute of Chartered Surveyors. A valuation exercise is performed annually by management and property valuations are informed by internal staff including a qualified chartered surveyor. The trustees have considered the valuations above as a fair reflection of the year end fair value.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

11.3 Other tangible fixed assets – Group	Parochial Property & Equipment £000's	Curial Fixtures & Equipment £000's	Curial Property £000's	Total £000's
Cost				
At 1 January 2021	35,407	1,270	28,522	65,199
Additions	-	97	260	357
Transfers	550	-	-	550
Disposals	(621)	(95)	(7)	(723)
At 31 December 2021	35,336	1,272	28,775	65,383
Depreciation				
At 1 January 2021	23,648	1,025	9,687	34,360
Charge for the year	429	131	543	1,103
Transfers	(187)	-	-	(187)
Disposals	(604)	(94)	(7)	(705)
Impairment				
At 31 December 2021	23,286	1,062	10,223	34,571
Net book value	12,050	210	18,552	30,812
At 31 December 2021				
At 31 December 2020	11,759	245	18,835	30,839
11.4 Other tangible fixed assets - Charity	Parochial Property & Equipment £000's	Curial Fixtures & Equipment £000's	Curial Property £000's	Total £000's
Cost				
At 1 January 2021	35,407	261	6,689	42,357
Additions	-	74	240	314
Transfers	550	-	-	550
Disposals	(621)	(13)	-	(634)
At 31 December 2021	35,336	322	6,929	42,587
Depreciation				
At 1 January 2021	23,648	199	2,168	26,015
Charge for the year	429	53	305	787
Transfers	(187)	-	-	(187)
Disposals	(604)	(12)	(198)	(814)
At 31 December 2021	23,286	240	2,275	25,801
Net book value	12,050	82	4,654	16,786
At 31 December 2021				
At 31 December 2020	11,759	62	4,521	16,342

All tangible fixed assets were used for charitable purposes.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

12 INVESTMENTS

12.1 Listed investments - Group	Unrestricted £000's	Designated £000's	Restricted £000's	Total £000's
At 1 January 2021	49,493	69,255	6,425	125,173
Transfers	280	(294)	14	-
Disposals	(149)	(193)	(19)	(361)
Net gain on revaluation	5,451	7,474	706	13,631
At 31 December 2021	55,075	76,242	7,126	138,443

There are no individual investments which comprise greater than 5% of the value of the portfolio.

All the quoted fixed asset investments are listed on a recognised Stock Exchange. Listed investments are included in the balance sheet at bid price.

At 31 December 2021 the investment portfolio was split into two funds managed by BlackRock Investment Management (UK) Limited and Rathbone Investment Management Limited respectively.

The investment funds are comprised of:

	2021 £000's	2020 £000's
UK Equities	54,916	51,652
Non-UK Equities	47,259	39,388
UK government securities and other fixed interest stocks	16,619	15,965
UK Property Unit Trusts	13,181	11,193
Cash instruments	6,468	6,975
	138,443	125,173

12.2 Listed investments - Charity	Unrestricted £000's	Designated £000's	Restricted £000's	Total £000's
At 1 January 2021	45,368	69,255	6,425	121,048
Transfers	207	(294)	14	(73)
Disposals	(128)	(192)	(18)	(338)
Net gain on revaluation	4,985	7,475	706	13,166
At 31 December 2021	50,432	76,244	7,127	133,803

There are no individual investments which comprise greater than 5% of the value of the portfolio.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

12 INVESTMENTS *(continued)*

12.3 Investments in subsidiaries	Total £000's
At 1 January 2021 and 31 December 2021	22,558

Investments in related companies comprise the cost of shareholdings in the subsidiary companies listed in note 22.

13 DEBTORS	Parochial	Curial	Total 2021	Total 2020
Group	£000's	£000's	£000's	£000's
Due within one year				
Trade debtors	-	898	898	446
Other debtors	-	246	246	2,806
Prepayments and accrued income	2,288	857	3,145	2,860
TOTAL	2,288	2,001	4,289	6,112
Charity				
Trade debtors	-	764	764	337
Other debtors	-	121	121	2,456
Prepayments and accrued income	2,288	638	2,926	2,622
TOTAL	2,288	1,523	3,811	5,415
14 CREDITORS	Parochial	Curial	Total 2021	Restated¹ Total 2020
Amounts falling due within one year	£000's	£000's	£000's	£000's
Group				
School funding in advance	6,680	-	6,680	8,037
Trade creditors	-	2,066	2,066	996
Other creditors	-	2,696	2,696	897
Accruals and deferred income	504	2,472	2,976	2,975
Other taxation and social security	-	234	234	352
TOTAL	7,184	7,468	14,652	13,257
Charity				
School funding in advance	6,680	-	6,680	8,037
Trade creditors	-	530	530	220
Other creditors	-	218	218	160
Accruals and deferred income	504	1,037	1,541	1,939
Other taxation and social security	-	-	-	-
TOTAL	7,184	1,785	8,969	10,356

¹ Further information on the restated amounts can be found in note 31

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

15 DEFERRED TAXATION

	Parochial	Curial	Total
	£000's	£000's	£000's
Group			
Balance as at 1 January 2021	-	37	37
Credited to Statement of Financial Activities	-	(37)	(37)
Balance as at 31 December 2021	<u>-</u>	<u>-</u>	<u>-</u>

	Parochial	Curial	Total
	£000's	£000's	£000's
Charity			
Balance as at 1 January 2021	-	-	-
Charged to Statement of Financial Activities	-	-	-
Balance as at 31 December 2021	<u>-</u>	<u>-</u>	<u>-</u>

	2021	2020
	£000's	£000's
The deferred tax balance is made up as follows:		
Accelerated capital allowances	<u>-</u>	<u>37</u>

The deferred tax charge arose within Metropolitan Cathedral Services Limited.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

16 RESTRICTED FUNDS

Unexpended balances from collections, donations, legacies, and grants restricted by donors to specific purposes.

Analysis of Restricted Funds 2021	Opening Balance Restated¹ £000's	Net Incoming / (Outgoing) Resources £000's	Investment Gains £000's	Transfers £000's	Closing Balance £000's
Parochial - Group and Charity					
VASCA School Projects Fund	11,664	2,323	-	-	13,987
Foundation Mass capital	452	6	48	(16)	490
Other charitable collections	1,428	230	-	(627)	1,031
	<u>13,544</u>	<u>2,559</u>	<u>48</u>	<u>(643)</u>	<u>15,508</u>
Curial - Charity					
Priests' Training Fund	2,936	(93)	341	14	3,198
Metropolitan Cathedral Roof Appeal Fund	3,096	-	-	-	3,096
Metropolitan Cathedral	945	(28)	44	-	961
Metropolitan Cathedral steps project	2,890	-	-	-	2,890
Metropolitan Cathedral crypt project	1,791	-	-	-	1,791
Liverpool Archdiocesan Missionary Project	1,019	(20)	131	-	1,130
St Joseph's College	791	13	62	-	866
Provision for priests in retirement	5	-	-	9	14
Lenten alms	24	(7)	-	7	24
Other funds	862	7	80	-	949
	<u>14,359</u>	<u>(128)</u>	<u>658</u>	<u>30</u>	<u>14,919</u>
English Sports Council capital grants	55			(55)	-
Apostleship of the Sea	222	(1)	-	(1)	220
	<u>14,636</u>	<u>(129)</u>	<u>658</u>	<u>(26)</u>	<u>15,139</u>
Curial - Group					

¹ Further information on the restated amounts can be found in note 31

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

16 RESTRICTED FUNDS *(continued)*

Analysis of Restricted Funds 2020	Opening Balance	Net Incoming / (Outgoing) Resources Restated¹	Investment Losses	Transfers	Closing Balance Restated¹
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
VASCA School Projects Fund	-	11,664	-	-	11,664
Foundation Mass capital	468	5	(21)	-	452
Other charitable collections	1,423	135	-	(130)	1,428
	<u>1,891</u>	<u>11,804</u>	<u>(21)</u>	<u>(130)</u>	<u>13,544</u>
Curial - Charity					
Priests' Training Fund	3,104	(16)	(156)	4	2,936
Metropolitan Cathedral Roof Appeal Fund	3,096	-	-	-	3,096
Metropolitan Cathedral	966	(5)	(20)	4	945
Metropolitan Cathedral steps project	2,890	-	-	-	2,890
Metropolitan Cathedral crypt project	1,791	-	-	-	1,791
Liverpool Archdiocesan Missionary Project	1,111	(31)	(61)	-	1,019
St Joseph's College	809	11	(29)	-	791
Provision for priests in retirement	-	-	-	5	5
Lenten alms	37	(19)	-	6	24
Other funds	893	8	(39)	-	862
	<u>14,697</u>	<u>(52)</u>	<u>(305)</u>	<u>19</u>	<u>14,359</u>
English Sports Council capital grants	111	-	-	(56)	55
Apostleship of the Sea	223	(1)	-	-	222
Curial - Group	<u>15,031</u>	<u>(53)</u>	<u>(305)</u>	<u>(37)</u>	<u>14,636</u>

PURPOSE OF FUNDS

VASCA School Projects Fund	-	Voluntary-Aided Schools Condition Allocation funding from the Department for Education for school building projects.
Foundation Mass capital	-	For Masses celebrated for the deceased.
Priests' Training Fund	-	Education of students to the priesthood continuing foundation.
Metropolitan Cathedral Roof Appeal Fund	-	English Heritage grants received and expended on substantial repair work to the cathedral roof.
Metropolitan Cathedral	-	Golden Book Foundation Mass funds and other donations made for specific cathedral projects.
Metropolitan Cathedral steps project	-	European objective 1 and regional development grants expended on the construction of the ceremonial steps.
Metropolitan Cathedral crypt project	-	European objective 1 and regional development grants expended on the crypt redevelopment project.

¹ Further information on the restated amounts can be found in note 31

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

16 RESTRICTED FUNDS *(continued)*

PURPOSE OF FUNDS *(continued)*

Liverpool Archdiocesan Missionary Project	-	To meet the costs of archdiocesan priests in their ministry in Latin America and other associated expenditure.
St Joseph's College	-	Funds associated with priest training.
Provision for priests in retirement	-	To meet the costs associated with retired clergy
Lenten alms	-	To be expended on projects at the discretion of the archbishop.
English Sports Council capital grants	-	English Sports Council grants received and expended on the construction of Cardinal Heenan sports centre.
Apostleship of the Sea	-	For the spiritual and temporal welfare of seafarers.

17 DESIGNATED FUNDS

Funds set aside by the trustees for the following purposes:

Analysis of Designated Funds 2021	Opening Balance	Net Incoming / (Outgoing) Resources	Property & Investment Gains	Transfers	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
School Projects Fund	899	(538)	1,180	-	1,541
Other funds	338	-	-	(250)	88
	<u>1,237</u>	<u>(538)</u>	<u>1,180</u>	<u>(250)</u>	<u>1,629</u>
Curial - Group and Charity					
Central funds	47,719	(1,513)	3,470	(30)	49,646
George Andrew Retirement Fund	7,182	(87)	610	-	7,705
2021 Fund	8,145	166	812	-	9,123
Metropolitan Cathedral Roof Appeal Fund	7,856	-	-	200	8,056
Metropolitan Cathedral	5,899	605	479	-	6,983
Liverpool inner-city parish reorganisation	1,289	-	-	-	1,289
Sabbatical Fund	2,174	34	179	-	2,387
Listed Building Fund	1,977	(30)	180	-	2,127
Other designated funds	668	(4)	117	-	781
	<u>82,909</u>	<u>(829)</u>	<u>5,847</u>	<u>170</u>	<u>88,097</u>
Less Other designated funds	<u>(334)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(334)</u>
Curial - Charity	<u>82,575</u>	<u>(829)</u>	<u>5,847</u>	<u>170</u>	<u>87,763</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

17 DESIGNATED FUNDS *(continued)*

Analysis of Designated Funds 2020	Opening Balance	Net Incoming / (Outgoing) Resources	Property/ Investment Losses	Transfers	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
School Projects Fund	1,472	(24)	(549)	-	899
Other funds	648	2	-	(312)	338
	<u>2,120</u>	<u>(22)</u>	<u>(549)</u>	<u>(312)</u>	<u>1,237</u>
Curial - Group and Charity					
Central funds	51,402	(2,377)	(1,276)	(30)	47,719
George Andrew Retirement Fund	7,814	(365)	(267)	-	7,182
2021 Fund	8,352	146	(353)	-	8,145
Metropolitan Cathedral Roof Appeal Fund	7,656	-	-	200	7,856
Metropolitan Cathedral	5,897	225	(223)	-	5,899
Liverpool inner-city parish reorganisation	1,293	(4)	-	-	1,289
Sabbatical Fund	2,224	33	(83)	-	2,174
Listed Building Fund	2,127	(66)	(84)	-	1,977
Other designated funds	743	(23)	(52)	-	668
	<u>87,508</u>	<u>(2,431)</u>	<u>(2,338)</u>	<u>170</u>	<u>82,909</u>
Less Other designated funds	<u>(334)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(334)</u>
Curial - Charity	<u>87,174</u>	<u>(2,431)</u>	<u>(2,338)</u>	<u>170</u>	<u>82,575</u>

PURPOSE OF FUNDS

School Projects Fund	- Funds raised by contributions from parishes and schools to support school building and refurbishment projects.
Central funds	- Fund for the archdiocesan central pastoral and administration functions.
George Andrew Retirement Fund	- Fund to support priests in retirement.
2021 Fund	- Funds to support priests in retirement.
Metropolitan Cathedral Roof Appeal Fund	- Investment income expended on the substantial repair work to the Cathedral roof.
Metropolitan Cathedral	- Funding running costs of the Cathedral.
Liverpool inner-city parish reorganisation	- Funds to provide for the reorganisation of the inner-city parishes.
Sabbatical Fund	- To provide for the costs of priests in sabbatical years.
Listed Building Fund	- For the preservation of listed buildings.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

18 ARCHDIOCESAN BANKING ARRANGEMENTS

An offset banking arrangement exists where the total of all individual bank account balances is invested in several deposits over a variety of timescales.

19 GRANTS PAYABLE IN FURTHERANCE OF THE CHARITY'S OBJECTIVES

The archdiocese provides full financial support for the furtherance of its activities and objectives but is not considered a grant-making organisation.

Several ecumenical grants are made annually to organisations with similar objectives to those of the archdiocese. Grants were made to two such organisations totalling £24,060 (2020 - three organisations £27,099). Other small grants totalled £12,828 in 2021 (2020 - £48,623).

The archdiocese covered the tuition and living costs of several individuals studying for the priesthood in the year.

20 COMMITMENTS

	Gross	Net of
	£000's	grant
		£000's
At 31 December 2021 commitments to future expenditure were as follows:		
School property	11,189	1,176
Parochial and other property	1,537	365
	<u>12,726</u>	<u>1,541</u>
At 31 December 2020 commitments to future expenditure were as follows:		
School property	6,474	691
Parochial and other property	1,210	1,210
	<u>7,684</u>	<u>1,901</u>

The above commitments represent committed property expenditure that has been approved by the trustees on building projects at the year end.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

21 PENSION ARRANGEMENTS

21.1 Personal Pension Schemes

The archdiocese contributes, for eligible staff, to one of two qualifying pension schemes which are fully compliant with the requirements of auto-enrolment. The schemes are managed by an independent firm of pension administrators. The archdiocese has a policy of matching employee contributions up to 6% of pensionable salary and each member has their own individual pension account within the scheme. The archdiocese is neither liable to finance any funding shortfall nor entitled to benefit from any overfunding.

21.2 The 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 can 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). 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

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers started to pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation was to align its introduction with employers' budget planning cycles.

The employer's pension costs paid to TPS in the period amounted to £35,327 (2020 - £50,871).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

The Teachers' Pension Scheme *(continued)*

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, have rejected the government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the 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 considered when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021

22 GROUP BODIES AND RELATED PARTY TRANSACTIONS

The charity has interests in subsidiary and associated undertakings, which are consolidated in the financial statements. Each entity is incorporated in England and Wales with a year-end of 31 December apart from school improvement trusts with year-ends of 31 August. A summary of their trading results (including intercompany trading) is as follows:

Subsidiary Companies at 31 December 2021	Associated Church Clubs Limited	Metropolitan Cathedral Services Limited	Tuneside Limited	Cardinal Heenan Sports Centre Limited	Archdiocesan Parish Centres Management Company Limited	Archdiocesan Property Services Limited	Archdiocese of Liverpool Primary School Improvement Trust	Archdiocese of Liverpool Secondary School Improvement Trust
% holding in ordinary shares	100	100	100	100	Guarantee Company	Charity Guarantee Company	Guarantee Company	Guarantee Company
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Income from								
Fundraising	-	90	13,228	140	4,966	916	434	395
Investment Income	-	-	-	-	-	22	-	-
Total Income	-	90	13,228	140	4,966	938	434	395
Expenditure on								
Raising Funds	-	1,038	13,430	123	5,375	910	357	274
Total Expenditure	-	1,038	13,430	17	5,375	910	357	274
Net gains on investments	-	-	-	-	-	97	-	-
Net income / (expenditure)	-	(948)	(202)	17	(409)	125	77	121
Total assets	175	12,940	7,379	101	1,132	996	511	391
Total liabilities	(10)	(1,442)	(2,494)	(62)	(2,905)	(848)	(462)	(431)
Total capital and reserves	165	11,498	4,885	39	(1,773)	148	49	(40)

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021

22 GROUP BODIES AND RELATED PARTY TRANSACTIONS *(continued)*

Subsidiary Companies at 31 December 2020	Associated Church Clubs Limited	Metropolitan Cathedral Services Limited	Tuneside Limited	Cardinal Heenan Sports Centre Limited	Archdiocesan Parish Centres Management Company Limited	Archdiocesan Property Services Limited	Archdiocese of Liverpool Primary School Improvement Trust	Archdiocese of Liverpool Secondary School Improvement Trust
% holding in ordinary shares	100	100	100	100	Guarantee Company	Charity Guarantee Company	Guarantee Company	Guarantee Company
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Income from								
Fundraising	-	206	13,183	102	4,131	870	383	273
Investment Income	-	-	-	-	-	19	-	-
Total Income	-	206	13,183	102	4,131	889	383	273
Expenditure on								
Raising Funds	-	579	13,661	84	6,017	977	391	373
Total Expenditure	-	579	13,661	84	6,017	977	391	373
Net gains on investments	-	-	-	-	-	(46)	-	-
Net income	-	(373)	(478)	18	(1,886)	(134)	(8)	(100)
Total assets	165	13,123	6,668	85	1,128	914	269	140
Total liabilities	-	(677)	(1,581)	(63)	(2,492)	(892)	(296)	(300)
Total capital and reserves	165	12,446	5,087	22	(1,364)	22	(27)	(160)

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

22 GROUP BODIES AND RELATED PARTY TRANSACTIONS *(continued)*

Associated Church Clubs Limited (company number 02724031) coordinates the bulk purchase of stock for supply to archdiocesan parish centres and other members of the scheme operated by the company.

Metropolitan Cathedral Services Limited (company number 03115000) manages the commercial aspects of the Metropolitan Cathedral including income generation from its activities, building services and maintenance.

Tuneside Limited (company number 02316276) coordinates the building services scheme for archdiocesan buildings obligations under the Construction Industry Scheme and commercial activities of the Conference Centre.

Cardinal Heenan Sports Centre Limited's (company number 03822516) principal activity is the operation of a sports centre within the grounds of Cardinal Heenan Roman Catholic High School, Liverpool.

Archdiocesan Parish Centres Management Company Limited (company number 03422332) manages the parish centres within the archdiocese.

Archdiocesan Property Services Limited (company number 03142451 charity number 1055049) manages professional services in respect of maintenance, repair and refurbishment of archdiocesan properties.

Archdiocese of Liverpool Primary School Improvement Trust (company number 10912407) promote education standards in primary education.

Archdiocese of Liverpool Secondary School Improvement Trust (company number 10912398) promote education standards in secondary education.

The companies limited by guarantee are wholly controlled by the charity. All the companies are incorporated in the United Kingdom.

The operations of several other registered charities which have common trustees are under the control of the charity and therefore their incoming resources and resources expended, and net assets have been consolidated with those of the charity on these accounts.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

22 GROUP BODIES AND RELATED PARTY TRANSACTIONS *(continued)*

The charities concerned are as follows:

Controlled charities at 31 December 2021	Apostleship of the Sea (Liverpool Archdiocesan Council) £000's	Liverpool Archdiocesan Education Trust £000's
Income from		
Collections and donations	2	-
Investment income	101	50
Total Income	103	50
Expenditure on		
Charitable activities	172	-
Total expenditure	172	-
Net gains on investments	408	-
Net income	338	50
Total assets	4,479	2,164
Total liabilities	(10)	(1)
Total reserves	4,469	2,163

Controlled charities at 31 December 2020	Apostleship of the Sea (Liverpool Archdiocesan Council) £000's	Liverpool Archdiocesan Education Trust £000's
Income from		
Collections and donations	-	-
Investment income	90	10
Total Income	90	10
Expenditure on		
Charitable activities	136	1
Total expenditure	136	1
Net loss on investments	(135)	-
Net (expenditure) / income	(181)	9
Total assets	4,140	2,113
Total liabilities	(9)	(1)
Total reserves	4,131	2,112

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

22 GROUP BODIES AND RELATED PARTY TRANSACTIONS *(continued)*

The charitable purpose of the Apostleship of the Sea (Liverpool Archdiocesan Council) (charity number 224664) is the spiritual and temporal welfare of seafarers.

Liverpool Archdiocesan Education Trust (charity number 505264) acquires and holds property for education purposes.

In accordance with FRS 102, the related party transactions entered into by the charity are detailed below. All transactions that arose were in the normal course of activity.

A balance of £164,176 (2020: £164,176) was owed to Associated Church Clubs Limited at the year end.

The charity recharged salary costs of £120,137 (2020: £175,242) to Archdiocesan Parish Centres Management Company Limited, a subsidiary of the charity. A balance of £312,737 was owed from the company at the year end. (2020: £1,761,349 owed from the company)

The charity recharged salary costs of £205,810 (2020: £304,330) to Archdiocesan Property Services Limited, a subsidiary of the charity. A balance of £775,259 (2020: £791,607) was owed from the company at the year end.

No salary costs were recharged by the charity in 2021 (2020: £66,220) to Metropolitan Cathedral Services Limited, a subsidiary of the charity. A balance of £1,076,107 (2020: £451,243) was owed from the company at the year end.

The charity recharged salary costs of £90,238 (2020: £282,943) to Tuneside Limited, a subsidiary of the charity. A balance of £4,122,671 (2020: £5,591,227) was owed to the company at the year end.

A balance of £300,929 (2020: £436,338) was owed to Apostleship of the Sea (Liverpool Archdiocesan Council) at the year end.

A balance of £1,063,493 (2020: £1,013,493) was owed to Liverpool Archdiocesan Education Trust at the year end.

A balance of £193,918 (2020: £58,406) was owed from Archdiocese of Liverpool Primary School Improvement Trust at the year end.

A balance of £118,360 (2020: £21,538) was owed from Archdiocese of Liverpool Secondary School Improvement Trust at the year end.

Associated companies	% holding in ordinary shares	Activity
Inter-Diocesan Fuel Management Limited	11	Fuel and power distribution
Catholic National Mutual Limited	6	Insurance

In the year £2,369,927 (2020 - £1,750,898) of fuel was purchased from Inter-Diocesan Fuel Management Limited by the group.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

23 CONNECTED CHARITIES

Charities with common trustees with the archdiocese and associated subsidiary undertakings are as follows:

	Charity Number
Nugent Care 2019	1187072
Christ's and Notre Dame College, Liverpool	526463
The Friends of Liverpool Metropolitan Cathedral	513469
Caritas Social Action	1101431
St Mary's College Crosby Trust Limited	1110311
Catholic Trust for England and Wales	1097482
St Cuthbert's College Ushaw	527408
The Catholic Children's Society (Shrewsbury Diocese) Inc	509793
Caritas Diocese of Shrewsbury	1169317
Ushaw Trust	1197075
Leprosy Mission Isle of Man	IOM 1251

The following transactions occurred with these connected charities;

Individual parishes have collections throughout the year where donations are collected on behalf of the Nugent Care 2019 and paid directly to the charity.

The archdiocese made payments totalling £258,672 (2020 : £389,713) to the Catholic Trust for England and Wales in respect of activities undertaken at a national level in common with other dioceses.

No other transactions occurred with connected charities.

24 SCHOOL BUILDING PROJECTS

The charity assists archdiocesan voluntary aided schools with the administration of funding for school building projects. Historically the archdiocese acted as the agent of school governing bodies in receiving funding from the Department for Education (DfE) under the Locally Coordinated Voluntary-Aided Programme (LCVAP), local authorities and other funding sources and settling and matching it with the contractors' costs and professional fees. Monies that continue to be received though these activities are not reflected in the Statement of Financial Activities as the transactions are those of the school governing bodies rather than the archdiocese.

In April 2020 the Voluntary-Aided Schools Condition Allocation (VASCA) system was introduced and superseded the LCVAP. The change in funding gives the archdiocese ultimate control over the application of grants to specific schools, therefore the VASCA grant funding received and the related expenditure are recognised in the Statement of Financial Activities.

Total grant income to the School Projects Fund amounted to £11.63M (2020: £14.73M). Total expenditure on school building projects during the year was £10.67M (2020: £3.85M). Balances due to individual archdiocesan schools in relation to devolved formula capital projects amounted to £6.92M (2020: £7.53M).

In 2021 no money (2020: £0.28M) was received from the DfE in relation to LCVAP projects. £0.22M was expended on these projects in 2021 (2020: £1.71M). £0.31M (2020: £0.53M) was held by the archdiocese as an agent at the end of the year and is included within creditors.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021

25 TRANSFERS

For the year ended 31 December 2021

	PAROCHIAL				CURIAL				
	Unrestricted	Designated	Restricted	Total	Unrestricted	Designated	Restricted	Total	Total 2021
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
INTRA-DIOCESAN TRANSFERS									
Assessment Fund grants	-	(250)	-	(250)	50	200		250	-
Parish contributions to restricted collections	606	-	(643)	(37)		(37)	30	(7)	(44)
Other	-	-	-	-	(80)	7		(73)	(73)
	<u>606</u>	<u>(250)</u>	<u>(643)</u>	<u>(287)</u>	<u>(30)</u>	<u>170</u>	<u>30</u>	<u>170</u>	<u>(117)</u>
INTRA-GROUP TRANSFER									
Other	-	-	-	-	173	-	(56)	117	117
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>173</u>	<u>-</u>	<u>(56)</u>	<u>117</u>	<u>117</u>
TOTAL	<u>606</u>	<u>(250)</u>	<u>(643)</u>	<u>(287)</u>	<u>143</u>	<u>170</u>	<u>(26)</u>	<u>287</u>	<u>-</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

25 TRANSFERS *(continued)*
For the year ended 31 December 2020

	PAROCHIAL				CURIAL				
	Unrestricted	Designated	Restricted	Total	Unrestricted	Designated	Restricted	Total	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	2020 £000's
INTRA-DIOCESAN TRANSFERS									
Assessment Fund grants	62	(312)	-	(250)	50	200	-	250	-
Parish contributions to restricted collections	104		(130)	(26)	-	11	15	26	-
Other	-	-	-	-	33	(41)	4	(4)	(4)
	<u>166</u>	<u>(312)</u>	<u>(130)</u>	<u>(276)</u>	<u>83</u>	<u>170</u>	<u>19</u>	<u>272</u>	<u>(4)</u>
INTRA-GROUP TRANSFER									
Other	-	-	-	-	60	-	(56)	4	4
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60</u>	<u>-</u>	<u>(56)</u>	<u>4</u>	<u>4</u>
TOTAL	<u>166</u>	<u>(312)</u>	<u>(130)</u>	<u>(276)</u>	<u>143</u>	<u>170</u>	<u>(37)</u>	<u>276</u>	<u>-</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

26 ANALYSIS OF NET ASSETS

Group	Tangible Fixed Assets £000's	Investments £000's	Current Assets less Creditors £000's	Total 2021 £000's
Restricted Funds				
- Parochial	-	486	15,022	15,508
- Curial	-	6,641	8,498	15,139
	-	7,127	23,520	30,647
Designated Funds				
- Parochial	-	11,927	(10,298)	1,629
- Curial	10,873	64,315	12,909	88,097
	10,873	76,242	2,611	89,726
Unrestricted General Funds				
- Parochial	31,538	47,400	13,084	92,022
- Curial	20,558	7,674	(18,999)	9,233
	52,096	55,074	(5,915)	101,255
Total	62,969	138,443	20,216	221,628

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

26 ANALYSIS OF NET ASSETS *(continued)*

Group 2020	Tangible Fixed Assets	Investments	Restated ¹ Current Assets less Creditors £000's	Restated ¹ Total 2020 £000's
	£000's	£000's	£000's	£000's
Restricted Funds				
- Parochial	-	434	13,110	13,544
- Curial	-	5,991	8,645	14,636
	-	6,425	21,755	28,180
Designated Funds				
- Parochial	-	10,775	(9,538)	1,237
- Curial	13,261	58,480	11,168	82,909
	13,261	69,255	1,630	84,146
Unrestricted General Funds				
- Parochial	26,779	42,634	12,439	81,852
- Curial	20,973	6,859	(18,067)	9,765
	47,752	49,493	(5,628)	91,617
Total (restated¹)	61,013	125,173	17,757	203,943

¹ Further information on the restated amounts can be found in note 31

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

26 ANALYSIS OF NET ASSETS *(continued)*

Charity	Tangible Fixed Assets £000's	Investments £000's	Current Assets less Creditors £000's	Total 2021 £000's
Restricted Funds				
- Parochial	-	486	15,022	15,508
- Curial	-	6,641	8,278	14,919
	-	7,127	23,300	30,427
Designated Funds				
- Parochial	-	11,927	(10,298)	1,629
- Curial	10,873	86,873	(9,983)	87,763
	10,873	98,800	(20,281)	89,392
Unrestricted General Funds				
- Parochial	31,538	47,400	13,084	92,022
- Curial	4,942	3,034	2,765	10,741
	36,480	50,434	15,849	102,763
Total	47,353	156,361	18,868	222,582

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

26 ANALYSIS OF NET ASSETS *(continued)*

Charity 2020	Tangible Fixed Assets	Investments	Restated ¹ Current Assets less Creditors	Restated ¹ Total 2020
	£000's	£000's	£000's	£000's
Restricted Funds				
- Parochial	-	434	13,110	13,544
- Curial	-	5,991	8,368	14,359
	-	6,425	21,478	27,903
Designated Funds				
- Parochial	-	10,775	(9,538)	1,237
- Curial	13,260	81,038	(11,723)	82,575
	13,260	91,813	(21,261)	83,812
Unrestricted General Funds				
- Parochial	26,779	42,634	12,439	81,852
- Curial	4,927	2,734	2,806	10,467
	31,706	45,368	15,245	92,319
Total (restated¹)	44,966	143,606	15,462	204,034

¹ Further information on the restated amounts can be found in note 31

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021

27 OPERATING LEASES

Throughout the archdiocese there are numerous low value operating leases primarily in relation to equipment. The annual payments in relation to these have not been quantified but they are not deemed to be material to the financial statements.

28 CONTINGENT LIABILITIES

The trustees are reviewing the structure of the organisation from a VAT perspective with initial findings indicating that registration for VAT is probable. There remains potential that a future registration may be applied retrospectively but as this likelihood and size of potential liability cannot be fully assessed at this point, no provision has been made within the financial statements.

29 GUARANTEE

An index-linked product amounting to £2.10M (2020: £1.93M) is used as security against any potential liability in connection with a landfill site. The likelihood of this liability falling due on the charity is considered remote.

30 POST BALANCE SHEET EVENT

In June 2022, Archdiocesan Parish Centres Management Company Limited repaid in full the £1.7M loan received in 2021 from the government backed Coronavirus Business Loan Interruption Scheme (CBILS). This event is non-adjusting and has not impacted the figures included in the 2021 financial statements.

On 20 July 2022, a Charitable Incorporated Organisation, 'Archdiocese of Liverpool' was registered with the Charity Commission. The net assets and undertakings of the Liverpool Roman Catholic Archdiocesan Trust were transferred to the new entity, charity number 1199714, on 31 December 2022.

The net assets of the archdiocese have transferred to the new entity without impairment as the core objectives and activities remain consistent with the archdiocesan trust. The Charity Commission has categorised the archdiocesan trust as a linked charity of the new Charitable Incorporated Organisation.

31 PRIOR YEAR RESTATEMENT

The archdiocese is the legal owner of properties comprising voluntary aided schools and academies. As explained in the principal accounting policies these properties are valued at £nil for the purpose of these accounts. The responsibility for the improvement, extension and repair of the buildings lies with the governors. Grants towards such work are paid to the governors by the DfE and the Local Authorities.

The archdiocese assists voluntary aided schools with their building and repair and refurbishment projects. Historically it acted as the agent of the governors in helping to arrange funding through the DfE and Local Authorities, and funds received under the Locally Coordinated Voluntary-Aided Programme (LCVAP) were not included in the Statement of Financial Activities as the archdiocese had no control over the funds and the transactions were those of the school governors rather than the archdiocese which administered these monies as managing agent and made the appropriate payments to contractors for work carried out. LCVAP funding covered 90% of the costs of approved building projects with the remaining 10% being met by the School Projects Fund. Any LCVAP monies due from or held on behalf of archdiocesan schools are treated as debtors or creditors respectively.

In April 2020 the Voluntary-Aided Schools Condition Allocation (VASCA) system was introduced and superseded LCVAP. The change in funding gives the archdiocese ultimate control over the application of grants to specific schools, therefore the VASCA grant funding received and the related expenditure are recognised in the Statement of Financial Activities rather than as creditor balances.

The 2020 accounts incorrectly treated VASCA funding on the same basis as LCVAP. A subsequent review of the funding arrangements has required the restatement of 2020 amounts in respect of grants

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST
NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2021

31 PRIOR YEAR RESTATEMENT (continued)

received and education expenditure. The value of the restatement of the individual lines of income and expenditure within the Statement of Financial Activities is shown below. The change to reserves and creditors at December 2020 and the impact of the revised treatment for 2021 is also disclosed. Although there is no impact on cash flows, the reconciliation of the net movement in funds to net cash flow from operating activities has been restated for these changes.

	2021 £000's	2020 £000's
Increase in grant income	11,625	14,725
Increase in education expenditure	(9,302)	(3,061)
Net increase in reserves and decrease in creditors	<u>2,323</u>	<u>11,664</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

England & Wales - Charity number 232709

Accounts

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

**ANNUAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2020**

Registered Charity Number: 232709

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

CONTENTS	PAGE
Report of the Trustees	1 - 17
Statement of Trustees' Responsibilities	18
Independent Auditor's Report to the Trustees	19 - 21
Consolidated Statement of Financial Activities	22 - 23
Charity Statement of Financial Activities	24 - 25
Consolidated Balance Sheet	26
Charity Balance Sheet	27
Consolidated Cash Flow Statement	28
Notes and Accounting Policies	29 - 68

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

MISSION STATEMENT

Taking to heart the last words of the Lord Jesus, we will go into the world to proclaim the Good News to the whole of creation.

REFERENCE AND ADMINISTRATIVE DETAILS

Trust Corporation

Liverpool Roman Catholic Archdiocesan Trustees Incorporated ('The trustees')

Trustees of the Trust Corporation

Most Rev M P McMahon OP (Chairman)
Mr J Cowdall KSG (Died 10 January 2020)
Rev Mgr J Devine OBE
Mr G Easton (Appointed 5 November 2020)
Rev Canon M Fitzsimons
Dr M Goddard (Appointed 26 October 2021)
Rev P Gregory (Resigned 5 November 2020)
Mr I Hollows (Appointed 5 November 2020)
Rev P Inch
Mr S Keyes (Appointed 5 November 2020)
Mrs C Lawrence (Appointed 5 November 2020)
Rev Canon S Maloney (Resigned 5 November 2020)
Rt Rev T Neylon
Rev M Nunes
Rev Provost A O'Brien
Mrs C O'Brien (Appointed 5 November 2020)
Rev Canon A Prescott (Appointed 27 May 2021)
Rev G Timney OSB (Resigned 5 November 2020)
Rt Rev T Williams

Episcopal Vicar for Finance

Rev Mgr John Devine OBE

Chief Operating Officer

Mr M Miller

Principal Address

St Margaret Clitherow Centre
Croxteth Drive
Liverpool
L17 1AA

Registered Charity Number: 232709

Auditors

BDO LLP
5 Temple Square
Temple Street
Liverpool
L2 5RH

Bankers

HSBC Bank plc
99-101 Lord Street
Liverpool
L2 4SW

Investment Managers

BlackRock Investment Management (UK) Ltd
33 King William Street
London
EC4R 9AS

Rathbone Investment Management Ltd
Port of Liverpool Building
Pier Head
Liverpool
L3 1NW

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Liverpool Roman Catholic Archdiocesan Trust (more commonly referred to as the Archdiocese of Liverpool) is a registered charity (No 232709), the governing instrument of which is a trust deed dated 18 March 1963. Its trustees are the members of Liverpool Roman Catholic Archdiocesan Trustees Incorporated, a body incorporated by order of the Charity Commissioners under the Charitable Trustees Incorporation Act 1872. The trustees of the corporate body are listed on page 1.

Organisational structure and decision making

The Catholic Church has a worldwide nature and identity and could be compared with a gathering together of family, with a common purpose and faith in Jesus Christ. Canon law (the law of the Church) establishes the rights and responsibilities of each member of this community. Church law applies universally and locally. The worldwide Church community, centred on Christ, under the Word of God and in communion with the Pope in Rome, is governed by canon law. Under canon law the Archbishop of Liverpool is responsible for the activities of the archdiocese, a geographical area in part of the north-west of England, which is a portion of the worldwide Church, making up the pilgrim People of God. He is assisted in archdiocesan executive matters by two auxiliary bishops, a vicar general and several episcopal vicars with delegated responsibilities for strategic oversight in specific matters of the life of the Church. The appointments of vicar general and episcopal vicars are made by the archbishop.

The affairs of the charity are governed by the trustees. The trustees are ultimately responsible for the administration and assets of the charity. The board of trustees, chaired by the archbishop, meets regularly to provide strategic direction and decision-making on key issues.

The pastoral oversight of the charity is conducted by the archbishop in regular consultation with the Archbishop's Council. This body assists the archbishop in all decisions affecting the life of the archdiocese.

The archdiocese consists of 13 deaneries, each made up of groups of parishes in each local area, in total containing 173 places of worship, extending from the Mersey to the Ribble, encompassing parts of Merseyside, Lancashire, Cheshire, Greater Manchester and the Isle of Man.

The purpose of each deanery is to provide for the pastoral, sacramental and community needs of its people. All priests and deacons are accountable to the archbishop. Parish priests are obliged by canon law to act in the person of the parish. They also act as the agents of the trustees of the archdiocese, who are responsible for the administration of the archdiocesan trust, which includes parish assets. It is a further requirement of canon law that every parish should have a finance committee to assist the parish priest in the financial administration of the parish. This committee enjoys consultative status with the parish priest and its constitution has been approved by the trustees.

Some Church policies are developed at a national level by the Catholic Bishops' Conference of England and Wales. The archdiocese is represented on this body by its bishops. The policies may be adopted by the trustees after considering the impact on the activities of the archdiocese.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Corporate governance

The trustees welcomed the introduction of the Charity Governance Code in 2017 and continue to review best practice as they aim to improve governance. They have made several steps forward in improving both governance and effectiveness as follows:

Organisational purpose

The trustees regularly review the charity's purposes and consider how it delivers public benefit as described on page 10 of this report. The trustees are satisfied that the charitable purposes of the organisation have been achieved.

Leadership

During the year, the Chief Operating Officer continued the review of priorities, governance, structures, and processes. The charity is in transition to new governance arrangements which include clarity of oversight of committees and subsidiary undertakings.

The new governance arrangements include the regular review of the purposes of committees and subsidiaries, and constructive challenge to the Chief Operating Officer and archdiocesan officers. The ethos and culture of the charity supports its activities.

New policy committees are being established to be able to carry out detailed policy work on behalf of the trustees and Archbishop's Council and to make decisions on matters delegated to them.

The Archdiocesan Education Committee will oversee the work of the Education Department and the development of education policy and practice consistent with the Catholic faith. The Pastoral Development Committee will oversee the work of the Pastoral Development Department in relation to pastoral provision for better delivery of archdiocesan mission objectives and, as far as possible, will align pastoral considerations with deployment of lay and ordained ministries.

An Audit Subcommittee will advise the trustees alongside the reconstituted Finance Committee. Subcommittees of the Finance Committee - the Investment Panel, Building Projects Committee, and the boards of the subsidiary companies - will continue to advise the trustees through the Finance Committee.

Each of the committees will be chaired by the relevant episcopal vicar with further trustee representation on the individual body. While several specialists are co-opted to the existing committees, a recruitment process for lay people with relevant experience, interested in serving as members, was completed in 2020. The committees meet on a regular basis and their findings are recommended to the trustees or operate under trustee-delegated authority.

Integrity

The transition to new governance arrangements includes the implementation of policies and procedures which support key outcomes in maintaining the reputation of the charity and how it is perceived by other people, partnerships, and the public. Key themes in the implementation of policies and procedures include the expected standards of probity and behaviour, the requirements to operate responsibly and ethically in line with the mission of the archdiocese, and compliance with relevant guidance, whether mandatory or non-mandatory. The requirement for the declaration of actual or potential conflicts of interest is included within the new governance arrangements.

Decision-making, risk and control

The archdiocese reviews the arrangements for matters reserved to the trustee board and those that are delegated to archdiocesan officers, individual trustees, and committees. Progress has been made towards the implementation of a revised scheme of delegation with clear boundaries. Compliance will be monitored and reported regularly to the Audit Subcommittee.

The revised governance arrangements include the regular review of committee terms of reference. The monitoring of organisational performance is a key component of the new governance arrangements and the implementation of key strategies with associated budgets is in progress. The development of

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Corporate governance *(continued)*

reporting includes the monitoring and management of financial and non-financial risks including departmental, subsidiary, and archdiocesan risks. There is an effective process in place for the appointment and review of auditors.

Board effectiveness

The arrangements for the cycle of board meetings were reviewed as part of the new governance arrangements together with the information needed for trustees to fulfil their duties. The mix of skills, knowledge and experience is kept under review and a recruitment process was completed recently. Plans are in place to appoint members to the committees that support the new governance arrangements.

Diversity

The trustees understand their responsibilities regarding diversity and value the benefits of a diverse trustee body. They aim to remove obstacles to attracting a diverse pool of candidates.

Openness and accountability

The charity is working towards the development of a transparent, well-publicised, effective, and timely process for making and handling complaints, with the aim of ensuring that internal and external complaints are handled constructively, impartially, and correctly. The review of a strategy for regular and effective communication with key stakeholders is a priority for the organisation and includes consideration of how best to communicate with these stakeholders.

Trustee recruitment and appointment

By right of office, the archbishop chairs the board of trustees. The power of appointing new or additional trustees is vested in the archbishop. Lay members of the Church have also been appointed as trustees to serve in addition to the clergy members. A recruitment process for additional lay trustees was undertaken in 2019 and the archbishop has completed the appointment process of individuals with experience or skills sets in the areas of finance, legal, property, HR, communications, education and safeguarding.

The induction process for any newly appointed trustee is tailored to the requirements of the individual and includes an initial meeting with the archbishop. The new trustee receives copies of Charity Commission guidance, the minutes of the most recent trustees' meetings and a copy of the most recent statutory accounts. Ongoing training is provided for all trustees.

Related parties

Various essential functions of the archdiocese are provided through subsidiaries. These include the management of the Metropolitan Cathedral, the management of parish centres, the building services scheme for archdiocesan buildings and the promotion of education standards to archdiocesan schools.

The boards of trustees of two charities are identical to that of the archdiocese. To reflect the level of reserves under the control of the trustees, the financial performance and position of these two charities are included in the consolidated accounts of the archdiocese.

The charitable objectives of The Apostleship of the Sea (Liverpool Archdiocesan Council) (charity number 224664) are the spiritual and temporal welfare of seafarers. The apostleship aims to achieve its objectives by working in ecumenical partnership with The Mersey Mission to Seafarers in the day-to-day operation of Liverpool Seafarers Centre. Through the facilities and service provided from the Seafarers Centre, the apostleship provides practical and pastoral care to seafarers. The charity had £4.13M of reserves in December 2020 (2019: £4.31M).

Liverpool Archdiocesan Education Trust (charity number 505264) aims to promote the charitable purposes of the archdiocese by facilitating the acquisition and holding of property for education purposes. Reserves of the charity amounted to £2.11M in December 2020 (2019: £2.10M).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

COVID-19

The global pandemic has had a catastrophic impact on the charitable activities and finances of the archdiocese and its subsidiaries. For three months between mid-March and mid-June 2020, all churches were closed to the public. Chaplaincy-led activities, central services and other programmes had to adapt their activities to be provided remotely or online, or they had to close temporarily. Many of the churches in the archdiocese were able to utilise the live streaming of Mass during the times when the buildings were closed for public worship. Other parishes celebrated Mass in the grounds of the church as government restrictions and weather permitted.

Every effort was undertaken to ensure that other essential elements of archdiocesan activity continued during the year. Clergy and lay chaplains continued to work in hospitals throughout the pandemic and employees of the archdiocesan cemeteries continued to offer a dignified service in the facilitation of burials during the pandemic.

For the period when public worship was not possible, Sunday collections could not be taken. Many generous parishioners continued to donate regularly with a significant increase in donations by other means. Information on donation by standing order and direct bank transfer was communicated to parishioners and an online giving facility was incorporated in the archdiocesan website, enabling parishes to receive one-off and ongoing donations from their parishioners and the wider public. A text-giving service was also introduced and remains a popular method of donation to parishes.

During the year the archdiocese utilised discretionary funds to contribute to the work of foodbanks in Liverpool and Wigan through direct donations and provided the use of buildings in other areas. Contributions were also made to fundraising initiatives for the provision of PPE, and the conference centre was used to provide COVID-19 testing facilities to the public.

COVID-19 secure measures were implemented at archdiocesan places of worship, parishes, the cathedral, and Liverpool Archdiocesan Office for the cautious reopening following the easing of government restrictions in July 2020 and enhanced further for reopening in December 2020 following the second national lockdown. All parish centres were closed for large periods of the year and following the second national lockdown many centres remained closed until May 2021.

The archdiocese made use of the Coronavirus Job Retention Scheme to assist with meeting the employment costs of staff who were unable to work from home. While large numbers of employees were able to work remotely, many, including most parish centre staff, were placed on furlough. In the latter part of the year, many employees returned to work under the flexible furlough arrangements, affording security of earnings, particularly for those working variable hours. Successful applications were made by the Metropolitan Cathedral to the National Lottery Heritage Recovery Fund for pandemic support, which generated welcome cash flows in 2020 and 2021.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the trust and are satisfied that systems are in place to mitigate exposure to the major risks.

While the average weekly Mass attendance of 14,148 for 2020 reflects the impact of Covid restrictions, the underlying trend continued to be down, with a decline from the 85,357 reported in 2000. Usually calculated from the average of the Mass attendance each Sunday in October as submitted by each parish priest to the chancellor of the archdiocese. The average age of parish congregations is generally increasing, and the proportion of younger people is reducing. A key aspect of outreach to young people continues to be the work carried out by Catholic schools and the Animate youth ministry team across the archdiocese and beyond, who are based at Lowe House in St Helens.

The impact of the declining number of active parishioners and total clergy is being addressed through the recommendations of Synod 2020 that have been incorporated into the pastoral plan that was published in Advent 2021. The Synod was originally scheduled for the summer of 2020 but was deferred until June 2021.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Risk management *(continued)*

The vocations director appointed by the archbishop runs events around the archdiocese to help develop vocations to the priesthood and religious life for those people yet to decide whether to embark on ministerial formation.

The health and safety of all individuals that encounter the Church through the many churches and other properties of the archdiocese receives particular attention. A key aspect of the ongoing parish health and safety risk assessment process is risk identification, and through several techniques and processes the trustees aim to take all appropriate steps to mitigate the likely impact of risks identified. Guidance was issued to parishes to ensure that the reopening of churches, initially for private prayer and subsequently for public worship, met the social distancing and hygiene requirements. The provision of personal protective equipment was facilitated centrally and distributed to parishes as required.

Regulation compliance processes are acted upon for subjects such as asbestos, confined spaces, water hygiene, fire safety and first aid. Quinquennial reporting, three-monthly parish building inspections and parish health and safety risk assessments are undertaken. A culture of reporting of accidents to a designated health and safety coordinator is being improved and visits to all accident sites following serious incidents are undertaken. Systems are in place to ensure that all notifiable incidents are reported to the appropriate authorities and regular newsletters are sent to all parishes. Monthly reports covering health and safety are reviewed by the Finance Committee. The minutes of these meetings are reported to the trustees.

Objectives and activities

The objects of the charity as declared in the governing document are:

- the advancement of the Roman Catholic religion
- the advancement of education
- the relief of poverty
- the cure or alleviation of sickness or disease

Achievements and performance

In 2005 Archbishop Kelly presented to the archdiocese the Leaving Safe Harbours programme. This enabled priests and people, parishes, and deaneries (pastoral areas) to work together in new ways.

As part of the implementation of the programme, parishes were grouped into 20 pastoral areas for planning purposes and parishes then developed sacramental and pastoral provision, with local reviews of resources, buildings, and finances. Development proposals also included the repair, refurbishment, or closure of churches within a pastoral area.

In 2017 Archbishop McMahon, having become aware of the most recent pastoral challenges in the archdiocese, decided to call an archdiocesan Synod. This enabled the whole archdiocese to be involved in charting the way forward, and its outcomes for the goals, structures, styles, and methods of evangelisation in the archdiocesan community are being incorporated into the charity's review of its charitable purposes. The members of the Synod were chosen by the parishes and pastoral areas from around the archdiocese. Additional Synod members represented religious congregations, retired priests, seminarians, and others who make up the archdiocesan community.

Archbishop McMahon called the Synod for the archdiocese to facilitate what the International Theological Commission calls a grace filled event in which the People of God together with the bishop meet to address the pastoral challenges of the time.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance *(continued)*

Following the announcement of the four Synod themes in 2019, further listening and reflection took place with the opportunity for Synod members and their communities to reflect on each theme in turn and to develop them into practical proposals for action. The four themes were:

- All are called and gifted by God
- Sharing the mission of Jesus
- How we pray together
- Building community, nurturing belonging

Due to the implications of the pandemic, the period of listening and reflection was extended to conclude in March 2021 and included extra time for reflection on the experience of being Church during this extraordinary period. After hearing the preferences of Synod members for the proposals a set of 19 recommendations covering all areas were formalised. A Synod book, 'Together on the Road' was produced to help people discern how they would vote on the recommendations and a week of prayer was held in advance of the Synod.

The Synod met in June 2021 via Zoom to vote on the proposals and to celebrate the Synod process. Archbishop McMahon opened the day and members heard from Cardinal Mario Grech of the Office of the Synod of Bishops, and Archbishop Claudio Gugerotti, Apostolic Nuncio to Great Britain.

In response to what was heard through the Synod process the Pastoral Plan was published on the first Sunday of Advent 2021. The plan comprises three sections:

- Christ at the centre – our theological underpinnings
- Four signposts to the future
- Six areas of development:
 1. Becoming a Church that accompanies people through life
 2. Becoming a Church that honours the vocation of all the baptised
 3. Becoming a Church where synodality is embedded
 4. Becoming a Church that reviews its organisational structures and administers its property to serve its mission
 5. Becoming a Church where young people and young adults flourish
 6. Becoming a Church that cares for its priests

The pastoral plan is to serve as the charter for implementing the work of Synod 2020 with a detailed consideration of the six areas of development that will evolve and be worked on in future years.

Financial review

The net movement in funds of the group from parochial and curial activities is summarised below.

	2020 £000's	2019 £000s
Net outgoing resources	(7,615)	(3,309)
Unrealised (loss) / gain on investments	(6,315)	15,185
Revaluation of investment properties	2,917	4,141
Net movement	(11,013)	16,017

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review *(continued)*

Commercial trading operations and charitable activities have been adversely impacted in many areas of the charity's mission. The impact has been mitigated by deploying additional support for alternative methods of giving, such as online donations, and by encouraging donors to set up standing orders. The overall drop in income was accompanied by a reduction in operational expenditure in all areas of the charity, easing the pressure on reserves.

Accelerated by the financial impact of the pandemic, the trustees undertook a restructuring of central services that was initiated in December 2020. To better align services with archdiocesan need, several new employment roles were created but a reduction in staff numbers was experienced in early 2021 through a redundancy process.

Voluntary income

While the pandemic has had a negative impact on Mass attendance, parishioners continue to generously support their parishes. Long term initiatives such as the centrally coordinated 'Responsible Giving Campaign' have contributed to the core strength of parish finances. Implemented by small teams of volunteer parishioners, the campaign highlights the rising level of running costs faced by parishes and encourages parishioners to increase their individual level of giving. Separately there have been coordinated gift aid campaigns to boost donations further. Parishes where a responsible giving campaign has been undertaken have experienced sustained increases in giving while other parishes report falling offertories. The coordination of such parish campaigns occurring once every five years, interspersed with gift aid campaigns, continues to maintain the effectiveness of donation levels whilst trying to avoid 'fundraising fatigue' for parishioners.

Parishioners responded to parish need by increasing the number and value of standing order donations made directly to parishes. They also used the online and text giving platforms to maintain their levels of support for their parishes. Offertory income amounted to £3.91M (2019: £5.78M) but, given the restrictions on public worship in 2020, this represents considerable generosity on the part of parishioners.

The value of legacies received by the archdiocese was £0.46M in 2020 (2019: £0.30M). The Priests' Training Fund, George Andrew Fund, the cathedral, and individual parishes each continue to benefit from the generosity of parishioners through collection income and bequests. Legacies were reported in 25 individual parishes in 2020 (2019: 19).

The pandemic affected the ability of parishes and their parishioners to maintain the levels of support for appeals and special collections during the year. £0.60M was received in 2020 (2019: £1.30M) and various external charities, including CAFOD and Nugent, benefited from the income generated in parishes.

Fundraising activities

The activities of the parish centres are consolidated within Archdiocesan Parish Centres Management Company Limited (APCMC). Every parish centre was closed from March 2020 with a phased reopening of some from July until October when every site was again affected by government restrictions. While a number reopened in May 2021, the trustees decided that 20 parish centres would cease to trade commercially. The decision to end the licensed trade in those 20 parish centres necessitated a redundancy consultation in 2021 that resulted in the redundancy of 85 parish centre staff. All the parish centre buildings continue to be a valuable resource to parishes and the wider community, with the activities of the company enabling the funding of these costly sites on behalf of the parishes.

In 2021, APCMC obtained a £1.7M loan under the government-backed Coronavirus Business Interruption Scheme to mitigate the negative cash flow impact of the closure of parish centres arising from lockdown restrictions. The amount, calculated as the estimated net income lost by the company during the lockdown restrictions is secured against cash balances of APCMC and has no interest cost implications to the company or the archdiocese for the first year of the loan. The trustees anticipate that the loan will be repaid in 2022 before any interest becomes chargeable to the organisation.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Fundraising activities *(continued)*

Following a review of operations, the commercial activities of the Conference Centre at LACE have been streamlined. The building remains in use for archdiocesan and external groups, without dedicated conferencing and hospitality support.

Archdiocesan building projects are managed by Tuneside Limited and Archdiocesan Property Services Limited, and the activities of the subsidiaries have considerable influence in ensuring that building projects are managed in a cost-efficient manner to the benefit of the parishes and schools.

Investment policy and performance

The trust deed authorises the trustees to invest general funds of the charity in any lawful manner.

The investment objectives of the trustees have been amended to reflect a total returns policy rather than one that focuses on the maintenance of capital values with a dedicated cash income target. The investment return is achieved by investing in a portfolio of equities, fixed-income stocks, commercial property, and cash.

The investment portfolio is managed on a discretionary basis within the parameters of a general ethical investment policy restricting the investment managers from investing in any area that would be incompatible with the objectives of the trust. The policy states that no investments are to be made in companies which generate more than 10% of their turnover from military activity, the production of anything which threatens the sanctity of life, or the production of pornography. An enhanced policy is being developed which reflects the trustees' attitude to sustainable and socially responsible investing, ensuring that environmental and ethical considerations remain a key driver of archdiocesan investment strategy. The investment managers use the services of bodies such as the Investor Responsibility Research Service in endeavouring to ensure compliance with archdiocesan policy.

The Investment Panel has authority delegated from the trustees to set performance targets and to assess the actual performance of the investment managers against benchmarks, with advice from a specialist firm of investment advisers.

The archdiocesan investment portfolio is split into two separate portfolios managed by different investment managers. Following a commercial decision by Martin Currie Investment Management Limited to withdraw from the charitable investment sector, in 2020 the trustees transferred the management of that element of the portfolio to Rathbone Investment Management Limited.

Representatives of the investment managers meet periodically with the Investment Panel, who assess their relative performance and against benchmarks. Following adverse performance against the agreed benchmarks and a full investment manager review in 2021, BlackRock Investment Management (UK) Limited were notified of the trustees' intention to transfer management of that element of the portfolio to Tilney Smith & Williamson. It is anticipated that this will be completed in early 2022.

Investment income generated by the investment managers of the unitised portfolio was £3.62M (2019: £4.68M) and met the targets required by the archdiocese. In the volatile investment market of 2020, the charity reported an unrealised loss on investments of £6.32M (2019: Gain £15.18M). The losses experienced in 2020 were recovered in full in 2021.

All archdiocesan bank accounts are included within the offset banking system. After daily consideration of commitments and spending patterns, archdiocesan personnel evaluate the cash requirements, the balance being placed in a variety of cash deposits with institutions approved by the trustees.

The investment objective in respect of cash management is to maximise income from cash balances whilst maintaining sufficient available funds to meet the daily operating requirements and to facilitate the timely payment of liabilities.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Investment policy and performance *(continued)*

The low rates of interest available on cash balances continue to present a challenge to the archdiocese. Income derived from cash management activities reduced to £0.04M (2019: £0.13M), with the average rate of return deteriorating in the year.

Investment properties

The archdiocese sold several assets that were no longer being used as functional church properties and reported a realised gain on the disposal of properties of £0.02M (2019: £0.28M). The trustees have retained several properties no longer required for functional purposes to generate a rental income for individual parishes. A cyclical valuation programme is operated by the trustees and the revaluations created an unrealised gain of £2.92M in 2019 (2019: £4.14M).

Charitable activities and public benefit

The charity aims to satisfy its objects through four main areas of charitable activity:

- To support pastoral work in parishes and local communities
- To provide support to the clergy in training, ministry and retirement
- To support and direct lifelong Christian education in parishes and schools
- To preserve and invest in the property infrastructure of the archdiocese and parishes, facilitating worship and enabling the charitable work of the Church to take place

In considering the charitable activities of the archdiocese, the trustees have had regard to the charity Commission guidance on public benefit. Success is measured in several ways. The archbishop has oversight of the whole archdiocese, achieved through visitations to parishes and schools and through the wider knowledge and reviews below of the various activities of the organisation.

Pastoral work

Despite the pandemic and subject to varying levels of lockdown restrictions, the celebration of Mass in parishes within the archdiocese was attended by an average weekly congregation of 14,148 in 2020 and contributed to the spiritual well-being of society and the public in general. The adaptiveness of parishes and the cathedral in the facilitation of online streaming of regular and special services ensured that the archdiocese continued to have a positive impact.

Many activities coordinated through parishes of the archdiocese are focused on the needs of the vulnerable, both at home and abroad, and significant collections are undertaken on behalf of charities such as Nugent, CAFOD and natural disaster appeals. The pastoral work of the archdiocese extends through chaplaincy provision offering spiritual support to those in universities, hospitals, and prisons within the geographical area of operation. A regular and extensive provision of pastoral visiting to the sick at home and in nursing homes is undertaken by clergy and trained lay people.

While most pastoral work is undertaken locally at the parish level, several centrally funded departments and initiatives facilitate and encourage work in the local community.

The archdiocesan Department of Education through the Christian education section focuses on formation and ethos in our Catholic schools by means of staff training courses, professional catechetical and liturgical support, and statutory religious education inspections.

Parish work with young people is complemented by the activities of the Animate youth ministry team based at Lowe House in St Helens. A team of residential youth workers under the direction of the archdiocesan youth chaplain serves in parishes and schools, engaging with over 10,000 young people each year by undertaking preparation for sacraments, youth events, pilgrimages, and school missions. This interaction informs young people not only about religion but also about basic values which contribute to the common good of society.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Pastoral work *(continued)*

For four decades Liverpool priests have volunteered to serve in Latin America, standing alongside the poor and deprived, supported by the people of the archdiocese. LAMP was established in 1979 to undertake this missionary work and attend to the needs of individuals within the parishes administered by archdiocesan priests operating in Latin America. Investment income derived from restricted investments and legacies currently support the daily activities and pastoral work of the priests, with emphasis on catechesis and the support of medical aid, as well as some of the property needs in their parishes.

Clergy support

At the local level, priests are actively involved in directing, coordinating and undertaking the mission of the Church and delivering the strategy of the archdiocese. Clergy are also responsible for the celebration of Masses as well as baptisms, marriages, funerals, and the provision of the sacraments generally. The priests and deacons of the archdiocese provide welfare to the sick, dying and their relatives through visiting and the administration of the sacraments.

Priests do not retire but can stand down from the full responsibilities of office at 75 years old, or earlier if their health requires. As the anticipated number of such 'retired' priests increases beyond the present number, the requirements on the George Andrew Fund to provide for the living needs of retired priests will increase and the fund value will diminish. The George Andrew Fund levy based on parish donations and income contributes to supporting priests during illness and after leaving office.

Properties in several locations within the archdiocese have been converted and refurbished to increase the level and variety of accommodation available to retired priests. An annual parish collection, 'Provision for Priests in Retirement' continues to be generously supported by parishioners. The proceeds of the annual collection will help to meet the future costs of converting and maintaining such properties and are held separately from those of the George Andrew Fund.

The archdiocese has six students preparing for the priesthood and the proceeds of an annual parish collection, legacies and specific donations to the Priests' Training Fund provide for the cost of education of students for the priesthood and for continuing formation.

Education

In partnership with the trustees of religious orders, the archdiocese provides a network of schools across a very wide and disparate geographical area embracing eight local education authorities and the Isle of Man.

The Education Department ensures that there is in its schools, at both primary and secondary levels, a place available for every baptised Catholic child. Successive external reports give testament to the enduring quality of the network of schools, which continue to place as much emphasis on personal, spiritual, and moral formation as on academic progress. In celebrating the uniqueness of the individual and fostering independence alongside responsibility to others, the archdiocesan schools strive to offer mutual support for the common good in the wider society.

Through the School Projects Fund, the archdiocese approved 157 individual capital and repair projects to the value of £11.98M in the year (2019: 205 projects, £21.18M). Lockdown restrictions and supply chain issues in respect of raw materials has affected the volume of work undertaken and the costs of individual projects in 2020. The archdiocese contributes up to 10% of the cost of each school building project undertaken and the level of contribution can only be achieved with the support of parishioners and parents who contribute to the annual school levy collection. The School Projects Fund benefited from £0.54M (2019: £0.54M) of donations from parents via archdiocesan schools but in acknowledgement of the pandemic impact on parish and parishioners' finances no contribution was sought from this source in 2020 (2019: £0.25M).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Education *(continued)*

Maintaining the policy direction established in recent years, capital investment in schools and colleges continued to focus on improving building condition. This year around 92% of the school capital funding accessed by archdiocesan schools was targeted at maintaining and improving the fabric of school buildings.

2020 saw the continuation of significant investment targeted on the improvement in the condition of Catholic high school buildings in the Sefton and Wigan local authority areas. This long-term strategy aims to provide support in Catholic high schools in each of the two target areas to deliver a significant improvement in the overall quality of the school buildings. The year saw completion of the investment in Christ the King high school in Southport and focus will now move on to Savio Salesian College in Bootle. In Wigan, St John Fisher school will be the first recipient of investment. Dialogue also commenced with the Department for Education about the potential replacement of an accommodation block at St John Fisher, the construction type of which is a government priority for replacement.

St Cuthbert's primary school in Liverpool ended the year by moving into their new-build school on the existing site. External spaces across the school site have also been extended and remodelled.

During the year the significant investment in Great Crosby school was completed, expanding the accommodation to increase the number of children in the associated parishes who can obtain a place at the school. The large project to redevelop and remodel a new secure entrance at St Michael's primary school in Widnes was approved, as was condition work at St Mary's high school in Leyland to bring back into use previously mothballed accommodation, a demonstration of the growth of the school. The redevelopment of St Leo's school in Whiston, creating a single-site building, also reached a conclusion, as did the project to single-site St Mary's in Blackbrook, the latter concluding with the demolition of the old, poor quality, and now redundant accommodation.

Progress has been made on the phased redevelopment projects at St Marie's, Kirkby, and Ursuline in Crosby, with other significant projects to improve accommodation undertaken at several schools including Holy Spirit in Ford, St Paul of the Cross in Warrington, and Our Lady and St Swithin primary school in Liverpool.

An element of funding of school building projects is paid directly to schools using a formulaic allocation known as devolved formula capital (DFC). Most schools in the archdiocese opt to pay their DFC allocations into an archdiocesan bank account within which they are maintained on an individual basis until they are drawn down by the school. At the year end, the archdiocese was holding £7.58M (2019: £8.19M) on behalf of schools.

Through the Schools' Voluntary Contribution Scheme, the archdiocese can offer an enhanced level of support to schools. Contributions of £0.30M in 2020 (2019: £0.30M) from archdiocesan schools enabled the Education Department to support the development of leadership teams and advise on selection and appointment processes through effective induction, in-service and advanced programmes of training following appointment. In 2020 a significant number of new appointments made by governing bodies were undertaken with the support of archdiocesan officers.

Property

Establishment costs remain the most significant area of expenditure for parishes, with £5.70M (2019: £6.56M) incurred in property running costs, which included repairs and maintenance costs of £2.98M in 2020 (2019: £3.50M). Throughout the uncertainty of 2020, the trustees ensured that only urgent and necessary repair and maintenance work was undertaken. Some other elements of expenditure have been lower in 2020 and savings have been experienced in areas such as light and heat that have mitigated some of the impact of income lost in the year.

Effective control exercised through the Finance Committee, which considers and recommends to the trustees repair projects costing in excess of £5,000, and the efforts of the in-house surveying team in obtaining value for money has ensured that building projects remained good value for money with trustee consideration and approval.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Property *(continued)*

The management of the maintenance and repair programme ensures that churches and parish halls are open to the whole community to benefit not only spiritually but also practically from the provision of pastoral care and the many activities provided by our parishes to the wider community.

Employees

The employees of the Archdiocese of Liverpool make an immense contribution to the life of the archdiocese. Information about the archdiocesan activities is communicated to employees in several ways including email and intranet and regular meetings are held with staff on general and specific matters. A staff association with representation from all areas of employment within the archdiocese and its subsidiaries has been formed.

The Staff Association exists to enhance the contribution made by employees and to ensure that the wellbeing of staff is a priority consideration by the trustees and management in their decision-making. The association is a forum where staff can consider employment, health and safety and social matters. It also offers the trustees and senior management the opportunity to consult over proposed strategies, policies, and guidance. Staff are encouraged to voice their ideas as well as any concerns.

It is the policy of the archdiocese to consider job applications from disabled persons, having due regard to their aptitudes and abilities, and to provide opportunities for the retention and retraining of employees who become disabled during their employment. Equal opportunities are also given for the training, career development and promotion of disabled persons.

Annual pay changes are considered by the trustees, and job roles and remuneration are reviewed periodically. Archdiocesan benchmarking is employed when new roles are created or when significant roles become vacant.

Grants

The archdiocese is not primarily a grant-making charity. A small number of discretionary grants were made by the trustees to contribute towards the costs of initiatives run by other charities where their objects correlated with those of the archdiocese. Further information on this can be found in note 19 to the accounts.

Reserves policy

On 31 December 2020 the reserves were:

	2020 £000's	2019 £000's
Restricted funds	16,516	16,922
Unrestricted funds: - general	91,617	96,742
- designated	84,146	89,628
	192,279	203,292

Restricted funds represent unexpended balances from collections, donations, legacies, and grants restricted by donors to specific purposes including the Priests' Training Fund and Foundation Mass capital. Balances on specific building projects at the Metropolitan Cathedral represent amounts of grant-aid and other financial support invested in the fabric of the building. A breakdown of amounts restricted is given and the purpose of the restrictions is explained further in note 16.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Reserves policy *(continued)*

Designated funds have been set aside by the trustees for several purposes including school projects, central funds, the George Andrew Fund, and the Metropolitan Cathedral.

To ensure that the reserves of the George Andrew and 2021 funds are enough to support priests in retirement, periodic actuarial reviews are undertaken. The outcome of the most recent review was confirmation that the level of reserves held was adequate to meet the likely future costs of retirement. At December 2020 reserves of these two funds amounted to £15.33M (2019: £16.17M). Reflecting the long-term nature of the support provided by these two designated funds, the level of reserves that would otherwise be classified as freely available is more than the general target set for other funds of the archdiocese.

The central funds of the archdiocese which have been designated to meet the costs of central archdiocesan initiatives and support costs were £47.72M in December 2020 (2019: £51.40M). The assets of the funds are primarily investment property and holdings in the unitised investment portfolio. The income generated from these investments contributes to the costs of centrally coordinated charitable activities and the support and governance cost obligations of the charity. The level of reserves held ensures that parishes are not required to contribute to central costs by way of an annual levy.

Although collectively our parishes are financially secure, those parishes without sufficient reserves rely on or benefit from the generosity of fellow parishes through the Assessment Fund and offset banking system.

Parishes make voluntary contributions to the Assessment Fund based on income. The Assessment Fund committee, which is made up of parish priests, considers written applications for support from parishes and distributes grants to those parishes in need. In focusing on parishes with negative reserves, the committee has contributed to an improvement in reserves in many parishes.

The level of aggregated reserves held for general parish purposes is broadly consistent with that of the rest of the archdiocese. The collective reserves of parishes have exceeded the target set by the trustees. Around 35% of parishes are managing their activities without any freely available reserves representing an increase from 32% in 2019. Reserves in another 33 parishes are below the overall target of 36 months (2019: 40 parishes).

Despite the significant increase in transactions arising from daily sweep activities, the offset banking system continues to ensure that those parishes with limited resources are spared the additional cost of interest charges on bank overdrafts and builds on the Church's values of solidarity with the poor and the common good.

The level of freely available reserves is ordinarily determined as the amount of total unrestricted (including designated) funds less fixed assets as these assets could not be realised without undermining the work of the archdiocese. Typically, this reserve figure is expressed in terms of monthly expenditure. Under this definition, the level of reserves freely available to spend on any or all of the charity's purposes amounted to approximately 51 months' expenditure (2019: 45 months).

Taking into consideration the specific demands in respect of the George Andrew and 2021 funds, the trustees consider any meaningful target for reserves to meet general expenditure should exclude these funds. At December 2020, 45 months of expenditure were available (2019: 39 months).

The level of net current assets held by the archdiocese amounted to £6.13M (2019: £11.00M) and represents 2.73 months (2019: 3.93 months) of expenditure at December 2020. This demonstrates the continued need for careful financial planning in future years. Anticipating negative cashflows arising from the pandemic, the trustees advised the investment managers that a potential drawdown of capital may have been required to meet the organisation's ongoing activity in the short to medium term. Such a drawdown has not been required and the archdiocese has consequently benefitted from the growth in the value of investments held within the portfolio.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Reserves policy *(continued)*

While aiming to maintain working capital or net current assets of between 4 to 6 months' expenditure, the trustees consider that an overall level of reserves equating to 51 months' expenditure is sufficient to enable the charity to fulfil all of its obligations and commitments. While investment volatility has contributed to a change in the levels of reserves, as returns on cash management remain limited, it is felt the excess of reserves over 36 months is acceptable in the short to medium term. The trustees' expectations in respect of the desired levels of reserves in the longer term remain realistic.

Going concern

The trustees have given consideration to the basis of preparing the financial statements in the context of the challenging times affecting the charitable sector and most recently considered the impact of COVID-19. Forecasts have been prepared and reviewed for the forthcoming year, including a sensitivity analysis including the estimate impact of COVID-19 under a reverse stress test scenario. Having done so, the trustees consider that the going concern basis remains appropriate. Further information in this respect is disclosed in the accounting policies.

Plans for future periods

The proposals for action that emerged from the Synod as presented in the pastoral plan released at the start of Advent 2021 will drive the strategic direction of the archdiocese.

In becoming a Church that accompanies people through life, the Synod identified the key priority for the archdiocese is that it should look outwards and evangelise. The pastoral plan commits the archdiocese to the idea of 'accompaniment' as the paradigm within which the organisation operates. The trustees envisage this as impacting on every aspect of archdiocesan life with an aim to walk alongside all people in the joys and hopes, griefs and anxieties of the lives.

To become a Church that honours the vocation of all the baptised, the archdiocese is to be bold and creative in celebrating the call of Christ and in supporting people to respond. The trustees recognise the need to foster the gifts and callings of all the baptised, and to consider new models of leadership that engage directly with the realities of life today, building up collaboration and embedding synodality.

Becoming a Church where synodality is embedded and heeding the call of Pope Francis that the synodal model is the way of the Church in its third millennium, a new advisory body will replace the Archbishop's Council as the consultative body that meets regularly with the archbishop. Its membership will include lay people, as well as clergy. An archdiocesan synodal council will also be given the responsibility of monitoring the implementation of the pastoral plan.

To become a Church that renews its organisational structures and administers its property to serve its mission, the archdiocese has reorganised the 18 pastoral areas into 13 deaneries with a more stabilised and institutional grouping of various parishes.

In becoming a Church where young people and young adults flourish, the trustees intend to appoint a full-time youth adviser to create a networked youth ministry that brings together present and future provision across the archdiocese. The archdiocese will develop a Youth Council to bring concrete proposals to the agreed archdiocesan structures and increase support for Catholic life in schools by exploring a central archdiocesan chaplaincy structure.

Becoming a Church that cares for its priests, the archdiocese anticipates that the families of parishes created by the pastoral plan will encourage greater mutual support for archdiocesan priests. The archdiocese recognises that it is essential that the priests play an active role in developing plans in this regard and shall establish an externally facilitated process to explore with the priests of the archdiocese what needs to be developed to effectively support their flourishing in the human, spiritual, liturgical, theological, intellectual, and pastoral aspects of their lives.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Plans for future periods *(continued)*

Capital investment in schools and colleges will continue to focus on maintaining and improving building condition. Education Department officers will also continue to work closely and productively with central government to advocate for our schools on matters of education capital policy and with local authority colleagues to ensure that there continue to be sufficient places across the archdiocese to meet overall Catholic demand. The new year will see a movement to a new system of capital administration by the Department for Education, with school condition allocations aggregated to diocese level in a single allocation, along with greater flexibility at local level to move funding between financial years. This development will support a more efficient and responsive programme delivery.

Demand remains very high for places in archdiocesan schools but there is a very high level of assurance that all Catholic children can obtain a place at a local Catholic school. Work will continue to consider admission numbers that maintain the offer of sufficient places to Catholic families, whilst also delivering strong and sustainable schools. Where expansion or closures need to be considered officers will work closely with local and national government colleagues, and within the statutory school organisation frameworks, to take appropriate action.

Capital developments in the coming year will include the commencement of a whole-school condition-led redevelopment of St Paul's and St Timothy's school. Significant capital work is also programmed for several other schools including St John Fisher, Widnes, St Gregory's, Chorley, and St Augustine's and St Cuthbert's high schools in St Helens. Work will progress to replace poor quality mobile accommodation with new-build classrooms at St Aidan's in Wigan and further work will be undertaken on the development plan to address condition and suitability at St Oswald's in Liverpool. Remodelling to meet contemporary standards on space and suitability will be undertaken at St Mary's, Scarisbrick, St Bede's, Ormskirk, and Holy Cross, Chorley.

The trustees approved a major restoration of the organ of the Metropolitan Cathedral, that has commenced in 2021. At a cost of £1.14M the project will provide for the renewal of mechanical and electrical components and other associated works. The organ has been removed from the cathedral with reinstallation to commence around Easter 2022. It is anticipated that the organ will be fully operational by September 2022.

Volunteers

The trustees acknowledge the hard work of so many volunteers in our parishes who help in financial and property administration and also those who are involved in what are a variety of roles that assist in the life and service of the Church and trust and the wider society. They wish to thank them all for all their hard work and dedicated commitment to these aspects of the life of the Church. The monetary value of the volunteers' time is impossible to quantify.

In summary, the overall picture is one of consolidation and improvement of existing resources. The trustees are budgeting carefully in response to archdiocesan needs and priorities to preserve the level of reserves and maintain commitments to existing services, whilst also being able to periodically consider new initiatives, if trustees determine such are to become higher priority temporary projects.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Auditor

In respect of each trustee at the date the trustees report is signed:

- So far as we are aware, there is no information needed by the charity's auditor in connection with preparing their report (relevant audit information) of which they are unaware, and
- As the trustees of the charity, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

A resolution to reappoint BDO LLP as auditors for the ensuing year will be proposed.

Signed on behalf of the trustees



16/12/21
Rev Mgr J Devine OBE
Episcopal Vicar for Finance

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST FOR THE YEAR ENDED 31 DECEMBER 2020

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2020 and of the group's incoming resources and application of resources 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.

We have audited the financial statements of Liverpool Roman Catholic Archdiocesan Trust ("the parent charity") and its subsidiaries ("the group") for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the charity statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the group and the parent charity in accordance with the ethical requirements 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.

Conclusions related 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 group and the parent 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST FOR THE YEAR ENDED 31 DECEMBER 2020

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 Act 2011 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the trustees' annual report; or
- adequate accounting records have not been kept by the parent charity; or
- the parent charity 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, 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 determines 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 group's and the parent 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 group or the parent 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 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

Based on our understanding of the Charity and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the reporting framework (Charities SORP 2019, FRS 102 and the Charities Act 2011) and we considered the extent to which non-compliance might have a direct impact and material effect on the Charity Financial Statements or their continued operation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence if any.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST FOR THE YEAR ENDED 31 DECEMBER 2020

Extent to which the audit was capable of detecting irregularities, including fraud (continued)

The audit procedures to address the risks identified included:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions made by management in their significant accounting estimates and judgements, in particular investment properties;
- Identifying and testing journal entries posted to the financial statements;
- Discussions with management and trustees, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud; and
- Reading minutes of meetings of those charged with governance and reviewing any correspondence with Charity Commission.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with the Charities Act 2011. 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.

DocuSigned by:

81F5A42CB9C946D

BDO LLP, statutory auditor

Liverpool, UK

Date 17 December 2021

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Parochial Restricted Funds £000's	TOTAL Parochial Funds £000's	Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	TOTAL Curial Funds £000's	TOTAL 2020 £000's
INCOME FROM										
Donations and legacies										
Collections and donations	3.1	6,347	546	598	7,491	121	58	30	209	7,700
Legacies		208	-	-	208	31	9	209	249	457
Grants		357	-	-	357	214	200	-	414	771
Other trading activities										
Fundraising	3.2	61	-	-	61	5,120	-	-	5,120	5,181
Investment income	3.3	1,588	243	6	1,837	424	2,514	134	3,072	4,909
Charitable activities	4	59	-	-	59	357	955	-	1,312	1,371
Other										
Net gains on disposal of assets		23	-	-	23	-	-	-	-	23
TOTAL INCOME		8,643	789	604	10,036	6,267	3,736	373	10,376	20,412
EXPENDITURE ON										
Raising Funds	5	107	25	1	133	7,459	350	14	7,823	7,956
Charitable activities										
	6									
Ministry support	6.1	1,397	-	-	1,397	43	1,374	288	1,705	3,102
Pastoral and community	6.2	3,429	-	463	3,892	866	2,419	124	3,409	7,301
Education	6.3	-	786	-	786	764	1,449	-	2,213	2,999
Provision for worship	6.4	5,705	-	-	5,705	389	575	-	964	6,669
TOTAL EXPENDITURE		10,638	811	464	11,913	9,521	6,167	426	16,114	28,027
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT LOSSES		(1,995)	(22)	140	(1,877)	(3,254)	(2,431)	(53)	(5,738)	(7,615)
Net gains / (losses) on investments	10	116	(549)	(21)	(454)	(301)	(2,338)	(305)	(2,944)	(3,398)
NET (EXPENDITURE) / INCOME AFTER INVESTMENT LOSSES		(1,879)	(571)	119	(2,331)	(3,555)	(4,769)	(358)	(8,682)	(11,013)
TRANSFERS BETWEEN FUNDS	25	166	(312)	(130)	(276)	143	170	(37)	276	-
NET MOVEMENT IN FUNDS		(1,713)	(883)	(11)	(2,607)	(3,412)	(4,599)	(395)	(8,406)	(11,013)
Fund balances at 1 January 2020		83,565	2,120	1,891	87,576	13,177	87,508	15,031	115,716	203,292
FUND BALANCES AT 31 DECEMBER 2020	26	81,852	1,237	1,880	84,969	9,765	82,909	14,636	107,310	192,279

All amounts relate to continuing operations.
The notes on pages 29 to 68 form part of these accounts.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Parochial Restricted Funds £000's	TOTAL Parochial Funds £000's	Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	TOTAL Curial Funds £000's	TOTAL 2019 £000's
INCOME FROM										
Donations and legacies										
Collections and donations	3.1	9,199	569	1,301	11,069	243	43	98	384	11,453
Legacies		267	-	-	267	7	-	26	33	300
Grants		-	-	-	-	-	-	-	-	-
Other trading activities										
Fundraising	3.2	235	-	-	235	11,792	-	-	11,792	12,027
Investment income	3.3	1,726	265	9	2,000	473	3,482	137	4,092	6,092
Charitable activities	4	153	-	-	153	289	1,129	-	1,418	1,571
Other										
Net gains on disposal of assets		207	-	-	207	-	76	-	76	283
TOTAL INCOME		11,787	834	1,310	13,931	12,804	4,730	261	17,795	31,726
EXPENDITURE ON										
Raising Funds	5	172	31	1	204	11,396	262	17	11,675	11,879
Charitable activities										
Ministry support	6.1	1,830	-	-	1,830	39	1,304	296	1,639	3,469
Pastoral and community	6.2	4,016	-	1,066	5,082	806	2,657	210	3,673	8,755
Education	6.3	-	1,306	-	1,306	510	1,508	-	2,018	3,324
Provision for worship	6.4	6,557	-	-	6,557	500	551	-	1,051	7,608
TOTAL EXPENDITURE		12,575	1,337	1,067	14,979	13,251	6,282	523	20,056	35,035
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT LOSSES		(788)	(503)	243	(1,048)	(447)	(1,552)	(262)	(2,261)	(3,309)
Net gains on investments	10	7,497	1,313	51	8,861	1,016	8,723	726	10,465	19,326
NET INCOME AFTER INVESTMENT GAINS		6,709	810	294	7,813	569	7,171	464	8,204	16,017
TRANSFERS BETWEEN FUNDS	25	125	148	(1,052)	(779)	152	683	(56)	779	-
NET MOVEMENT IN FUNDS		6,834	958	(758)	7,034	721	7,854	408	8,983	16,017
Fund balances at 1 January 2019		76,731	1,162	2,649	80,542	12,456	79,654	14,623	106,733	187,275
FUND BALANCES AT 31 DECEMBER 2019	26	83,565	2,120	1,891	87,576	13,177	87,508	15,031	115,716	203,292

All amounts relate to continuing operations.

The notes on pages 29 to 68 form part of these accounts

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Parochial Restricted Funds £000's	TOTAL Parochial Funds £000's	Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	TOTAL Curial Funds £000's	TOTAL 2020 £000's
INCOME FROM										
Donations and legacies										
Collections and donations	3.1	6,347	546	598	7,491	121	58	30	209	7,700
Legacies		208	-	-	208	31	9	209	249	457
Grants		357	-	-	357	123	200	-	323	680
Other trading activities										
Fundraising	3.2	61	-	-	61	14	-	-	14	75
Investment income	3.3	1,588	243	6	1,837	305	2,514	134	2,953	4,790
Charitable activities	4	59	-	-	59	357	955	-	1,312	1,371
Other										
Net gains on disposal of assets		23	-	-	23	-	-	-	-	23
TOTAL INCOME		8,643	789	604	10,036	951	3,736	373	5,060	15,096
EXPENDITURE ON										
Raising Funds	5	107	25	1	133	21	350	14	385	518
Charitable activities										
Ministry Support	6.1	1,397	-	-	1,397	43	1,374	288	1,705	3,102
Pastoral and Community	6.2	3,429	-	463	3,892	732	2,419	123	3,274	7,166
Education	6.3	-	786	-	786	-	1,449	-	1,449	2,235
Provision for worship	6.4	5,705	-	-	5,705	389	575	-	964	6,669
TOTAL EXPENDITURE		10,638	811	464	11,913	1,185	6,167	425	7,777	19,690
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS		(1,995)	(22)	140	(1,877)	(234)	(2,431)	(52)	(2,717)	(4,594)
Net gains / (losses) on investments	10	116	(549)	(21)	(454)	(119)	(2,338)	(305)	(2,762)	(3,216)
NET (EXPENDITURE) / INCOME AFTER INVESTMENT LOSSES		(1,879)	(571)	119	(2,331)	(353)	(4,769)	(357)	(5,479)	(7,810)
TRANSFERS BETWEEN FUNDS	25	166	(312)	(130)	(276)	83	170	19	272	(4)
NET MOVEMENT IN FUNDS		(1,713)	(883)	(11)	(2,607)	(270)	(4,599)	(338)	(5,207)	(7,814)
Fund balances at 1 January 2020		83,565	2,120	1,891	87,576	10,737	87,174	14,697	112,608	200,184
FUND BALANCES AT 31 DECEMBER 2020	26	81,852	1,237	1,880	84,969	10,467	82,575	14,359	107,401	192,370

All amounts relate to continuing operations.
The notes on pages 29 to 68 form part of these accounts.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Parochial Unrestricted Funds £000's	Parochial Designated Funds £000's	Parochial Restricted Funds £000's	TOTAL Parochial Funds £000's	Curial Unrestricted Funds £000's	Curial Designated Funds £000's	Curial Restricted Funds £000's	TOTAL Curial Funds £000's	TOTAL 2019 £000's
INCOME FROM										
Donations and legacies										
Collections and donations	3.1	9,199	569	1,301	11,069	243	43	98	384	11,453
Legacies		267	-	-	267	7	-	26	33	300
Grants		-	-	-	-	-	-	-	-	-
Other trading activities										
Fundraising	3.2	235	-	-	235	20	-	-	20	255
Investment income	3.3	1,726	265	9	2,000	294	3,482	137	3,913	5,913
Charitable activities	4	153	-	-	153	289	1,129	-	1,418	1,571
Other										
Net gains on disposal of assets		207	-	-	207	-	76	-	76	283
TOTAL INCOME		11,787	834	1,310	13,931	853	4,730	261	5,844	19,775
EXPENDITURE ON										
Raising Funds	5	172	31	1	204	26	597	17	640	844
Charitable activities	6									
Ministry Support	6.1	1,830	-	-	1,830	39	1,304	296	1,639	3,469
Pastoral and Community	6.2	4,016	-	1,066	5,082	661	2,657	205	3,523	8,605
Education	6.3	-	1,306	-	1,306	-	1,508	-	1,508	2,814
Provision for worship	6.4	6,557	-	-	6,557	500	551	-	1,051	7,608
TOTAL EXPENDITURE		12,575	1,337	1,067	14,979	1,226	6,617	518	8,361	23,340
NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS		(788)	(503)	243	(1,048)	(373)	(1,887)	(257)	(2,517)	(3,565)
Net gains on investments	10	7,497	1,313	51	8,861	541	8,723	726	9,990	18,851
NET INCOME AFTER INVESTMENT GAINS		6,709	810	294	7,813	168	6,836	469	7,473	15,286
TRANSFERS BETWEEN FUNDS	25	125	148	(1,052)	(779)	158	684	-	842	63
NET MOVEMENT IN FUNDS		6,834	958	(758)	7,034	326	7,520	469	8,315	15,349
Fund balances at 1 January 2019		76,731	1,162	2,649	80,542	10,411	79,654	14,228	104,293	184,835
FUND BALANCES AT 31 DECEMBER 2019	26	83,565	2,120	1,891	87,576	10,737	87,174	14,697	112,608	200,184

All amounts relate to continuing operations.

The notes on pages 29 to 68 form part of these accounts.

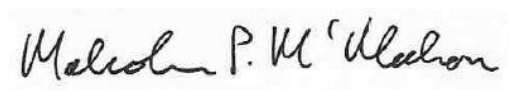
LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2020

	Notes	Parochial 2020 £000's	Curial 2020 £000's	Total 2020 £000's	Parochial 2019 £000's	Curial 2019 £000's	Total 2019 £000's
FIXED ASSETS							
Tangible assets							
- investment properties	11.1	15,020	15,154	30,174	13,935	14,484	28,419
- other	11.3	11,759	19,080	30,839	12,422	19,681	32,103
		<u>26,779</u>	<u>34,234</u>	<u>61,013</u>	<u>26,357</u>	<u>34,165</u>	<u>60,522</u>
Investments	12.1	<u>53,843</u>	<u>71,330</u>	<u>125,173</u>	<u>56,218</u>	<u>75,591</u>	<u>131,809</u>
Total Fixed Assets		<u>80,622</u>	<u>105,564</u>	<u>186,186</u>	<u>82,575</u>	<u>109,756</u>	<u>192,331</u>
CURRENT ASSETS							
Stock		-	119	119	-	332	332
Debtors							
- due within one year	13	4,080	2,032	6,112	3,164	3,096	6,260
Balance at bank		<u>10,739</u>	<u>14,081</u>	<u>24,820</u>	<u>1,767</u>	<u>14,870</u>	<u>16,637</u>
		<u>14,819</u>	<u>16,232</u>	<u>31,051</u>	<u>4,931</u>	<u>18,298</u>	<u>23,229</u>
CREDITORS							
- amounts falling due within one year	14	(20,207)	(4,714)	(24,921)	(8,551)	(3,680)	(12,231)
Intra - Group balances		<u>9,735</u>	<u>(9,735)</u>	<u>-</u>	<u>8,621</u>	<u>(8,621)</u>	<u>-</u>
NET CURRENT ASSETS		<u>4,347</u>	<u>1,783</u>	<u>6,130</u>	<u>5,001</u>	<u>5,997</u>	<u>10,998</u>
Provisions for liabilities							
Deferred taxation	15	-	(37)	(37)	-	(37)	(37)
NET ASSETS		<u>84,969</u>	<u>107,310</u>	<u>192,279</u>	<u>87,576</u>	<u>115,716</u>	<u>203,292</u>
ACCUMULATED FUNDS							
Restricted funds	16	1,880	14,636	16,516	1,891	15,031	16,922
Unrestricted funds							
- Designated	17	1,237	82,909	84,146	2,120	87,508	89,628
- General		<u>81,852</u>	<u>9,765</u>	<u>91,617</u>	<u>83,565</u>	<u>13,177</u>	<u>96,742</u>
		<u>84,969</u>	<u>107,310</u>	<u>192,279</u>	<u>87,576</u>	<u>115,716</u>	<u>203,292</u>

The financial statements were approved and authorised for issue by the trustees on 16/12/21

and signed on their behalf by



Chairman of the trustees

The notes on pages 29 to 68 form part of these accounts.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CHARITY BALANCE SHEET AT 31 DECEMBER 2020

	Notes	Parochial 2020 £000's	Curial 2020 £000's	Total 2020 £000's	Parochial 2019 £000's	Curial 2019 £000's	Total 2019 £000's
FIXED ASSETS							
Tangible assets							
- investment properties	11.2	15,020	13,604	28,624	13,935	12,964	26,899
- other	11.4	11,759	4,583	16,342	12,422	4,511	16,933
		<u>26,779</u>	<u>18,187</u>	<u>44,966</u>	<u>26,357</u>	<u>17,475</u>	<u>43,832</u>
Investments	12.2	53,843	67,205	121,048	56,218	71,332	127,550
Investment in related companies	12.3	-	22,558	22,558	-	22,558	22,558
Total Fixed Assets		<u>80,622</u>	<u>107,950</u>	<u>188,572</u>	<u>82,575</u>	<u>111,365</u>	<u>193,940</u>
CURRENT ASSETS							
Debtors							
- due within one year	13	4,080	1,335	5,415	3,164	2,293	5,457
Balance at bank		<u>10,739</u>	<u>21,346</u>	<u>32,085</u>	<u>1,767</u>	<u>18,323</u>	<u>20,090</u>
		<u>14,819</u>	<u>22,681</u>	<u>37,500</u>	<u>4,931</u>	<u>20,616</u>	<u>25,547</u>
LIABILITIES							
Creditors							
- amounts falling due within one year	14	(20,207)	(1,813)	(22,020)	(8,551)	(594)	(9,145)
Intra - Group balances		<u>9,735</u>	<u>(21,417)</u>	<u>(11,682)</u>	<u>8,621</u>	<u>(18,779)</u>	<u>(10,158)</u>
NET CURRENT ASSETS		<u>4,347</u>	<u>(549)</u>	<u>3,798</u>	<u>5,001</u>	<u>1,243</u>	<u>6,244</u>
NET ASSETS		<u>84,969</u>	<u>107,401</u>	<u>192,370</u>	<u>87,576</u>	<u>112,608</u>	<u>200,184</u>
ACCUMULATED FUNDS							
Restricted funds	16	1,880	14,359	16,239	1,891	14,697	16,588
Unrestricted funds							
- Designated	17	1,237	82,575	83,812	2,120	87,174	89,294
- General		<u>81,852</u>	<u>10,467</u>	<u>92,319</u>	<u>83,565</u>	<u>10,737</u>	<u>94,302</u>
		<u>84,969</u>	<u>107,401</u>	<u>192,370</u>	<u>87,576</u>	<u>112,608</u>	<u>200,184</u>

The financial statements were approved and authorised for issue by the trustees on 16/12/21

and signed on their behalf by

Malcolm P. McAlister

Chairman of the trustees

The notes on pages 29 to 68 form part of these accounts.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £'000s	2019 £'000s
Cash flows from operating activities		
Net movement in funds	(11,013)	16,017
Adjustments for:		
Depreciation, impairment, and amortisation of fixed assets	1,463	1,178
Net interest receivable	(42)	(126)
Dividend income from fixed and current asset investments	(3,621)	(4,679)
Difference between net pension expense and cash contribution	(39)	63
Decrease in trade and other debtors	29	837
Decrease in stocks	213	18
Increase / (Decrease) in trade and other creditors	12,729	(234)
Decrease in provisions	-	(3)
Gains on revaluation of investment properties	(2,917)	(4,141)
Losses / (Gains) on revaluation of investments	6,315	(15,185)
Profit on disposal of assets	(23)	(283)
Net cash Inflow / (outflow) from operating activities	3,094	(6,538)
Cash flows from investing activities		
Proceeds from sale of tangible fixed assets	1,396	1,816
Purchases of tangible fixed assets	(411)	(202)
Interest received	42	126
Dividends received on fixed asset investments	3,741	4,657
Purchase of investments	-	(630)
Proceeds from sale of investments	321	955
Net cash from investing activities	5,089	6,722
Net increase in cash and cash equivalents	8,183	184
Cash and cash equivalents at beginning of year	16,637	16,453
Cash and cash equivalents at end of year	24,820	16,637
Cash and cash equivalents comprise:		
Cash at bank and in hand	24,820	16,637

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

1 PRINCIPAL ACCOUNTING POLICIES

1.1 Charity information

Liverpool Roman Catholic Archdiocesan Trust is a charity registered in England and Wales under the Charities Act 2011. The registered office is stated on the reference and administrative details page and the principal objective and activity of the charity is stated in the Report of the Trustees.

1.2 Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments and investment properties which are included at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (Charities SORP (FRS 102)), the Charities Act 2011 and applicable reporting standards.

In preparing these financial statements, the trustees are required to prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation. In satisfaction of this responsibility the trustees have considered the charity's ability to meet its liabilities as they fall due for a period of at least twelve months from signing date of the financial statements.

Due to the current environment arising from the global pandemic, management have made an assessment of the likely impact of COVID-19 on the company based on latest available information and government guidance. This assessment has looked at the likely duration of the crisis as well as the sales that could be expected to be generated during extended government restrictions.

For three months between mid-March and mid-June, all churches were closed to the public. Chaplaincy-led activities, central services and other programmes had to adapt their activities to be provided remotely or online, or they had to close temporarily. As a result, income from donations, commercial trading operations and charitable activities has been adversely impacted in many areas of the charity's mission, though the impact has been mitigated by deploying additional support for alternative methods of giving, such as online donations, by encouraging donors to consider setting up standing orders. However, the overall drop in income was accompanied by a reduction in operational expenditure in all areas of the charity, easing the pressure on reserves. The charity furloughed some its employees and claimed the eligible sums from the Coronavirus Job Retention Scheme. The evolution of interest rates and the financial markets have adversely impacted investment income and interest receivable for the charity, but not beyond the capacity of its reserves to withstand.

The trustees have considered the period of 12 months from the date of approval of these accounts and have reviewed working capital requirements for the period. As part of this review, reverse stress testing has also been performed, considering the potential disruptions and reductions in income over the coming months as well as the level of investment returns.

Although there has been an impact on the finances and reserves of the charity, the trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due based on the carrying value of the assets held by the charity including cash, listed investments and investment property.

The trustees therefore conclude that it remains appropriate to continue to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being appropriate.

Liverpool Roman Catholic Archdiocesan Trust meets the definition of a public benefit entity under FRS 102.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

1.2 Basis of preparation *(continued)*

The accounts are presented in sterling and are rounded to the nearest £1,000.

1.3 Basis of consolidation

The consolidated financial statements include those of the subsidiary undertakings which are consolidated on a line-by-line basis using appropriate headings for those subsidiaries which prepare their accounts under the Companies Act or SORP formats.

The consolidated accounts also include the net assets and transactions of other charities under the control of the charity.

The accounts do not include the net assets and results of connected charities.

The charity has taken advantage of the exemption from preparing a charity cash flow statement.

1.4 Incoming resources

Incoming resources are included in the Statement of Financial Activities once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income from trading activities is included in the period that the relevant services are provided or goods supplied.

Legacies and donations are recognised when receipt is probable, the archdiocese becomes legally entitled to them and they can be measured in financial terms with sufficient reliability.

Collections and fundraising income is recognised on receipt. Investment income is recognised when receivable.

Grants receivable are included in the Statement of Financial Activities as soon as the conditions attaching to the grant are satisfied. Grants are mainly in relation to capital projects. Included within the grants figure on the statement of financial activities is £540k (2019: £Nil) in relation to amounts received under the Coronavirus Job Retention Scheme "Furlough".

The charity receives substantial voluntary help in the work of the archdiocese, but it is not possible to place a financial value on this work and no amounts are therefore included in the financial statements for the value of services donated by volunteers. Gifts of fixed assets are included at valuation and the corresponding entry is recorded as donation income.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

1.5 Resources expended

Resources expended are included in the Statement of Financial Activities on the accruals basis. These are based on the amounts payable for work done or services provided in the year.

Costs of raising funds

Costs of raising funds comprises all costs relating to attracting voluntary income, the costs incurred in subsidiary trading and investment management fees.

Charitable activities

Expenditure on charitable activities includes the costs identified as wholly or mainly attributable to achieving the charitable objectives of the charity, including direct staff costs and other direct costs as well as support costs and costs relating to the governance of the charity apportioned to charitable activities

Governance costs

Governance costs are those costs related to the governance of the charity, to allow it to operate, and to generate information for public accountability. Direct costs include audit and accountancy, legal advice to trustees and costs of trustees' meetings.

Support costs

All support costs are borne by central funds and have been apportioned to governance costs and charitable activities. The share of support costs attributable to governance reflects costs incurred in the preparation of the statutory accounts and the remaining costs have been allocated pro-rata based upon the charitable activity's share of central expenditure.

1.6 Investments and investment gains and losses

Investments and investment properties are included in the financial statements at fair value at the balance sheet date. Investment properties are valued internally annually and are professionally valued on a rolling basis as part of a five-year programme. Listed investments are included in the balance sheet at bid price.

Realised and unrealised gains and losses on investments and investment properties are dealt with in the Statement of Financial Activities.

Unrealised gains and losses are calculated as the movement in fair value during the year. Realised gains are calculated as the difference between disposal proceeds and market value brought forward.

1.7 Tangible fixed assets - other than property

The cost of computer equipment, office equipment and fixtures and fittings is capitalised and depreciation is provided to write off the original cost, less any estimated residual value, over the expected useful life of the assets concerned. The rates of depreciation applied are as follows:

	% of cost per annum
Computer equipment	25
Office equipment and fixtures and fittings	20

Suitable capitalisation thresholds are adopted in the entities comprising the archdiocese.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

1.8 Tangible fixed assets - Functional church property

Prior to 31 December 1997 capital expenditure on functional church property was written off in full as incurred.

At 31 December 1997 the trustees considered that a reasonable approximation of the net book value of the functional church property held would be established by discounting the insurance values of those assets by 90%. This was the policy employed to include these assets on the balance sheet at estimated historic cost net of accumulated depreciation.

From 1 January 1998 to 31 December 2008 the cost of functional church property was capitalised and depreciated over its expected useful life of 20 years. From 2009 listed properties and other functional church properties have been depreciated over useful economic lives of 100 years and 50 years respectively. Commercial properties are considered to have useful economic lives of 20 years.

From 1 January 2019 parochial functional property is depreciated by component over the remaining expected useful life of the individual component as set out below.

Building component	% of cost	Average remaining life in 2020	Expected useful life
Roof	30%	24	75
Walls, foundations	50%	99	100
Windows	5%	19	50
Heating installations	5%	9	20
Interior	5%	9	20
Electrical installations	5%	9	20

Works of art, treasures and plate are not capitalised in these accounts as they are historic, have extraordinarily long lives and are worth preserving in perpetuity. They are heritage assets for the purposes of Charities SORP (FRS 102). The trustees consider that it would be prejudicial to the safe custody of these assets to disclose details of their values and usage in the accounts.

Where functional church property is no longer operational, impairment is fully recognised unless there is an investment value.

1.9 Tangible fixed assets - School property

The freehold of the land and buildings legally owned by the archdiocese and occupied rent-free on behalf of the trustees of the governing bodies of catholic voluntary aided schools, which are separate charities and publicly funded, are valued at £Nil. The trustees consider that no meaningful value can be attributed to these assets, since they are not used directly by the archdiocese, do not generate income, and cannot be disposed of in the open market or put to alternative use while such occupation, which may be indefinite, continues.

1.10 Impairment

The carrying amounts of the archdiocese's fixed assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount and is recognised in the Statement

1.11 Stocks

Stocks are stated at the lower of cost and net realisable value.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

1.12 Pension scheme

The charity and eligible employees make defined contributions to a group personal pension scheme. Contributions are also paid to the Teachers' Pension Superannuation Fund on which further information is given in note 21 to the financial statements. Contributions payable are charged as Resources Expended in the Consolidated Statement of Financial Activities.

1.13 Operating leases

Operating leases in respect of equipment are charged as resources expended on a straight-line basis over the period of the lease. Such operating leases mainly relate to parishes and parish centres. Rentals receivable under operating leases are recognised on a straight-line basis over the period of lease term.

1.14 Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- i. at fair value with changes recognised in the Statement of Financial Activities if the shares are publicly traded or their fair value can otherwise be measured reliably;
- ii. at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which approximates to the amount that the charity would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset, and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

1.15 Recognition of liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation committing the archdiocese to pay out resources.

1.16 Liquid resources

Liquid resources are those associated with the cash management of the archdiocese.

1.17 Fund accounting

The funds within the archdiocese are split between Curial and Parochial. Curial Funds can be used across the whole of the archdiocese whereas Parochial Funds comprise funds relating to the individual parishes. These funds are shown separately and subdivided in the financial statements as follows.

Restricted funds

Restricted funds are funds that are used in accordance with specific restrictions imposed by donors or that have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. Details of the restricted funds held are provided in note 16 to the financial statements.

Unrestricted funds - Designated

Designated funds are unrestricted funds that have been set aside by the trustees for specific purposes and are detailed in note 17 to the financial statements.

Unrestricted funds - General

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the objects of the charity and which have not been designated for other purposes.

1.18 Agency arrangements

The archdiocese acts as agent in the collection of grants from government, local authorities and other funds, and payment of approved invoices for school building projects on behalf of Catholic schools in the archdiocese. This income and expenditure is excluded from the income and expenditure of the charity and any balances due from or held on behalf of schools are shown within debtors and creditors. See note 24.

1.19 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Financial Activities.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

1.19 Current and deferred taxation *(continued)*

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2 JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing these financial statements, the trustees have had to make the following judgments:

- Determine whether leases entered into by the group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.
- Determine whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- Determine whether there are indicators of impairment in the carrying value of investments in subsidiary undertakings. Factors taken into consideration in reaching such a decision include the economic viability and expected future income generating potential of the subsidiary entity.

Other key sources of estimation uncertainty:

Tangible fixed assets (see note 11)

- Tangible fixed assets, other than investments properties, are depreciated over their useful lives considering residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on several factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- Investment properties are valued internally annually and are professionally valued on a rolling basis as part of a five-year programme. Valuations are made considering periodic external valuations, derived from current market rents and property yields for comparable real estate, adjusted, if necessary, for any difference in nature, location, or condition. Judgement is required in assessing the appropriateness of the assumptions and methodology in determining the fair value of investment properties.

Investments (see note 12)

- Estimates, assumptions, and judgments relate to the determination of carrying value of investments at fair value through the Statement of Financial Activities, the group follows the International Private Equity and Venture Capital Valuation Guidelines, applying the overriding concept that fair value is the amount for which an asset can be exchanged between knowledgeable willing parties in an arm's length transaction. The nature, facts and circumstances of the investment drives the valuation methodology.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

3 INCOME	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2020 £000's	2019 £000's
3.1 Collections and donations					
PAROCHIAL					
Group and Charity					
Collections	3,936	-	598	4,534	7,126
Donations	1,890	546	-	2,436	3,102
Gift Aid rebates	521	-	-	521	841
	<u>6,347</u>	<u>546</u>	<u>598</u>	<u>7,491</u>	<u>11,069</u>
CURIAL					
Group and Charity					
Collections	40	-	5	45	109
Donations	81	58	25	164	275
	<u>121</u>	<u>58</u>	<u>30</u>	<u>209</u>	<u>384</u>
TOTAL – GROUP AND CHARITY	<u>6,468</u>	<u>604</u>	<u>628</u>	<u>7,700</u>	<u>11,453</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

3.2 Fundraising	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2020 £000's	2019 £000's
PAROCHIAL					
Group and Charity					
Parish events and other fundraising activities	61	-	-	61	235
	<u>61</u>	<u>-</u>	<u>-</u>	<u>61</u>	<u>235</u>
CURIAL					
Group					
Income from trading subsidiaries	5,106	-	-	5,106	11,772
Other	14	-	-	14	20
	<u>5,120</u>	<u>-</u>	<u>-</u>	<u>5,120</u>	<u>11,792</u>
Less income from trading subsidiaries	<u>(5,106)</u>	<u>-</u>	<u>-</u>	<u>(5,106)</u>	<u>(11,772)</u>
Charity	<u>14</u>	<u>-</u>	<u>-</u>	<u>14</u>	<u>20</u>
TOTAL - GROUP	<u><u>5,181</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>5,181</u></u>	<u><u>12,027</u></u>
TOTAL - CHARITY	<u><u>75</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>75</u></u>	<u><u>255</u></u>
3.3 Investment Income					
PAROCHIAL					
Group and Charity					
Income receivable from unitised portfolio	950	243	6	1,199	1,294
Rents and other income	638	-	-	638	706
	<u>1,588</u>	<u>243</u>	<u>6</u>	<u>1,837</u>	<u>2,000</u>
CURIAL					
Group					
Interest receivable	-	42	-	42	127
Income receivable from unitised portfolio	153	2,135	134	2,422	3,385
Rents and other income	271	337	-	608	580
	<u>424</u>	<u>2,514</u>	<u>134</u>	<u>3,072</u>	<u>4,092</u>
Less investment income from trading subsidiaries	<u>(119)</u>	<u>-</u>	<u>-</u>	<u>(119)</u>	<u>(179)</u>
Charity	<u>305</u>	<u>2,514</u>	<u>134</u>	<u>2,953</u>	<u>3,913</u>
TOTAL - GROUP	<u><u>2,012</u></u>	<u><u>2,653</u></u>	<u><u>140</u></u>	<u><u>4,805</u></u>	<u><u>6,092</u></u>
TOTAL - CHARITY	<u><u>1,893</u></u>	<u><u>2,757</u></u>	<u><u>140</u></u>	<u><u>4,790</u></u>	<u><u>5,913</u></u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

4 INCOME FROM CHARITABLE ACTIVITIES	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2020 £000's	2019 £000's
PAROCHIAL					
Group and Charity					
Piety stall	45	-	-	45	115
Newspapers	14	-	-	14	38
	<u>59</u>	<u>-</u>	<u>-</u>	<u>59</u>	<u>153</u>
CURIAL					
Group and Charity					
Cemetery fees	315	-	-	315	278
School Contribution Scheme	-	305	-	305	296
Inspection fees and course income	-	205	-	205	303
Other	42	445	-	487	541
	<u>357</u>	<u>955</u>	<u>-</u>	<u>1,312</u>	<u>1,418</u>
TOTAL – GROUP AND CHARITY	<u>416</u>	<u>955</u>	<u>-</u>	<u>1,371</u>	<u>1,571</u>
5 RAISING FUNDS					
PAROCHIAL					
Group and Charity					
Parish events and other fundraising activities	10	-	-	10	52
Investment management fees	97	25	1	123	152
	<u>107</u>	<u>25</u>	<u>1</u>	<u>133</u>	<u>204</u>
CURIAL					
Group					
Expenditure by subsidiaries	7,438	-	-	7,438	11,370
Other	21	350	14	385	305
	<u>7,459</u>	<u>350</u>	<u>14</u>	<u>7,823</u>	<u>11,675</u>
Less expenditure by subsidiaries	(7,438)	-	-	(7,438)	(11,370)
Add impairment in value of subsidiary company	-	-	-	-	335
Charity	<u>21</u>	<u>350</u>	<u>14</u>	<u>385</u>	<u>640</u>
TOTAL - GROUP	<u>7,566</u>	<u>375</u>	<u>15</u>	<u>7,956</u>	<u>11,879</u>
TOTAL - CHARITY	<u>128</u>	<u>375</u>	<u>15</u>	<u>518</u>	<u>844</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

6	EXPENDITURE ON CHARITABLE ACTIVITIES	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2020 £000's	2019 £000's
	PAROCHIAL					
	6.1 Ministry Support					
	Group and Charity					
	Clergy allowances	965	-	-	965	1,078
	Travel	107	-	-	107	236
	Supply	39	-	-	39	78
	Other	286	-	-	286	438
		<u>1,397</u>	<u>-</u>	<u>-</u>	<u>1,397</u>	<u>1,830</u>
	6.2 Pastoral and Community					
	Group and Charity					
	Diocesan and other collections	-	-	463	463	1,066
	Liturgical and pastoral costs	624	-	-	624	887
	Lay personnel costs	1,395	-	-	1,395	1,382
	Housekeeping and hospitality	211	-	-	211	285
	Printing, postage, stationery	209	-	-	209	260
	Equipment hire	162	-	-	162	192
	Telephone	214	-	-	214	181
	Professional fees	74	-	-	74	27
	Other office	178	-	-	178	122
	Piety stall	39	-	-	39	101
	Newspapers	31	-	-	31	64
	Miscellaneous	292	-	-	292	515
		<u>3,429</u>	<u>-</u>	<u>463</u>	<u>3,892</u>	<u>5,082</u>
	6.3 Education					
	Group and Charity					
	School costs	<u>-</u>	<u>786</u>	<u>-</u>	<u>786</u>	<u>1,306</u>
	6.4 Provision for worship					
	Group and Charity					
	Repairs and maintenance	2,984	-	-	2,984	3,500
	Depreciation	449	-	-	449	432
	Heat and light	1,074	-	-	1,074	1,404
	Insurance	542	-	-	542	549
	Council tax and water rates	406	-	-	406	369
	Grounds maintenance	250	-	-	250	303
		<u>5,705</u>	<u>-</u>	<u>-</u>	<u>5,705</u>	<u>6,557</u>
	TOTAL PAROCHIAL – GROUP AND CHARITY	<u>10,531</u>	<u>786</u>	<u>463</u>	<u>11,780</u>	<u>14,775</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

6	EXPENDITURE ON CHARITABLE ACTIVITIES (continued)	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2020 £000's	2019 £000's
	CURIAL					
	6.1 Ministry Support					
	Group and Charity					
	Cathedral	43	-	-	43	39
	Priests' Training Fund	-	-	288	288	296
	Retirement costs	-	692	-	692	797
	Permanent Diaconate	-	81	-	81	69
	Sabbatical fund	-	-	-	-	16
	Share of central support costs	-	220	-	220	159
	Other	-	381	-	381	263
		<u>43</u>	<u>1,374</u>	<u>288</u>	<u>1,705</u>	<u>1,639</u>
	6.2 Pastoral and Community					
	Group					
	Cathedral	361	-	39	400	396
	Cemeteries	372	-	-	372	289
	Curia	-	5	-	5	13
	Tribunal	-	61	-	61	59
	Pastoral Formation	-	321	-	321	385
	Justice and Peace	-	42	-	42	60
	Youth	-	129	-	129	143
	Safeguarding	-	145	-	145	169
	National levies	-	364	-	364	353
	Chaplaincies	-	269	-	269	273
	Ecumenical grants	-	27	-	27	29
	Share of central support costs	-	766	-	766	863
	Other	133	290	85	508	641
		<u>866</u>	<u>2,419</u>	<u>124</u>	<u>3,409</u>	<u>3,673</u>
	Less other costs associated with subsidiaries	(134)	-	(1)	(135)	(150)
	Charity	<u>732</u>	<u>2,419</u>	<u>123</u>	<u>3,274</u>	<u>3,523</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

6 EXPENDITURE ON CHARITABLE ACTIVITIES <i>(continued)</i>	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2020 £000's	2019 £000's
6.3 Education					
Group					
Education Department	764	980	-	1,744	1,528
Share of central support costs	-	469	-	469	490
	<u>764</u>	<u>1,449</u>	<u>-</u>	<u>2,213</u>	<u>2,018</u>
Less School Improvement Trust expenditure	(764)	-	-	(764)	(510)
Charity	<u>-</u>	<u>1,449</u>	<u>-</u>	<u>1,449</u>	<u>1,508</u>
6.4 Provision for worship					
Group and Charity					
Cathedral	389	2	-	391	500
Depreciation	-	140	-	140	140
Share of central support costs	-	185	-	185	179
Other	-	248	-	248	232
	<u>389</u>	<u>575</u>	<u>-</u>	<u>964</u>	<u>1,051</u>
TOTAL CURIAL - GROUP	<u>2,062</u>	<u>5,817</u>	<u>412</u>	<u>8,291</u>	<u>8,381</u>
TOTAL CURIAL - CHARITY	<u>1,164</u>	<u>5,817</u>	<u>411</u>	<u>7,392</u>	<u>7,721</u>
TOTAL - GROUP	<u>12,593</u>	<u>6,603</u>	<u>875</u>	<u>20,071</u>	<u>23,156</u>
TOTAL - CHARITY	<u>11,695</u>	<u>6,603</u>	<u>874</u>	<u>19,172</u>	<u>22,496</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Ministry Support £000's	Pastoral and Community £000's	Education £000's	Provision for worship £000's	2020 £000's	2019 £000's
7 SUPPORT COSTS						
CURIAL						
Group and Charity						
Office administration and governance						
- Office of the Chief Operating Officer	85	297	182	72	636	526
- Finance Department	62	215	132	52	461	506
- Premises	22	76	46	18	162	235
- Bank charges and interest	26	93	56	22	197	235
- Audit fees	11	38	23	9	81	83
- Other curial	14	47	30	12	103	106
	<u>220</u>	<u>766</u>	<u>469</u>	<u>185</u>	<u>1,640</u>	<u>1,691</u>

All support costs are borne by central funds and have been apportioned to governance costs and charitable activities. The share of support costs attributable to governance reflects costs incurred in the preparation of the statutory accounts and the remaining costs have been allocated pro-rata based upon the charitable activity's share of central expenditure.

In addition, other amounts paid to the auditors in relation to the audit of subsidiary companies were £91,097 (2019: £105,071). These are included within expenditure on charitable activities.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

8 STAFF COSTS

	Total 2020 £000's	Total 2019 £000's
Clergy allowances	1,073	1,156
Wages and salaries	8,256	8,211
Social security costs	391	316
Pension costs	411	295
	10,131	9,978

	2020 No.	2019 No.
The average number of employees during the year was:		
Central employees	138	143
Parish employees (excludes parish clergy)	128	132
Parish club employees (including part-time staff)	355	376
	621	651

The average number of employees as a full-time equivalent during the year was 371 (2019: 394).

The number of employees whose emoluments including taxable benefits in kind, but excluding pension contributions amounted to over £60,000 in the year was in bands as follows:

	2020 No.	2019 No.
The average number of employees during the year was:		
£60,001 to £70,000	2	2
£70,001 to £80,000	1	-
£90,001 to £100,000	1	2
£120,001 to £130,000	1	-

The charity and eligible employees (see note 21) make defined contributions to a group personal pension scheme. The number of higher paid employees in the scheme in 2020 was 5 (2019:4). The total pension contributions made by the charity in respect of higher paid employees was £23,459 (2019: £24,935).

The day-to-day administrative, legal, and financial activity of the archdiocese is directed by the Chief Operating Officer and other members of the Senior Management Team who are the key management personnel of the charity. The total employment cost of key management personnel during the year was £447,690 (2019: £327,537).

9 TRUSTEES

Several of the trustees are clergy of the Liverpool Roman Catholic Archdiocesan Trust. They are housed and remunerated by the archdiocese and are reimbursed expenses for carrying out their ministry in the same way as other priests of the archdiocese.

No trustee received any remuneration or expenses in respect of their services as a trustee during the year (2019 - £450 expenses).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

10 Net gains / (losses) on investments	Unrestricted Funds £000's	Designated Funds £000's	Restricted Funds £000's	2020 £000's	2019 £000's
PAROCHIAL					
Group and Charity					
Revaluation of investment properties	2,235	-	-	2,235	2,390
Unrealised (losses) / gains on investments	(2,119)	(549)	(21)	(2,689)	6,471
	<u>116</u>	<u>(549)</u>	<u>(21)</u>	<u>(454)</u>	<u>8,861</u>
CURIAL					
Group					
Revaluation of investment properties	50	632	-	682	1,751
Unrealised (losses) / gains on investments	(351)	(2,970)	(305)	(3,626)	8,714
	<u>(301)</u>	<u>(2,338)</u>	<u>(305)</u>	<u>(2,944)</u>	<u>10,465</u>
Less revaluation of investments subsidiaries	182	-	-	182	(475)
Charity	<u>(119)</u>	<u>(2,338)</u>	<u>(305)</u>	<u>(2,762)</u>	<u>9,990</u>
TOTAL - GROUP	<u>(185)</u>	<u>(2,887)</u>	<u>(326)</u>	<u>(3,398)</u>	<u>19,326</u>
TOTAL - CHARITY	<u>(3)</u>	<u>(2,887)</u>	<u>(326)</u>	<u>(3,216)</u>	<u>18,851</u>

11 TANGIBLE FIXED ASSETS

11.1 Investment property at valuation – Group

	Parochial £000's	Curial £000's	Total £000's
At 1 January 2020	13,935	14,484	28,419
Additions	1	3	4
Disposals	(1,389)	-	(1,389)
Transfers	238	(15)	223
Net surplus on revaluation	2,235	682	2,917
At 31 December 2020	15,020	15,154	30,174

11.2 Investment property at valuation - Charity

	Parochial £000's	Curial £000's	Total £000's
At 1 January 2020	13,935	12,964	26,899
Additions	1	3	4
Disposals	(1,389)	-	(1,389)
Transfers	238	(15)	223
Net surplus on revaluation	2,235	652	2,887
At 31 December 2020	15,020	13,604	28,624

Investment properties are included on a fair value basis. External revaluations are carried out by Eddisons Real Estate and Business Valuers, and Armistead Barnett. A valuation exercise is performed annually by management and property valuations are informed by internal staff including a qualified chartered surveyor. The trustees have considered the valuations above as a fair reflection of the year end fair value.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

11.3 Other tangible fixed assets – Group	Parochial Property & Equipment £000's	Curial Fixtures & Equipment £000's	Curial Property £000's	Total £000's
Cost				
At 1 January 2020	35,904	1,149	28,259	65,312
Additions	24	144	248	416
Transfers	(521)	-	15	(506)
Disposals	-	(23)	-	(23)
At 31 December 2020	35,407	1,270	28,522	65,199
Depreciation				
At 1 January 2020	23,482	794	8,933	33,209
Charge for the year	449	190	594	1,233
Transfers	(283)	-	-	(283)
Disposals	-	(12)	(17)	(29)
Impairment	-	53	177	230
At 31 December 2020	23,648	1,025	9,687	34,360
Net book value	11,759	245	18,835	30,839
At 31 December 2020				
At 31 December 2019	12,422	355	19,326	32,103

An impairment charge of £230k was recognised in the year within Archdiocesan Parish Centres Management Company Limited in relation to assets at parish centres that closed in 2020 and will not reopen.

11.4 Other tangible fixed assets - Charity	Parochial Property & Equipment £000's	Curial Fixtures & Equipment £000's	Curial Property £000's	Total £000's
Cost				
At 1 January 2020	35,904	242	6,490	42,636
Additions	24	22	184	230
Transfers	(521)	-	15	(506)
Disposals	-	(3)	-	(3)
At 31 December 2020	35,407	261	6,689	42,357
Depreciation				
At 1 January 2020	23,482	161	2,060	25,703
Charge for the year	449	41	303	793
Transfers	(283)	-	(195)	(478)
Disposals	-	(3)	-	(3)
At 31 December 2020	23,648	199	2,168	26,015
Net book value	11,759	62	4,521	16,342
At 31 December 2020				
At 31 December 2019	12,422	81	4,430	16,933

All tangible fixed assets were used for charitable purposes.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

12 INVESTMENTS

12.1 Listed investments - Group	Unrestricted £000's	Designated £000's	Restricted £000's	Total £000's
At 1 January 2020	51,547	73,509	6,753	131,809
Transfers	531	(546)	15	-
Disposals	(115)	(180)	(17)	(312)
Net loss on revaluation	(2,470)	(3,528)	(326)	(6,324)
At 31 December 2020	49,493	69,255	6,425	125,173

There are no individual investments which comprise greater than 5% of the value of the portfolio.

All the quoted fixed asset investments are listed on a recognised Stock Exchange. Listed investments are included in the balance sheet at bid price.

The main archdiocesan investment portfolio is split into two funds managed by BlackRock Investment Management (UK) Limited and Rathbone Investment Management Limited respectively.

The investment funds are comprised of:

	2020 £000's
UK Equities	51,652
Non-UK Equities	39,388
UK government securities and other fixed interest stocks	15,965
UK Property Unit Trusts	11,193
Cash instruments	6,975
	125,173

12.2 Listed investments - Charity	Unrestricted £000's	Designated £000's	Restricted £000's	Total £000's
At 1 January 2020	47,288	73,509	6,753	127,550
Transfers	454	(546)	15	(77)
Disposals	(116)	(180)	(17)	(313)
Net loss on revaluation	(2,258)	(3,528)	(326)	(6,112)
At 31 December 2020	45,368	69,255	6,425	121,048

There are no individual investments which comprise greater than 5% of the value of the portfolio.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

12 INVESTMENTS *(continued)*

12.3 Investments in related companies

**Total
£000's**

At 1 January 2020 and 31 December 2020

22,558

Investments in related companies comprise the cost of shareholdings in the subsidiary companies listed in note 22.

13 DEBTORS	Parochial	Curial	Total 2020	Total 2019
Group	£000's	£000's	£000's	£000's
Due within one year				
Trade debtors	54	392	446	567
Other debtors	2,314	492	2,806	2,467
Prepayments and accrued income	1,712	1,148	2,860	3,226
TOTAL	4,080	2,032	6,112	6,260
Charity				
Trade debtors	54	283	337	375
Other debtors	2,314	142	2,456	2,151
Prepayments and accrued income	1,712	910	2,622	2,931
TOTAL	4,080	1,335	5,415	5,457
14 CREDITORS	Parochial	Curial	Total 2020	Total 2019
Amounts falling due within one year	£000's	£000's	£000's	£000's
Group				
School funding in advance	19,701	-	19,701	8,186
Trade creditors	-	996	996	796
Other creditors	-	897	897	877
Accruals and deferred income	506	2,469	2,975	2,160
Other taxation and social security	-	352	352	212
TOTAL	20,207	4,714	24,921	12,231
Charity				
School funding in advance	19,701	-	19,701	8,186
Trade creditors	-	220	220	30
Other creditors	-	160	160	163
Accruals and deferred income	506	1,433	1,939	677
Other taxation and social security	-	-	-	89
TOTAL	20,207	1,813	22,020	9,145

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

15 DEFERRED TAXATION

	Parochial	Curial	Total
	£000's	£000's	£000's
Group			
Balance as at 1 January 2020	-	37	37
Charged to Statement of Financial Activities	-	-	-
Balance as at 31 December 2020	-	37	37

	Parochial	Curial	Total
	£000's	£000's	£000's
Charity			
Balance as at 1 January 2020	-	-	-
Charged to Statement of Financial Activities	-	-	-
Balance as at 31 December 2020	-	-	-

	2020 £000's	2019 £000's
The deferred tax balance is made up as follows:		
Accelerated capital allowances	37	37

The deferred tax charge arose within Metropolitan Cathedral Services Limited.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

16 RESTRICTED FUNDS

Unexpended balances from collections, donations, legacies, and grants restricted by donors to specific purposes.

Analysis of Restricted Funds 2020	Opening Balance	Net Incoming Resources	Investment Gains /(Losses)	Transfers	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
Foundation Mass capital	468	5	(21)	-	452
Other charitable collections	1,423	135	-	(130)	1,428
	<u>1,891</u>	<u>140</u>	<u>(21)</u>	<u>(130)</u>	<u>1,880</u>
Curial - Charity					
Priests' Training Fund	3,104	(16)	(156)	4	2,936
Metropolitan Cathedral Roof Appeal Fund	3,096	-	-	-	3,096
Metropolitan Cathedral	966	(5)	(20)	4	945
Metropolitan Cathedral steps project	2,890	-	-	-	2,890
Metropolitan Cathedral crypt project	1,791	-	-	-	1,791
Liverpool Archdiocesan Missionary Project	1,111	(31)	(61)	-	1,019
St Joseph's College	809	11	(29)	-	791
Provision for priests in retirement	-	-	-	5	5
Lenten alms	37	(19)	-	6	24
Other funds	893	8	(39)	-	862
	<u>14,697</u>	<u>(52)</u>	<u>(305)</u>	<u>19</u>	<u>14,359</u>
English Sports Council capital grants	111	-	-	(56)	55
Apostleship of the Sea	223	(1)	-	-	222
Curial - Group	<u>15,031</u>	<u>(53)</u>	<u>(305)</u>	<u>(37)</u>	<u>14,636</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

16 RESTRICTED FUNDS *(continued)*

Analysis of Restricted Funds 2019	Opening Balance	Net Incoming Resources	Investment Gains	Transfers	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
Foundation Mass capital	414	3	51	-	468
Other charitable collections	2,235	240	-	(1,052)	1,423
	<u>2,649</u>	<u>243</u>	<u>51</u>	<u>(1,052)</u>	<u>1,891</u>
Curial - Charity					
Priests' Training Fund	2,874	(198)	381	47	3,104
Metropolitan Cathedral Roof Appeal Fund	3,096	-	-	-	3,096
Metropolitan Cathedral	906	77	48	(65)	966
Metropolitan Cathedral steps project	2,890	-	-	-	2,890
Metropolitan Cathedral crypt project	1,791	-	-	-	1,791
Liverpool Archdiocesan Missionary Project	1,100	(133)	143	1	1,111
St Joseph's College	729	12	68	-	809
Lenten alms	41	(21)	-	17	37
Other funds	801	6	86	-	893
	<u>14,228</u>	<u>(257)</u>	<u>726</u>	<u>-</u>	<u>14,697</u>
English Sports Council capital grants	167	-	-	(56)	111
Apostleship of the Sea	228	(5)	-	-	223
Curial - Group	<u>14,623</u>	<u>(262)</u>	<u>726</u>	<u>(56)</u>	<u>15,031</u>

PURPOSE OF FUNDS

Foundation Mass capital	- For Masses celebrated on the anniversary of the deceased.
Priests' Training Fund	- Education of students to the priesthood and continuing foundation.
Metropolitan Cathedral Roof Appeal Fund	- English Heritage grants received and expended on substantial repair work to the cathedral roof.
Metropolitan Cathedral	- Golden Book Foundation Mass funds and other donations made for specific cathedral projects.
Metropolitan Cathedral steps project	- European objective 1 and regional development grants expended on the construction of the ceremonial steps.
Metropolitan Cathedral crypt project	- European objective 1 and regional development grants expended on the crypt redevelopment project.
Liverpool Archdiocesan Missionary Project	- To meet the costs of archdiocesan priests in their ministry in Latin America and other associated expenditure.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

16 RESTRICTED FUNDS *(continued)*

PURPOSE OF FUNDS *(continued)*

St Joseph's College	- Funds associated with priest training.
Provision for priests in retirement	- To meet the costs associated with retired clergy
Lenten alms	- To be expended on projects at the discretion of the archbishop.
English Sports Council capital grants	- English Sports Council grants received and expended on the construction of Cardinal Heenan sports centre.
Apostleship of the Sea	- For the spiritual and temporal welfare of seafarers.

17 DESIGNATED FUNDS

Funds set aside by the trustees for the following purposes:

Analysis of Designated Funds 2020	Opening Balance	Net Incoming / (Outgoing) Resources	Property & Investment Gains /(Losses)	Transfers	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
School Projects Fund	1,472	(24)	(549)	-	899
Other funds	648	2	-	(312)	338
	<u>2,120</u>	<u>(22)</u>	<u>(549)</u>	<u>(312)</u>	<u>1,237</u>
Curial - Group and Charity					
Central funds	51,402	(2,377)	(1,276)	(30)	47,719
George Andrew Retirement Fund	7,814	(365)	(267)	-	7,182
2021 Fund	8,352	146	(353)	-	8,145
Metropolitan Cathedral Roof Appeal Fund	7,656	-	-	200	7,856
Metropolitan Cathedral Liverpool inner-city parish reorganisation	5,897	225	(223)	-	5,899
Sabbatical Fund	1,293	(4)	-	-	1,289
Listed Building Fund	2,224	33	(83)	-	2,174
Other designated funds	2,127	(66)	(84)	-	1,977
	<u>743</u>	<u>(23)</u>	<u>(52)</u>	<u>-</u>	<u>668</u>
	<u>87,508</u>	<u>(2,431)</u>	<u>(2,338)</u>	<u>170</u>	<u>82,909</u>
Less Other designated funds	<u>(334)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(334)</u>
Curial - Charity	<u>87,174</u>	<u>(2,431)</u>	<u>(2,338)</u>	<u>170</u>	<u>82,575</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

17 DESIGNATED FUNDS (continued)

Analysis of Designated Funds 2019	Opening Balance	Net Outgoing Resources £000's	Property/ Investment Gains £000's	Transfers £000's	Closing Balance £000's
	£000's	£000's	£000's	£000's	£000's
Parochial - Group and Charity					
School Projects Fund	443	(518)	1,313	234	1,472
Other funds	719	15	-	(86)	648
	<u>1,162</u>	<u>(503)</u>	<u>1,313</u>	<u>148</u>	<u>2,120</u>
Curial - Group and Charity					
Central funds	46,900	(1,552)	6,144	(90)	51,402
George Andrew Retirement Fund	6,962	(281)	742	391	7,814
2021 Fund	7,362	154	857	(21)	8,352
Metropolitan Cathedral Roof Appeal Fund	7,456	-	-	200	7,656
Metropolitan Cathedral Liverpool inner-city parish reorganisation	5,254	95	532	16	5,897
Sabbatical Fund	1,300	(1)	-	(6)	1,293
Listed Building Fund	1,988	19	199	18	2,224
Other designated funds	1,999	(42)	200	(30)	2,127
	<u>433</u>	<u>(20)</u>	<u>125</u>	<u>205</u>	<u>743</u>
	<u>79,654</u>	<u>(1,628)</u>	<u>8,799</u>	<u>683</u>	<u>87,508</u>
Less Other designated funds	-	-	(335)	1	(334)
Curial - Charity	<u>79,654</u>	<u>(1,628)</u>	<u>8,464</u>	<u>684</u>	<u>87,174</u>

PURPOSE OF FUNDS

School Projects Fund	- Funds raised by contributions from parishes and schools to support school building and refurbishment projects.
Central funds	- Fund for the archdiocesan central pastoral and administration functions.
George Andrew Retirement Fund	- Fund to support priests in retirement.
2021 Fund	- Funds to support priests in retirement.
Metropolitan Cathedral Roof Appeal Fund	- Investment income expended on the substantial repair work to the Cathedral roof.
Metropolitan Cathedral	- Funding running costs of the Cathedral.
Liverpool inner-city parish reorganisation	- Funds to provide for the reorganisation of the inner-city parishes.
Sabbatical Fund	- To provide for the costs of priests in sabbatical years.
Listed Building Fund	- For the preservation of listed buildings.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

18 ARCHDIOCESAN BANKING ARRANGEMENTS

An offset banking arrangement exists where the total of all individual bank account balances is invested in several deposits over a variety of timescales.

19 GRANTS PAYABLE IN FURTHERANCE OF THE CHARITY'S OBJECTIVES

The archdiocese provides full financial support for the furtherance of its activities and objectives but is not considered a grant-making organisation.

Several ecumenical grants are made annually to organisations with similar objectives to those of the archdiocese. Grants were made to three such organisations totalling £27,099 (2019 - three organisations £27,527). Other small grants are made at the discretion of the archbishop and these totalled £48,623 in 2020 (2019 - £21,114).

The archdiocese covered the tuition and living costs of several individuals studying for the priesthood in the year.

20 COMMITMENTS

	Gross	Net of grant
	£000's	£000's
At 31 December 2020 commitments to future expenditure were as follows:		
School property	6,474	691
Parochial and other property	1,210	1,210
	<u>7,684</u>	<u>1,901</u>

The above commitments represent committed property expenditure that has been approved by the trustees on building projects at the year end.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

21 PENSION ARRANGEMENTS

21.1 Personal Pension Schemes

The archdiocese contributes, for eligible staff, to one of two qualifying pension schemes which are fully compliant with the requirements of auto-enrolment. The schemes are managed by an independent firm of pension administrators. The archdiocese has a policy of matching employee contributions up to 6% of pensionable salary and each member has their own individual pension account within the scheme. The archdiocese is neither liable to finance any funding shortfall nor entitled to benefit from any overfunding.

21.2 The 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 can 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). 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

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers started to pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation was to align its introduction with employers' budget planning cycles.

The employer's pension costs paid to TPS in the period amounted to £50,871 (2019 - £43,518).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

The Teachers' Pension Scheme *(continued)*

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, have rejected the government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the 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 considered when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

22 GROUP BODIES AND RELATED PARTY TRANSACTIONS

The charity has interests in subsidiary and associated undertakings, which are consolidated in the financial statements. A summary of their trading results (including intercompany trading) is as follows:

Subsidiary Companies at 31 December 2020	Associated Church Clubs Limited	Metropolitan Cathedral Services Limited	Tuneside Limited	Cardinal Heenan Sports Centre Limited	Archdiocesan Parish Centres Management Company Limited	Archdiocesan Property Services Limited	Archdiocese of Liverpool Primary School Improvement Trust	Archdiocese of Liverpool Secondary School Improvement Trust
% holding in ordinary shares	100	100	100	100	Guarantee Company	Charity Guarantee Company	Guarantee Company	Guarantee Company
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Income from								
Fundraising	-	206	13,183	102	4,131	870	383	273
Investment Income	-	-	-	-	-	19	-	-
Total Income	-	206	13,183	102	4,131	889	383	273
Expenditure on								
Raising Funds	-	579	13,661	84	6,017	977	391	373
Total Expenditure	-	579	13,661	84	6,017	977	391	373
Net losses on investments	-	-	-	-	-	(46)	-	-
Net income / (expenditure)	-	(373)	(478)	18	(1,886)	(134)	(8)	(100)
Total assets	165	13,123	6,668	85	1,128	914	269	140
Total liabilities	-	(677)	(1,581)	(63)	(2,492)	(892)	(296)	(300)
Total capital and reserves	165	12,446	5,087	22	(1,364)	22	(27)	(160)

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

22 GROUP BODIES AND RELATED PARTY TRANSACTIONS *(continued)*

Subsidiary Companies at 31 December 2019	Associated Church Clubs Limited	Metropolitan Cathedral Services Limited	Tuneside Limited	Cardinal Heenan Sports Centre Limited	Archdiocesan Parish Centres Management Company Limited	Archdiocesan Property Services Limited	Archdiocese of Liverpool Primary School Improvement Trust	Archdiocese of Liverpool Secondary School Improvement Trust
% holding in ordinary shares	100	100	100	100	Guarantee Company	Charity Guarantee Company	Guarantee Company	Guarantee Company
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Income from								
Fundraising	63	450	18,147	188	10,429	1,140	231	211
Investment Income	-	-	-	-	-	21	-	-
Total Income	63	450	18,147	188	10,429	1,161	231	211
Expenditure on								
Raising Funds	136	505	18,441	172	10,771	1,122	278	231
Total Expenditure	136	505	18,441	172	10,771	1,122	278	231
Net gains on investments	-	-	-	-	-	103	-	-
Net income	(73)	(55)	(294)	16	(342)	142	(47)	(20)
Total assets	175	13,284	6,831	149	1,887	999	215	165
Total liabilities	(10)	(465)	(1,266)	(145)	(1,372)	(844)	(196)	(226)
Total capital and reserves	165	12,819	5,565	4	515	155	19	(61)

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

22 GROUP BODIES AND RELATED PARTY TRANSACTIONS *(continued)*

Associated Church Clubs Limited (company number 02724031) coordinates the bulk purchase of stock for supply to archdiocesan parish centres and other members of the scheme operated by the company.

Metropolitan Cathedral Services Limited (company number 03115000) manages the commercial aspects of the Metropolitan Cathedral including income generation from its activities, building services and maintenance.

Tuneside Limited (company number 02316276) coordinates the building services scheme for archdiocesan buildings obligations under the Construction Industry Scheme and commercial activities of the Conference Centre.

Cardinal Heenan Sports Centre Limited's (company number 03822516) principal activity is the operation of a sports centre within the grounds of Cardinal Heenan Roman Catholic High School, Liverpool.

Archdiocesan Parish Centres Management Company Limited (company number 03422332) manages the parish centres within the archdiocese.

Archdiocesan Property Services Limited (company number 03142451 charity number 1055049) manages professional services in respect of maintenance, repair and refurbishment of archdiocesan properties.

Archdiocese of Liverpool Primary School Improvement Trust (company number 10912407) promote education standards in primary education.

Archdiocese of Liverpool Secondary School Improvement Trust (company number 10912398) promote education standards in secondary education.

The companies limited by guarantee are wholly controlled by the charity. All the companies are incorporated in the United Kingdom.

The operations of several other registered charities which have common trustees are under the control of the charity and therefore their incoming resources and resources expended, and net assets have been consolidated with those of the charity on these accounts.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

22 GROUP BODIES AND RELATED PARTY TRANSACTIONS *(continued)*

The charities concerned are as follows:

Controlled charities at 31 December 2020	Apostleship of the Sea (Liverpool Archdiocesan Council) £000's	Liverpool Archdiocesan Education Trust £000's
Income from		
Collections and donations	-	-
Investment income	90	10
Total Income	90	10
Expenditure on		
Charitable activities	136	1
Total expenditure	136	1
Net Losses on investments	(165)	-
Net (loss) / income	(211)	9
Total assets	4,140	2,113
Total liabilities	(9)	(1)
Total reserves	4,131	2,112

Controlled charities at 31 December 2019	Apostleship of the Sea (Liverpool Archdiocesan Council) £000's	Liverpool Archdiocesan Education Trust £000's
Income from		
Collections and donations	1	-
Investment income	96	63
Total Income	97	63
Expenditure on		
Charitable activities	148	1
Total expenditure	148	1
Net gains on investments	372	-
Net income	321	62
Total assets	4,322	2,105
Total liabilities	(10)	(1)
Total reserves	4,312	2,104

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

22 GROUP BODIES AND RELATED PARTY TRANSACTIONS *(continued)*

The charitable purpose of the Apostleship of the Sea (Liverpool Archdiocesan Council) (charity number 224664) is the spiritual and temporal welfare of seafarers.

Liverpool Archdiocesan Education Trust (charity number 505264) acquires and holds property for education purposes.

In accordance with FRS 102, the related party transactions entered into by the charity are detailed below. All transactions that arose were in the normal course of activity.

The charity recharged salary costs of £nil (2019: £6,729) to Associated Church Clubs Limited, a subsidiary of the charity. A balance of £164,176 (2019: £174,253) was owed to the company at the year end.

The charity recharged salary costs of £175,242 (2019: £192,928) to Archdiocesan Parish Centres Management Company Limited, a subsidiary of the charity. A balance of £1,761,349 was owed from the company at the year end. (2019: £170,524 owed to the company)

The charity recharged salary costs of £304,330 (2019: £286,600) to Archdiocesan Property Services Limited, a subsidiary of the charity. A balance of £791,607 (2019: £750,755) was owed from the company at the year end.

The charity recharged salary costs of £66,220 (2019: £46,031) to Metropolitan Cathedral Services Limited, a subsidiary of the charity. A balance of £451,243 (2019: £255,037) was owed from the company at the year end.

The charity recharged salary costs of £282,943 (2019: £236,995) to Tuneside Limited, a subsidiary of the charity. A balance of £5,591,227 (2019: £5,571,058) was owed to the company at the year end.

A balance of £436,338 (2019: £549,291) was owed to Apostleship of the Sea (Liverpool Archdiocesan Council) at the year end.

A balance of £1,013,493 (2019: £1,004,557) was owed to Liverpool Archdiocesan Education Trust at the year end.

A balance of £58,406 (2019: £8,504) was owed from Archdiocese of Liverpool Primary School Improvement Trust at the year end.

A balance of £21,538 (2019: £29,980) was owed from Archdiocese of Liverpool Secondary School Improvement Trust at the year end.

Associated companies	% holding in ordinary shares	Activity
Inter-Diocesan Fuel Management Limited	11	Fuel and power distribution
Catholic National Mutual Limited	6	Insurance

In the year £1,750,898 (2019 - £2,683,694) of fuel was purchased from Inter-Diocesan Fuel Management Limited by the group.

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

23 CONNECTED CHARITIES

Charities with common trustees with the archdiocese and associated subsidiary undertakings are as follows:

	Charity Number
Nugent Care 2019	1187072
Christ's and Notre Dame College, Liverpool	526463
Stonyhurst	1127929
The Christian Heritage Centre at Stonyhurst	1149129
The Friends of Liverpool Metropolitan Cathedral	513469
Caritas Social Action	1101431
St Mary's College Crosby Trust Limited	1110311
Catholic Trust for England and Wales	1097482
St Cuthbert's College Ushaw	527408
The Catholic Children's Society (Shrewsbury Diocese) Inc	509793
Caritas Diocese of Shrewsbury	1169317
Leprosy Mission Isle of Man	IOM 1251

The following transactions occurred with these connected charities;

Individual parishes have collections throughout the year where donations are collected on behalf of the Nugent Care 2019 and paid directly to the charity. No payments for other services were made in 2020 (2019: £75,379).

The archdiocese made payments totalling £389,713 (2019 - £423,726) to the Catholic Trust for England and Wales in respect of activities undertaken at a national levy in common with other dioceses.

No other transactions occurred with connected charities.

24 SCHOOL BUILDING PROJECTS

The charity assists archdiocesan voluntary aided schools with the administration of funding for school building projects. The archdiocese acts as the agent of school governing bodies in receiving funding from the Department for Education (DfE), local authorities and other funding sources and settling and matching it with the contractors' costs and professional fees. This activity of the archdiocese is not reflected in the Statement of Financial Activities as the transactions are those of the school governing bodies rather than the archdiocese.

Total receipts from the DfE amounted to £15.3M (2019 - £12.7M). Total expenditure on school building projects during the year was £12.54M (2019 - £17.83M). The balance due at the year-end which included deferred and accrued income on individual projects amounted to £1.65M (2019 - £0.68M owed). Individual school balances generated from devolved capital contributions from the DfE and held on behalf of archdiocesan schools amounted to £7.53M (2019 - £8.10M).

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

25 TRANSFERS

For the year ended 31 December 2020

	PAROCHIAL				CURIAL				
	Unrestricted	Designated	Restricted	Total	Unrestricted	Designated	Restricted	Total	Total 2020
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
INTRA-DIOCESAN TRANSFERS									
Assessment Fund grants	62	(312)	-	(250)	50	200	-	250	-
Parish contributions to restricted collections	104		(130)	(26)	-	11	15	26	-
Other	-	-	-	-	33	(41)	4	(4)	(4)
	<u>166</u>	<u>(312)</u>	<u>(130)</u>	<u>(276)</u>	<u>83</u>	<u>170</u>	<u>19</u>	<u>272</u>	<u>(4)</u>
INTRA-GROUP TRANSFER									
Other	-	-	-	-	60	-	(56)	4	4
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60</u>	<u>-</u>	<u>(56)</u>	<u>4</u>	<u>4</u>
TOTAL	<u>166</u>	<u>(312)</u>	<u>(130)</u>	<u>(276)</u>	<u>143</u>	<u>170</u>	<u>(37)</u>	<u>276</u>	<u>-</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

25 TRANSFERS (continued)

For the year ended 31 December 2019

	PAROCHIAL				CURIAL				
	Unrestricted	Designated	Restricted	Total	Unrestricted	Designated	Restricted	Total	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	2019 £000's
INTRA-DIOCESAN TRANSFERS									
Assessment Fund grants	615	(865)	-	(250)	50	200	-	250	-
Assessment Fund levies	(780)	780	-	-	-	-	-	-	-
Contributions to George Andrew Fund	(385)	-	-	(385)	(5)	390	-	385	-
School levy contributions	(238)	243	-	5	(5)	-	-	(5)	-
Parish contributions to restricted collections	913		(1,052)	(139)	-	74	65	139	-
Interest transferred to/from central funds	-	(10)	-	(10)	-	10	-	10	-
Other	-	-	-	-	118	10	(65)	63	63
	<u>125</u>	<u>148</u>	<u>(1,052)</u>	<u>(779)</u>	<u>158</u>	<u>684</u>	<u>-</u>	<u>842</u>	<u>63</u>
INTRA-GROUP TRANSFER									
Other	-	-	-	-	(6)	(1)	(56)	(63)	(63)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6)</u>	<u>(1)</u>	<u>(56)</u>	<u>(63)</u>	<u>(63)</u>
TOTAL	<u>125</u>	<u>148</u>	<u>(1,052)</u>	<u>(779)</u>	<u>152</u>	<u>683</u>	<u>(56)</u>	<u>779</u>	<u>-</u>

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

26 ANALYSIS OF NET ASSETS

Group	Tangible Fixed Assets £000's	Investments £000's	Current Assets less Creditors £000's	Total 2020 £000's
Restricted Funds				
- Parochial	-	434	1,446	1,880
- Curial	-	5,991	8,645	14,636
	-	6,425	10,091	16,516
Designated Funds				
- Parochial	-	10,775	(9,538)	1,237
- Curial	13,261	58,480	11,168	82,909
	13,261	69,255	1,630	84,146
Unrestricted General Funds				
- Parochial	26,779	42,634	12,439	81,852
- Curial	20,973	6,859	(18,067)	9,765
	47,752	49,493	(5,628)	91,617
Total	61,013	125,173	6,093	192,279

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

26 ANALYSIS OF NET ASSETS *(continued)*

Group 2019	Tangible Fixed Assets £000's	Investments £000's	Current Assets less Creditors £000's	Total 2019 £000's
Restricted Funds				
- Parochial	-	449	1,442	1,891
- Curial	-	6,304	8,727	15,031
	-	6,753	10,169	16,922
Designated Funds				
- Parochial	-	11,352	(9,232)	2,120
- Curial	12,559	62,157	12,792	87,508
	12,559	73,509	3,560	89,628
Unrestricted General Funds				
- Parochial	26,357	44,417	12,791	83,565
- Curial	21,606	7,130	(15,559)	13,177
	47,963	51,547	(2,768)	96,742
Total	60,522	131,809	10,961	203,292

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

26 ANALYSIS OF NET ASSETS *(continued)*

Charity	Tangible Fixed Assets £000's	Investments £000's	Current Assets less Creditors £000's	Total 2020 £000's
Restricted Funds				
- Parochial	-	434	1,446	1,880
- Curial	-	5,991	8,368	14,359
	-	6,425	9,814	16,239
Designated Funds				
- Parochial	-	10,775	(9,538)	1,237
- Curial	13,260	81,038	(11,723)	82,575
	13,260	91,813	(21,261)	83,812
Unrestricted General Funds				
- Parochial	26,779	42,634	12,439	81,852
- Curial	4,927	2,734	2,806	10,467
	31,706	45,368	15,245	92,319
Total	44,966	143,606	3,798	192,370

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

26 ANALYSIS OF NET ASSETS *(continued)*

Charity 2019	Tangible Fixed Assets £000's	Investments £000's	Current Assets less Creditors £000's	Total 2019 £000's
Restricted Funds				
- Parochial	-	449	1,442	1,891
- Curial	-	6,304	8,393	14,697
	-	6,753	9,835	16,588
Designated Funds				
- Parochial	-	11,352	(9,232)	2,120
- Curial	12,559	84,715	(10,100)	87,174
	12,559	96,067	(19,332)	89,294
Unrestricted General Funds				
- Parochial	26,357	44,417	12,791	83,565
- Curial	4,916	2,871	2,950	10,737
	31,273	47,288	15,741	94,302
Total	43,832	150,108	6,244	200,184

LIVERPOOL ROMAN CATHOLIC ARCHDIOCESAN TRUST

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

27 OPERATING LEASES

Throughout the archdiocese there are numerous low value operating leases primarily in relation to equipment. The annual payments in relation to these have not been quantified but they are not deemed to be material to the financial statements.

28 CONTINGENT LIABILITIES

The trustees are reviewing the structure of the organisation from a VAT perspective with initial findings indicating that registration for VAT is probable. There remains potential that a future registration may be applied retrospectively but as this likelihood and size of potential liability cannot be fully assessed at this point, no provision has been made within the financial statements.

29 GUARANTEE

An index-linked product amounting to £1.93M (2019: £1.93M) is used as security against any potential liability in connection with a landfill site. The likelihood of this liability falling due on the charity is considered remote.

30 POST BALANCE SHEET EVENT

In April 2021, Archdiocesan Parish Centres Management Company Limited obtained a £1.7M loan under the government backed Coronavirus Business Loan Interruption Scheme. This event is non-adjusting and has not impacted the figures included in the 2020 financial statements.