



**Westminster Roman Catholic  
Diocesan Trust**

**Annual Report & Accounts 2022**



# About the Diocese of Westminster

The Diocese of Westminster is one of the smallest dioceses in England and Wales in geographical area, but the largest in terms of Catholic population and priests. The diocesan boundaries include the London boroughs north of the River Thames, between the River Lea to the east and the Borough of Hillingdon to the west, the County of Hertfordshire to the north and the Borough of Spelthorne in Surrey.

## Trustee

The trustees are incorporated as 'Westminster Roman Catholic Diocese Trustee' (WRCDT), a company limited by guarantee. This company does not conduct any trade or business on its own account and has no assets or liabilities. Its sole purpose is to act as trustee of a number of trusts and funds, of which the Westminster Roman Catholic Diocesan Trust is the principal one.

The Directors of the Westminster Roman Catholic Diocese Trustee (herein referred to as Trustees) are:

His Eminence Cardinal V Nichols  
Rt Rev J Sherrington  
Rt Rev N Hudson  
Rt Rev P McAleenan  
Rev Mgr M Hayes  
Rev Mgr J O'Boyle  
Baroness N O'Loan  
Dame C Bowe  
Mr E Craston  
Mr K Ingram  
Mr A Ndoca

Since the restoration of the Catholic Hierarchy in 1850, its bishop has often been appointed a Cardinal. His Eminence Cardinal Vincent Nichols is the eleventh Archbishop of Westminster, having been installed as Archbishop on 21 May 2009. In an increasingly cosmopolitan city, the diocese reflects wide ethnic and cultural diversity amongst its Catholic population.

## Auditor

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## Principal investment managers

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## Principal insurers

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Registered Charity number: 233699

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Archbishop of Westminster

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*Baptismal font in Westminster Cathedral*



# Cardinal's Introduction



Many years ago I used to enjoy walking in the Peak District, in Derbyshire. It is limestone country, so there is little surface water. Yet the countryside is marked by flowers, clumps of trees and considerable vegetation.

One day, as I recall, during a long walk across that limestone pavement, coming across a most glorious sight: a river, breaking out from its underground course, spilling majestically down the hillside, radiant in sunlight and freedom, only to disappear again further down the hillside! Then I realised that all the flowers, trees and vegetation that I had seen, had been drawing on this unseen water. It was the hidden source of their growth.

This is the pattern in much of life. While the surface of everyday existence can appear barren and parched, our faith in Christ is the hidden stream of living water that nourishes the deep roots of our schools, parishes and communities with the many acts of generous service described in the pages of this Report.

I thank all who are part of the life and work of the Church in this diocese, who, while quietly helping their neighbours and showing solidarity with the most vulnerable, are the source of this living water in our society.

I thank all who have composed this Report and its Financial component, especially parish clergy and their helpers for their financial oversight, and the staff of the Curial Offices who have the difficult task of ensuring our compliance with regulatory requirements on which our ability to serve the public good depends. I thank them for their tireless work.

May God bless our Diocese of Westminster today and in the years to come.

Cardinal Vincent Nichols  
Archbishop of Westminster



*Come, everyone who thirsts,  
come to the waters*











*The living water that is faith in Jesus Christ can permeate the fissures and cracks in stone to renew and revitalise the barren surface with plants and vegetation, signs of growth and new life.*

Rock is a common metaphor for hardship and tough times. Whether one is hitting a rocky patch or caught between a rock and a hard place, the imagery evokes a sense of difficulty, intransigence, destruction, even hopelessness. And no wonder: rocky landscapes are amongst the most forbidding. At first glance they offer no warmth or nourishment. They are riddled with treacherous cracks and pitfalls, some only big enough to create stumbling stones, but others large enough to swallow up the unwary.

The year 2022 has been a very rocky landscape for most people living or working within the Diocese of Westminster. Not only did the year begin with the continuation of COVID restrictions and further spikes in infection numbers, but as the months progressed, crisis upon crisis followed. Russia invaded Ukraine, creating huge numbers of refugees fleeing the violence and destruction and adding to the already growing number of economic and environmental migrants seeking hope, stability, and basic survival in Western Europe and the UK. The economic downturn began to bite in Britain, too. Energy, inflation, and cost of living were all commonly followed by the word 'crisis', and fuel and food costs spiralled, while analysts warned of shortages of all essentials in the coming months.

Three prime ministers occupied Number 10 in short succession; trade unions began an on-going series of strikes, the merits of which bitterly divided the British population; and in September, Her Majesty the Queen, so long a symbol of continuity, calm and dignity, passed away at the age of 96. Is it any wonder that *Collins Dictionary's* word of the year was 'permacrisis'?

One thing to remember about rocky landscapes, however, is that they can be deceptive. There is a specific type of formation, found in the UK and the Holy Land alike, called a limestone pavement, or an alvar, in which the land is covered with such thick rock slabs that it resembles a manmade surface. However, despite their barren faces, the cracks of these pavements are often bursting with vegetation, and not just the tenacious scrub grasses that will survive anywhere. The limestone pavements of the Yorkshire Dales, for example, are replete with lush green ferns and beautiful flowering plants like baneberry, lily of the valley, and bloody crane's bill. This abundance is not due to the limestone itself, for bare rock cannot produce life, but to the watercourses that run beneath the rocks, working their way to the surface through even the smallest of cracks to form springs that bring leaves to flourish and flowers to bloom.







© Paul Harris Photography

Faced with the rocky landscape of the past year, the Diocese of Westminster encountered significant challenges to carrying out its work: increased costs, decreased donations, sharp and rapid rises in the needs of many seeking help, and fundamental changes in how people engage with the Church and each other. Through this came also a forceful reminder of the primary mission of the Charity. In simple terms this is the advancement of the Catholic religion within the geographical diocese.

Understood more deeply, this mission calls the Charity to transform barren and rocky landscapes with abundant life and growth. In the Gospel of John, Jesus calls the faithful to emulate him in becoming living water: 'If anyone is thirsty, let him come to me and drink. Whoever believes in me, as Scripture has said: "Out of his heart will flow fountains of living water."' (Jn 7:37-38)

In the metaphor of the rocky, forbidding landscape of the modern world, it is the living water of faith in Christ that can permeate the fissures and cracks in the stone to renew and revitalise the barren surface. In the metaphor of the living waters that irrigate the pavement, they feed blooms and vegetation of many kinds: education through Catholic schools, feeding the hungry through foodbanks, bringing

beauty to the world through patronage of the arts and maintenance of some extraordinary church buildings, reducing damage to the environment through careful policies guiding stewardship, bringing peace through knife amnesty bins, and offering refuge to vulnerable, trafficked women, to refugees and to local homeless people. These are a few of the Charity's activities that the living waters of faith which, through a shared experience of worship and the sacramental life of the Church through the parishes' ministries, make flower.

The rocky terrain of 2022 gave birth to the word permacrisis in an attempt to describe the sheer scale of the challenges and problems that face the local community, the nation and the world. Whilst by no means immune to these problems, the Charity has nonetheless continued in its primary mission rooted in the person of Christ. Deep watercourses can transform barren rock into a garden, and deep love and fidelity to Christ can transform an impossible task in the midst of permacrisis into a fruitful activity.



# The Year in Review

## Introduction

The Directors of the Corporate Trustee (i.e. the Trustees) present their statutory report together with the consolidated accounts of Westminster Roman Catholic Diocesan Trust (the Charity) for the year ended 31 December 2022.

The accounts have been prepared in accordance with the accounting policies on pages 55 to 59 of the attached accounts and comply with the Charity's Trust Deed, with applicable laws and applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and with the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

## Purpose and Activities

### The Purpose of the Charity

The Charity's Trust Deed states that the purpose of the Westminster Roman Catholic Diocesan Trust is 'advancing the Roman Catholic religion in the diocese by such means as the Archbishop may think fit and proper'.

The diocese comprises 210 parishes and 206 schools located in the boroughs of London lying north of the Thames and west of the Lea River, in the Borough of Spelthorne in Surrey, and in the County of Hertfordshire.

The Catholic Church was founded by Jesus Christ, who promised to give living water to satisfy all who thirst for love, for justice and for peace. Everyone who follows the Catholic faith is called to become more like Christ, to be springs that water the earth and sustain each other. It is the teachings and actions of Jesus that shape Catholic practice, and therefore the activities of the Charity.

These include worship of God and participation in the sacraments, all of which Catholics believe to be effective signs instituted by Christ himself; the education of children and all the faithful; and also the work of the Church to build, support, and sustain the wider community and care for all those in need. The Gospel of Matthew (25:34-41) memorably recounts how Christ taught that anyone who feeds the hungry, gives drink to the thirsty, clothes the naked, welcomes the stranger, or visits the prisoner not only ministers to those in need, but also serves God.

The Charity therefore fulfils its purpose by offering religious and pastoral services, educational programmes, and

charitable support and assistance to all who live within its borders: approximately 430,000 self-identifying Catholics and roughly 4.2 million other residents. The main vehicles for these ministries are parishes and chaplaincies, schools, and outreach agencies coordinated by Caritas Westminster.

When setting the Charity's aims and planning its work for the year, the Trustees give careful consideration to the Charity Commission's general guidance on public benefit.

### COVID-19: Legacy of the Global Pandemic

COVID-19 infections will likely never disappear. Even with an extensive programme of vaccination the virus cannot be eliminated from the population. However, despite the continued circulation of the disease, 2022 was not defined by the pandemic in the same way that 2020 and 2021 had been. By March, nearly all legal restrictions related to the pandemic had been lifted. Schools and parishes were able to function as they had prior to the pandemic, and many of the challenges related to carrying out the Charity's usual activities were alleviated. Virtual meetings and live-streamed events remained commonplace, but the lifting of pandemic-related restrictions meant that there was the option to use technology in this way only when it was effective and convenient to do so.



Thousands of people were drawn to honour St Bernadette during the visit of her relics in autumn 2022.

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*The diocese has played its part in supporting Ukraine and the refugee crisis caused by Russia's invasion.*

Nonetheless, the pandemic has had profound long-term effects on the Charity and society as a whole. The actions taken by governments in response to the public health crisis have had intense economic consequences worldwide. In the UK, many people are struggling from high inflation, which particularly affects the cost of everyday goods, such as food and fuel. The cost of living crisis has led directly and indirectly to other difficulties: widespread industrial action across many public sector services, including rail transport, the emergency ambulance service and education. Labour shortages have put the NHS under increasing strain. The economic turmoil has been mirrored in political upheaval as well: three different Prime Ministers led the UK government in 2022.

Beyond our borders, there were also ongoing accounts of political turmoil and unrest. Russia's invasion of Ukraine created a refugee crisis as thousands fled the violence in search of safety, peace, and a better life. The question of how best to help was one that many local groups considered. Growing financial insecurity, a turbulent labour market, and political uncertainty have created further challenges for the Diocese of Westminster. Donations have fallen from pre pandemic levels for at least two reasons: some Catholics who were regular donors before the pandemic have not yet returned to regular Mass attendance following the pandemic, and have not therefore continued to donate. Many regular donors, due to difficult personal financial situations, are not able to give as much, or indeed anything. Meanwhile, inflation has led to steep rises in the costs of the Charity's activities and the number of people in need of the help and support it offers.

## Parishes

### Worshipping Together

The parish church and the community that gathers there for Mass are, for many Catholics, at the heart of their religious identity. From the time when, often as small children, Catholics receive the literal water of Baptism, the parish is a place of spiritual ease and refreshment. No matter how hard and rocky the rest of life is, many rely on the parish to be a place of private prayer, communal worship, and active charity and sustaining friendship.

Central to Catholic practice is what is known as 'Sunday obligation'. This is the solemn duty of all baptised Catholics to attend Mass on Sundays and Holy Days of Obligation. Of course, there are circumstances in which this obligation does not apply: illness, or caring for someone who is ill or infirm, necessary and unavoidable work or travel, lack of transport, or the unavailability of a Mass to attend, for example. With over 200 parishes in the diocese, and good transport links in much of it, Catholics in the Diocese of Westminster are fortunate that there is almost always a locally-accessible Sunday Mass to attend.



*Catholics were encouraged to return to regular Sunday Mass attendance from Pentecost Sunday 2022.*



## The Year in Review – Year to 31 December 2022 (continued)

Nonetheless, following the pandemic, many parishes saw smaller numbers of Catholics attending Sunday Mass. This is on the whole understandable: the Catholic Bishops of England and Wales suspended the public celebration of Mass during the early phases of the pandemic, though they encouraged the faithful to have some spiritual element in their lives, whether it was praying along with a live-streamed Mass, reading the Scripture passages for the day, or engaging in some other devotional prayer. Although these actions are not a true substitute for attending Mass, and do not fulfil the Sunday obligation, they were recommended for their spiritual benefit at a time when it was impossible or unsafe to attend Mass in person.

In May of 2022, following the removal of all legal restrictions, the bishops determined that it was right and just to restore the public celebration of Mass. There remain some individuals who are still not able to attend Mass in person because their health is compromised to the extent that they cannot safely join public events. For the typical Catholic in ordinary circumstances, the bishops stressed that Sunday Mass attendance should be in person for the reason that all Catholic sacraments require presence. The Eucharist, also known as Holy Communion or the Blessed Sacrament, which is central to the celebration of Mass cannot be received remotely. To receive this great sacrament, the bishops invited the faithful who had not yet come back to Mass after the suspension and restoration of public Masses during the pandemic, to return to their parish churches at Pentecost, the great feast when Christians celebrate the coming of the Holy Spirit.

### Anniversary Celebrations

The enduring nature of the Catholic parish was further attested to in 2022 by the great number of significant anniversaries celebrated:

- Our Lady of Perpetual Help, Stephendale Road in Fulham, marked a century of Catholic worship and witness with a Mass celebrated by Cardinal Vincent Nichols.
- St Mary's, East Finchley, marked 70 years since Cardinal Griffin had come to East Finchley to bless the foundation stone of a new church, built to replace the original destroyed by a World War 2 bomb in 1940. In 2023 Bishop John Sherrington will return to East Finchley to celebrate the 125th anniversary of the parish itself, as well as the 70th anniversary of worship in the 'new' church.
- St Paul, Wood Green, held a day of thanksgiving to mark 140 years of Catholic witness and education. Cardinal



*People from all parts of the diocese joined the annual Pilgrimage to Walsingham, held on the Feast of Our Lady of Walsingham.*

Nichols presided at the Mass celebrating the multiple anniversaries of the founding of the mission 140 years ago, the founding of St Paul's Primary School 130 years ago, and the opening of the current church and of St Martin de Porres Primary School 50 years ago.

- The Church of St John the Evangelist, Mill End, celebrated 50 years of worship in the current church and at the anniversary Mass, Cardinal Nichols blessed the new Lady Altar and Reredos.

These celebrations are a testament to the fact that, despite the legacy of the pandemic, Catholic parishes are still of central importance to the spiritual lives of Catholics.

### Peace and Justice in the Community

Parishes are also committed to supporting those in need in their local areas and working for peace and justice. Many of the diocesan food banks are located in and supported by parish communities.





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Additionally, in 2022, two new knife bins were installed near churches, one at Wood Green and one in Commercial Road. These bins are supplied by Words4Weapons and funded by Caritas Westminster. Their purpose is to provide a secure and anonymous way for people to surrender knives and other bladed weapons that might otherwise be used in crime. When he came to bless the knife bin in Commercial Road, Bishop Nicholas Hudson remarked that: 'This is the fifth knife bin that Words4Weapons have installed at one of our parishes with funding from Caritas Westminster. The others are in Tollington Park, Harrow Road, High Barnet and Wood Green. Already the number of knives and other weapons collected is well over 500.' During the blessing he said that the knife bin 'announced peace' and called people to a change of heart. He concluded with the prayer: 'As we call upon God to bless this knife bin, we pray for all who see it and wonder about using it, that they will indeed hear the call to have a change of heart, to have the courage to move from violence to peace, and so make Tower Hamlets a safer place for everyone.'

Cardinal Nichols blessed the knife bin at Wood Green when he was there to celebrate the 140th anniversary. He said to the congregation: 'The answer to this question [Lord, what am I to do?] is found in the Gospel: "Preach the Gospel!" This is our mission: to proclaim the Gospel not only by what we say but even more by what we do! Yes, we proclaim the Gospel in the work of our schools, in our manner of family life, in so many activities in this parish.'



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*Cardinal Nichols blessed the knife bin installed at Wood Green church during his visit to the parish.*

'Today I am pleased to support one of them: the knife bin newly established outside the church. We pray that it will help to remove dangerous weapons from our streets and help to build a safer environment for us all.'

Both these blessings were attended not only by priests and parishioners, but by members of the wider community and representatives of other faiths, demonstrating the ecumenical and cooperative character of the mission to bring justice and peace into the world. Time and again, the Charity has seen that the activities that bring the greatest renewal to communities or persons on rocky ground and difficult times are those that draw deeply from the well of partnerships and shared efforts across the organisation and the wider community. The ecumenical and broader, non-religiously-based unity seen around issues like the elimination of knife crime is a sign of hope, especially at a time when so many people find life very difficult.



## The Year in Review – Year to 31 December 2022 (continued)

### Schools

Education has always been at the heart of the Catholic mission. The approach to education taken in the diocese 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. Children and young people must therefore be cared for in such a way that their physical, moral and intellectual talents develop in a harmonious manner, so that they attain a greater sense of responsibility, develop an understanding of the right use of freedom, and are formed to take an active part in public life.

Underpinning the education offered by each and every school and academy in the diocese are a number of core principles that define the essence of Catholic schools:

- Have the child at their centre: Catholic schools are designed and run to provide the very best educational opportunities and life-fulfilling experiences, in communities that have the teachings of Christ and his Church at their core.
- Have Christ at their heart: Catholic schools are places where everyone is valued as a child of God, where every individual is enabled to grow in unity with Christ, and to achieve his or her full potential.
- Have a liturgical, sacramental and spiritual life: Catholic schools are worshipping communities whose spiritual identities are expressed most visibly through classroom prayer, whole-school liturgies, and assemblies.
- Are distinctive: Catholic schools, through their clear and visible Catholic identities, will be for many people the place where they first encounter Christ and his Church, and as such are evangelising communities.
- Are centres of excellence for Religious Education and the wider curriculum: Catholic schools' entire curriculum is underpinned by and expresses Catholic beliefs and values, so it is vital that an understanding and knowledge of the Catholic faith permeates all aspects of school life.
- Are collaborative: Catholic schools actively promote strong and positive links with the wider community, including the diocese, deaneries, parishes, local communities, families, and other schools. Given that parents, or those who act in their place, are the primary educators of their children, links between the home, the school and the parish are especially significant.
- Are essential: Catholic schools are places where every child matters; where safety, well-being, enjoyment, tolerance, respect and dignity are reflected in all aspects of school life; where pupils are cherished for who they are as much as for what they achieve; and where all achievement is recognised and celebrated.

In summary, Catholic schools are designed to provide safe, supportive environments where children are challenged to mature intellectually, socially, morally, and physically, and to embody justice, peace, and mercy in the community.

### Academisation

The Charity has been promoting a strategy of academisation for all its schools. In January 2021 25% of diocesan schools were either part of a Catholic Academy Trust (CAT) or in the process of joining a CAT. Since January 2021 two new CATs have been established: The Ascension Catholic Academy Trust and the St Francis of Assisi Catholic Academy Trust.

The establishment of these, along with planned growth across the diocese's six other existing trusts has resulted in a rapid expansion of the Diocesan Academy Programme. Across the diocesan network, 53.8% of our schools are either part of an established CAT, in the process of joining an existing trust, or working collectively to establish one of the next three diocesan trusts.

Diocesan schools have become stronger and more resilient as they work together in a structured way to find solutions to the many challenges the education sector is facing now, and will no doubt continue to face in the future.



Cardinal Nichols visited St Catherine's Primary School, Barnet, to bless and open its new Arts Hub.

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© Elderfield/Diocese of Westminster

*Catholic schools continued to provide excellent education as Bishop Sherrington found on one of his school visits.*

The determination, resilience, creativity and ingenuity of CAT leaders will be key to finding sustainable solutions to continue to provide a rich Catholic education in these challenging times.

Diocesan Catholic schools, organised in sustainable geographical CATs, will support strong, secure, self-sufficient and outward-looking Catholic learning communities, integrated into and serving their own communities, and in communion with each other.

#### **CATs: Partnerships in Catholic Education**

Pat Murden, the CEO of the Diocese of Westminster Academy Trust (DOWAT), the first and largest CAT in the diocese, described the ethos and mission of CATs: 'We set out to achieve excellence in the service of the Gospel and to build a better world. That is done on the ground by like-minded headteachers and schools leaders working together in the pursuit of Catholic education. Working together is the key: it's solidarity in action. But that goes hand-in-hand with the key principle of subsidiarity, meaning that decisions are best taken by those who are closest to the effects those decisions will have. This is a cornerstone of Catholic social teaching and because it guards against excessive centralisation, it keeps an organisation, in this case the Trust, vibrant and energetic.'

Members of CATs have seen incredible benefits from their membership, as Geraldine Higgins, CEO of Blessed Holy Family Academy Trust attests: 'Working in a close and structured partnership with heads springs to mind first, with the opportunities it gives for us to plan coherently for the future. We can share staff in targeted areas, such as marriage and family life in the primary schools, and there are greater professional development opportunities for the staff.'

'Centralised financial services have become more streamlined and efficient too, and we now have an HR Officer working across the schools. We have also had greater success with our Condition Improvement Fund bids: we secured just under a million pounds in our first year to share across the four schools and £1.8 million after two years.'

Stephen Wheatly, the CEO of All Saints Catholic Academy Trust (ASCAT), cites tangible benefits for students: 'The pupils have come to see themselves too as part of something bigger and have expressed an interest in meeting children from other schools. One example is the pupil-led chaplaincy teams from each school meeting each other and the Chaplaincy Lead to share and develop what they do.' At the same time, Tony Hall, the Headteacher of St John's, an ASCAT school, stresses, what is fundamental to Catholic Education remains, but is enhanced by the CAT: 'There are the same high expectations, strong academic outcomes and emphasis on the Catholic life of



## The Year in Review – Year to 31 December 2022 (continued)

the school, but there's a stronger underpinning: we hold each other accountable in the trust as critical friends, sharing advice and expertise. It makes everything more securely based.'

### A Culture of Excellence

Academisation and the formation and expansion of CATs has been proven to be an effective strategy to strengthen the already-thriving educational provision within the diocese. There are 206 schools in the Diocese of Westminster: 153 primary schools, 39 secondary schools, two sixth form colleges and two special schools. Of these at the time of writing, 99.5% are rated good or outstanding by Ofsted, which compares favourably to the national figure of 86%. The numbers are similar for the diocesan inspections carried out to assess the effectiveness of classroom religious education and Catholic life of the schools: 93.8% were graded good or outstanding for religious education (6.2% require improvement) and 100% of schools assessed in the 2021- 2022 school year were rated good or outstanding for Catholic life.

On average, schools in the Diocese of Westminster attained a significantly above average in both attainment and progress measures: 82% grade 4+ in English and Maths (Nat Av 68%) and overall Progress 8 +0.5 (Nat Av 0).

The quality and importance of the education provided by diocesan schools is not simply a matter of inspection statistics and results; it is seen in the commitment of the schools to the total human development of their students and the way in which students are supported in their efforts to make a positive contribution to society, and in their enduring legacy and the recognition of staff and pupils through external awards and commendations.

### Music in our Schools

Further demonstrating Catholic education's commitment to the arts, 2022 saw the roll out of the National Schools Singing Programme (NSSP) in the Diocese of Westminster. The NSSP is for UK Catholic schools and select Anglican cathedral choirs. It exists with the aim of providing world-class, inclusive musical education through weekly sessions provided during the school day and linked to the national curriculum as well as the music used for collective worship in the schools. This type of interactive music education has been shown to raise academic attainment, but also to expand engagement with diverse music communities and styles.

Yvette Murphy took on the role of choral director for two school choirs and one deanery choir that were established through this new initiative. These choirs have sung in a variety

of venues and events including school Christmas concerts, Masses at Westminster Cathedral, carol singing at the Royal Hospital in Chelsea and a Gala concert at the Royal Albert Hall.

The choir of St Joseph's Catholic Primary School in Islington was invited to perform for the Department for Education (DfE) Staff Awards Ceremony. Their performance was live streamed all over the country using the DfE's channels. Susan Alcant-Hood, Permanent Secretary, wrote to thank the students for their energetic and accomplished performance: 'Thank you again for your wonderful performance. You truly made the awards ceremony a memorable and special afternoon for all.'

### Students Making their Mark

While the NSSP roll out in the Diocese of Westminster has the potential to enhance the educational experience of thousands of students across the local area, one Year 12 student at St Augustine's Priory, Ealing, used funding and support from her school to set up a programme that could improve the lives of thousands of people in need halfway around the world. Every year St Augustine's Priory, Ealing, encourages their Year 12 students to apply for a school travel scholarship to allow them to acquire a broader knowledge of the world and go somewhere where they can make a difference. Simran put her scholarship towards a trip to India. Although she travelled to the area her family was originally from, she was not going home for a family reunion. Simran knows the devastation undiagnosed, untreated glaucoma brings: her grandmother has the condition. The 17-year-old travelled to India to volunteer at the local eye hospital, but prior to travelling she raised enough money to fund an annual outreach camp that sends doctors and nurses to surrounding villages to test residents for glaucoma. Anyone needing treatment for the disease is then brought to the eye hospital, treated, and taken back home free of charge.

'The outreach camp is being named after my grandmother and this legacy will continue on through the family,' a delighted Simran said. 'I would like to thank St Augustine's Priory for all the support they have given me and for granting me this wonderful opportunity to do something so amazing and make a difference to the lives of many.'

Two other students at St Augustine's Priory, Celeste and Rania, used their scholarships to travel to Brazil to work with a charity that goes into prisons to teach embroidery to prisoners. Each piece the prisoners complete earns them both a wage and a reduction in their sentence. Celeste and Rania also undertook additional fundraising before their travels so that they could buy nutritious meals for the prisoners as well.



Not all the supportive, charitable activities of the diocesan schools happen so far away. Some initiatives are very much local efforts. For the past six years, Newman Catholic College, Harlesden, has run the Syria Summer Camp. Originally set up in response to the Syrian refugee crisis, the camp continues to host students from refugee backgrounds, giving them a place to go over the summer when school is not in session. The camp gives the opportunity for trips and offers fun, creative and therapeutic activities so that the students, many of whom fled their home countries with nothing, do not find themselves isolated in the summer months.

### Achievements Recognised

Sometimes the impact of the work of the Charity is seen indirectly, when a remarkable individual is recognised by an external organisation for their achievements. In 2022, Andrew O'Neill, the Headteacher of All Saints Catholic College, West London, was named Secondary School Headteacher of the Year at the prestigious Pearson National Teaching Awards. This honour was given in recognition of Mr O'Neill's transformational leadership at All Saints, previously Sion Manning Catholic Girls School. The school was at risk of closure when he took the helm. It has recently been rated outstanding by Ofsted, and is now thriving and oversubscribed.



Andrew O'Neill from All Saints Catholic College, West London, receives his award having been named Secondary Headteacher of the Year.

### Celebrating Together

As well celebrating remarkable individuals within school communities, sometimes the celebration is for the entire community. Several schools celebrated significant anniversaries in 2022.

Our Lady of Dolours Catholic School in Paddington was celebrating a remarkable 150 years. Cardinal Nichols, along with Parish Priest Fr Michael Jarmulowicz, offered Mass in Our Lady of Sorrows church, after which there was a tour of the school and the elected student Mayor and Deputy Mayors of the school posed for photos with the Cardinal.

St Mary's Catholic School in Bishop's Stortford marked 125 years of education with a Mass celebrated by Bishop Paul McAleenan at which students were the altar servers, readers and musical leaders. Bishop Paul McAleenan even commissioned five Year 12 students as Extraordinary Ministers of Holy Communion.

In Baldock, Hertfordshire, St John's Catholic Primary School celebrated its 50th Anniversary with a Mass offered by parish priest Fr Denis Sarsfield in Holy Trinity and St Augustine of Canterbury church. After Mass, parents, alumni, former staff, and governors were invited into the school for a celebratory tea. There was a display on the history of the school to view and the school's Ambassadors of Faith (Year 6 school chaplaincy team) were on hand to give tours to the visitors.

### Youth Ministry

Westminster Youth Ministry (WYM) has a clear mission statement:

'Working with schools and parishes to create opportunities for young people to encounter Jesus Christ and [to] accompany those young people on the path to vocational awareness, equipping them to live ever more willingly for the mission entrusted to them by the Lord.'

WYM engages with the children and young people of the diocese in a variety of ways, including through social media and other online platforms. However, there is no complete substitute for face-to-face contact in outreach or in leading retreats, which meant that WYM was one of the services most affected by the pandemic. Their activities have two main streams: day and residential retreats for school and parish groups at the Youth Retreat Centre in Pinner, and outreach activities which involve going into parishes and deaneries and organising big events, such as Flame, Summit, and Resonate. During COVID restrictions, retreats were impossible



## The Year in Review – Year to 31 December 2022 (continued)

to hold, and likewise going into parishes or gathering large groups together was for a long time logistically difficult, even when the most restrictive period had passed. Furthermore, relationships with schools and parishes had to be rebuilt. Nonetheless, 2022 was an exciting year for WYM.

The Youth Retreat Centre was open for retreats from the beginning of the year. Although there were a few cancellations in early January due to a spike in COVID infections, the centre was extremely busy from mid-January. Although there was a little lull over the summer break, for much of the year retreats were fully booked, or nearly so. There is high demand from schools and youth groups for residential retreats, and from Confirmation groups for day retreats. Staff at the centre noted that the interactions and networking with young people who come on retreat with independent youth groups such as Christian Heritage, Seek UK, and Faith in Politics is a valuable way to build up relationships and support across the Church.

Going on a retreat allows a person dedicated time and space to reflect on their faith, make time for prayer, and reflect more broadly on their lives. For children and young people in particular, a retreat can be a valuable break from busy schedules, digital distractions, the intensity of exam preparations, and the urgency of questions about what comes next for them. The WYM retreat leaders create a bespoke experience with activities, games, guided reflections, and collective prayer and worship tailored to the ages and needs of the group.

Visitors to the Youth Retreat Centre also have free time in the course of a retreat to explore the beautiful grounds or spend time in the chapel for private prayer.

Groups who have visited for a retreat have sent back overwhelmingly positive feedback. They praise the staff, the facilities, the food, the planning, and the schedule of activities, but above all the spiritual and mental impact on guests. The Catechetical Coordinator for Most Sacred Heart Parish in Ruislip, who brought a group of Confirmation candidates for a day retreat, attests that they left feeling 'renewed and invigorated' ahead of being confirmed. She added that she would be back in touch soon to book for 2023. A teacher from St Vincent's Catholic Primary in Mill Hill said how much the children enjoyed 'the perfect mix of prayer, reflection, games and activities.' The Assistant Headteacher of St John's Catholic Primary School in Baldock praised the incredible patience, kindness, and enthusiasm of the retreat leaders, as well as the food and the hotel-like feel of the accommodation for residential retreats. She concluded her letter saying: 'Most



Westminster Youth Ministry launched Rise Up, a new leadership training programme.

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importantly, we were all given a valuable opportunity to reflect and think about our relationship with God. We all felt closer to him through the various activities and through our time spent in the beautiful chapel. We will certainly be back again.'

For the WYM outreach team, 2022 began with a focus on re-engaging with deaneries and parishes as well as increasing work with school chaplains and support for schools' youth ministry. In connection with this engagement, they began planning for World Youth Day, which was held in Portugal in August 2023.

Central to this preparation has been the launch of a leadership programme, Rise Up. WYM invited applications from young people aged 17-25. In the end they received 46 applications, more than twice what they had dared to hope for. Some 29 young people, 17 women and 12 men, the majority of whom are 18 or 19 years old, were invited to join the programme.

Over the time leading up to World Youth Day, they have monthly seminars on faith formation and leadership, as well as practical skills like public speaking and leading a prayer meeting. They will attend and assist at events like Flame in March 2023, and finally travel to Portugal for Days in the Diocese ahead of the main events and liturgies

Despite this timeline, the goal of Rise Up is not just to form leaders for World Youth Day: it is also for the future when the young Catholics might find themselves struggling and in need of direction, as programme director, Phoebe Prendergast, explained: 'Being part of World Youth Day is an amazing spiritual high. It's an incredible experience that you cannot capture anywhere else.'



'But often what happens is you get back to your parish and everything feels a bit flat. We are hoping that the young people we train will use their leadership skills, build up their own youth ministries, and realise they have an active role to play in the Church.'

One young person who is on the programme is Cande, a 19 year old architecture student originally from Argentina. She is excited about World Youth Day, remarking that 'It's the thing for young Catholics to go to, to see and experience religion with others trying to grow in their faith,' but Cande also sees her participation in the programme as being part of a larger faith journey. 'My faith is the most important part of my life,' she said. 'I try to live the best I can. I hope this programme will help me get to know people, learn about leadership and just grow as a person.'

Phoebe Prendergast sees this programme as forming the types of leaders the Church needs: 'Parishes are desperate for young people. But young people are not just the future of the Church, they are the NOW of the Church. I tell young people, don't wait, now is the time to get involved and play your part.'

In addition to Rise Up, the WYM Outreach team has been kept very busy planning and promoting big events like Flame, providing chaplaincy to the Redcaps in Lourdes on pilgrimage, and running events like the Big Summit that took place in Westminster Cathedral and attracted over 300 young people.

In September, a new youth chaplain was appointed. Fr Michael Guthrie hit the ground running. He has connected with his equivalent numbers in the dioceses of Brentwood and Southwark to begin work on a shared youth online resource centre.

## Caritas

Those beneficiaries of the Charity who find themselves in difficult financial circumstances, or whose circumstances make it more difficult to put down roots and find acceptance in society, whether they are Catholic or not, very often make contact with the Charity through one of the projects run by Caritas Westminster.

Caritas Westminster facilitates social outreach work to tackle poverty and social exclusion. It aims to help individuals in the Diocese of Westminster to use their gifts and talents bestowed by God to create just and inclusive communities. It supports projects which aim to accompany, encourage and empower people, recognising



*At the second annual Diocese of Westminster 'Love in Action' awards Cardinal Nichols presented volunteers and groups with awards for their response to needs in their parishes and communities.*

their dignity and worth and removing obstacles so that they can flourish. In short, where the ground is rocky and barren due to poverty, exclusion, or any other type of suffering, Caritas seeks to be the water that can bubble up through the bare rock to bring renewal and new growth. Within this mission, Caritas focuses on five priority areas:

- Food, shelter
- Financial resilience
- Dignified work
- Social inclusion
- Belonging

This work is carried out through two main streams: services, which are run directly by Caritas, and outreach, in which the Caritas Development Team provide advice, training, networking opportunities, and, in some cases, direct assistance to parish, school, or community organisation staff and volunteers to help them respond to needs within their local areas.

Caritas runs seven services directly:

- Caritas Bakhita House
- Caritas Deaf Service



## The Year in Review – Year to 31 December 2022 (continued)



*Branching Paths, an exhibition of art by people with intellectual disabilities was held at Syon House.*

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- Caritas St Joseph's
- Seeds Hub (formerly known as SEIDs)
- Caritas Grants
- Caritas Volunteer Service
- Safe in Faith

Many of these services have links with outreach work as well, particularly the Caritas Volunteer Service, which helps parishes, schools and organisations to find volunteers to support their outreach initiatives, and signposts willing volunteers to projects where their talents and passion can be deployed to the greatest effect. Additionally, Caritas Grants provides funding for many outreach projects. Caritas St Joseph's, despite being a service run directly by Caritas Westminster, engages in outreach work to the parishes themselves in order to support their ministry to those with intellectual disabilities.

### Caritas Grants

Caritas Grants manages the St John Southworth fund, an amalgamation of different donations from individuals and smaller funds, including a funeral grant fund that was provided by an anonymous donor. In 2022, over £97,000 in project grants were given to a range of organisations. Forty-two families or individuals were given crisis grants following referral from their parish, school, or another charitable organisation such as the Saint Vincent de Paul Society. The funeral fund provided nearly £60,000 in grants of up to £1,500, which helped 43 bereaved families with funeral costs.

In response to the cost of living crisis, Caritas Grants set up a new grant scheme for parishes to create Warm Welcome spaces for their communities. Nineteen parishes and one community project have set up Warm Welcome spaces. These spaces are designed to provide a refuge for those struggling to heat their homes because of the rapid rise in energy costs to unaffordable levels in 2022. Having somewhere warm to go and someone to talk to when they get there, allows beneficiaries to reduce costs by switching their heating off for a few hours. In total, this grant scheme gave £16,800 to parishes and community organisations, with the usual amount awarded being £1,000.

### Food Assistance

Caritas Westminster continues to support food bank projects across the diocese. These centres are facing ever increasing demand due to the cost of living crisis. In addition to these programmes, Caritas's Supermarket Voucher Scheme remains central to its direct relief of food poverty. This scheme allows parishes or schools who are approached by individuals or families struggling to feed themselves to give the recipient vouchers to spend at a supermarket of their choice, ensuring that they can shop with dignity to meet their family's particular needs.

Since the launch of the food voucher scheme in 2020, 127 schools and parishes from the dioceses of Westminster and Southwark have distributed vouchers that assisted 11,000 people from 3,500 households across London and Hertfordshire. Although demand for food banks and other food assistance rose by 400% during the pandemic, feedback from beneficiaries of the scheme reveals that nearly half (48%) of people who accessed it were struggling financially prior to the pandemic. Two years on, in 2022, rather than finding themselves in improved circumstances, many families are struggling more due to the cost of living crisis, the end of the £20 uplift in Universal Credit, and the rise in National Insurance contributions.

As one headteacher from East London, who has been involved in distributing vouchers, remarked: 'Things are getting significantly worse. The vouchers have been a relief for some parents who are struggling. A £20 voucher doesn't solve their problems, but [it gives] some people breathing space, and lifts a little weight from their shoulders, so that they can relax a little for the next few days.'

As the need persists, the decision was taken to continue the scheme, which was made possible by generous contributions from the Albert Gubay Charitable Foundation, the Cardinal's Lenten Appeal, and the St John Southworth Fund. Cardinal Nichols praised the programme, saying



'I am proud that the supermarket voucher scheme in this diocese is a crucial part of a response to this continuing crisis, protecting the dignity of those who use the vouchers in accessing food and essentials. I am grateful to all who contribute generously to this scheme.'

### Caritas Deaf Service

People suffering from hearing loss were disproportionately adversely affected by many of the public health measures taken during the pandemic: masks make communication more difficult for those who rely on lip reading all or some of the time; crucial information regarding public health was often not available in an accessible form; and the isolation created by lockdowns left some deaf people without the companionship of anyone with whom they can easily communicate. Post-pandemic, the Deaf Service continues to be a crucial service to allow the deaf and hearing impaired to participate fully in religious life and worship. In 2022, there were 39 signed and sign-interpreted Masses held in the diocese.



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*The Westminster Deaf Service enables those with hearing loss to participate fully in religious life and worship.*

Additionally, 215 people attended British Sign Language (BSL) taster courses or Deaf Awareness courses. The Caritas Deaf Service also has a programme called Signs of Hope, which allows deaf people to access counsellors who can use and understand BSL. In 2022, 24 unique clients accessed counselling through Signs of Hope.

One of the highlights for the Deaf Service in 2022 was a pilgrimage to Aylesford Priory where the relics of St Bernadette could be venerated whilst on their tour of the UK. St Bernadette was a poor French girl in the late 19th century. Many people believe that St Bernadette was dyslexic or had some other intellectual difficulties because she had not been allowed to make her First Holy Communion at the usual age as she was unable to learn her catechism as well as the local priest thought necessary. One day whilst gathering wood at the grotto at Lourdes, St Bernadette received an apparition of Our Lady, who instructed her to dig in the dirt there, causing a spring to well up. The waters of that spring have become known for their miraculous powers to heal the sick, and, since then, millions of pilgrims have flocked to Lourdes seeking healing. The Deaf Service pilgrimage to Aylesford joined Bishop Paul Hendricks for the celebration of Mass that day, when he offered this meditation: 'Lourdes is where we get it right. Lourdes is a place where those on the margins of society are the most important and are rightly central to all the proceedings. Maybe that is a lesson for all of us, if those on the margins of society are at the very heart of everything in Lourdes, then why not in our parishes?'

### Caritas St Joseph's

Services to support persons with intellectual disabilities are offered through Caritas St Joseph's. There are few groups of people more marginalised in society than the disabled, but at St Joseph's, they truly are at the centre. There are classes and opportunities to socialise, as well as support for the families, teachers and carers of those with intellectual disabilities. In 2022, 177 people attended classes at the Lifelong Learning Centre in Hendon, meaning those classes were fully subscribed. Nearly 30 more people attend the smaller Connect@ Centres in Hounslow and Feltham.

In the autumn, the artwork of students who attended Connect through Art classes at Connect@ Hounslow was featured in an exhibition called Branching Paths at Syon House in Brentford. The exhibition, which was made possible by a grant from Hounslow Borough Council, was a celebration of the different perspectives and creative journeys of the artists. Some of the painters, like Alexander, have limited verbal language, but find it easier to express themselves through colour and form. This type of art



## The Year in Review – Year to 31 December 2022 (continued)



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*Caritas St Joseph's celebrated its 45th anniversary with a Mass and party as well as awarding special commemorative badges for achievement.*

installation highlights one of the many ways in which persons with intellectual disabilities contribute a unique voice to society.

Caritas St Joseph's also supports parishes in fully integrating persons with intellectual disabilities into parish life. They run four Saturday clubs in parishes that offer people with intellectual disabilities and their families a chance to socialise as well as an opportunity to seek advice and support. Additionally, St Joseph's ran nine Symbols of Faith courses throughout 2022. These are classes for parish priests and catechists to learn how to teach those with intellectual disabilities about the Catholic faith, prepare them to receive the sacraments, and include them in collective worship.

In October, 2022 Caritas St Joseph celebrated its 45th anniversary with a Mass and a party attended by more than 150 people connected with the centre. One student, Paul, who has attended classes at St Joseph's since early on in its mission, recalled how much he had enjoyed his music and pottery classes, and more strikingly how the friendships he had formed through St Joseph's had helped him develop into a calmer and more confident person. This is the kind of impact on people's lives that Bishop Paul McAleenan, who celebrated the anniversary Mass, referred to when he said: 'St Joseph's isn't just a place in Hendon, it is a way of looking at the world as Jesus looked at the world. It is a way of looking at the world so that everyone can reach their potential and be the person God intended them to be.'

### Seeds Hub (formerly SEIDS)

The Seeds Hub exists to support local, sustainable enterprise, offering advice through its business start-up programme and the opportunity to rent space in the Hub. In 2022, 18 entrepreneurs were supported through the business start-up programme. The projects were varied and challenging. They included support for people with caring responsibilities and supporting ethnic minority carers, supporting women into the construction industry, and support for homeless people. Other projects involved providing medical equipment to support people in care homes, performing arts for people with disabilities, African-inspired soft furnishings, banquet catering, yoga and hair wraps inspired by West African headaddresses, along with creating a Taiwanese hot pot mix, blogging and establishing a personal shopper business. In terms of outcomes, 14 participants completed the programme, all of whom felt that their knowledge, networks, confidence and skills had increased as a result of being on the programme, and half of them made additional income from their businesses.



© Diocese of Westminster

*From small seeds come great beginnings*



In 2022, 18 entrepreneurs were supported through the business start-up programme, and the Hub currently has eight paying tenants who are charities, small businesses, or entrepreneurs. The difficulties caused by the economic downturn and the cost of living crisis have created rocky ground in which new businesses struggle to take root and small, local businesses can struggle to survive. In offering support to these businesses the Seeds Hub seeks to give water to whole communities that can find regeneration and growth through the success of local, sustainable businesses. Not only do new businesses mean new jobs, but independent, local businesses keep the money they earn within the communities, meaning that those in the local community who patronise them are funding their own future, not lining the pockets of anonymous shareholders or foreign investors.

### **Bakhita House**

Caritas Bakhita House is a safe house for women who have been trafficked or exploited in any way. Since it opened in 2015, it has welcomed 170 women. Of those, 113 had been sexually exploited, 48 held in domestic servitude, 10 had suffered serious sexual assault, and eight had been forced to participate in benefits fraud. Bakhita House, on average, has ten guests at any one time, and in 2022 welcomed 32 women in total.

Whilst at Bakhita House, guests can participate in an array of therapeutic activities, from gardening to art, music and drama. This year the women grew lettuce, tomatoes, pumpkins, cucumbers and herbs, and used them to cook nourishing community meals. They also harvested apples and quinces for jam and jelly making. Alongside these activities, the guests are able to access legal and medical help and take classes in practical subjects like English and budgeting.

In 2022, two former guests at Bakhita House completed university degrees. One woman, who received a First Class Honours Degree in Criminology described the role Bakhita House played in her journey: 'At the beginning, I was scared because I had been through a lot and I had been out of education for a lengthy time. However, the encouragement and guidance offered by the team at Caritas Bakhita House gave me a chance to study. Education has given me a bit of my life back. As an asylum seeker, and especially as a victim of modern slavery, many times one feels like a second-class citizen. Nevertheless, education opens up your mind and then doors that lessen the confinement.'

Another former guest, who was awarded an Upper Second-Class Honours Degree in Accounting and Finance, describes her time at Bakhita House as pivotal to her

personal growth and development: 'I love maths, and I started a Certificate in Higher Education for Mathematical Studies. During my time with you, you taught me something very important. That I deserve it and I should be proud of myself. Therefore, after long nights and hard work, I finished with Distinction. My hard work and your support were rewarded with the offer from a university to study for a BSc (Hons) in Accounting and Finance. Today, I proudly say that I will never forget how much you helped me to become the woman I am today. That without you, I don't know what my life would be.'

These and other testimonials of the transformative influence on the lives of their guests, Bakhita House and its staff have been honoured with a series of awards over the years. In 2022 the London Faith and Belief Community Awards, which celebrate how Londoners from all faiths and beliefs can work together for a fairer and more inclusive city, gave Bakhita House an award for Supporting Women. In accepting this award on behalf of all the staff, Service Manager Karen Anstiss explained: 'The creative and therapeutic approach of Caritas Bakhita House is important in enabling women to move on to independent, confident lives beyond slavery.' Like Caritas Westminster's other services and programmes, Bakhita House has found unique ways to transform the lives of its beneficiaries, like water turns the bare rock of stone pavements green with new vegetation.

### **Central Services**

There is a large group of people working for the Charity who often remain unsung and unacknowledged for their contribution to the mission of the Diocese of Westminster, the people who work centrally in administration: departments like Property, Finance, and the Agency for Evangelisation, GDPR and Safeguarding.

### **Property**

Being the point of contact for any issues or projects involving the physical plant of the diocese is an enormous task. There are over 200 parishes and over 200 schools, many of which have ancillary properties that are let out, in addition to the functional properties they occupy in carrying out their mission. The Property department has helped parishes and schools to apply for change of use permissions for buildings they own, which has allowed those entities to expand their charitable remit: setting up new food banks (for example, at St Aloysius school in Phoenix Road), or offering newer facilities more fitting to the needs of old ones.



## The Year in Review – Year to 31 December 2022 (continued)

In cases where schools find they have excess provision on site due to falling roll or a change in the provision they themselves offer, Property has helped the school to identify rental opportunities in keeping with the mission of the Charity. One example would be renting the space to a nursery, as at St Martin de Porres School in N11. Doing this allows the building to be used and maintained whilst providing an income to the school. Additionally, when a school is able to rent space to a nursery, it can help with issues of roll by encouraging parents to apply for a place at the school when their nursery children reach school age.

Parish halls are another part of the estate for which there is a new type of demand: local councils are prioritising letting such spaces to give educational provision to children with special educational needs (SEN). There is a growing need for alternate options for children who are not able to access mainstream education. Often these children are not able to attend a full day of school due to their extraordinary needs, and parish halls often have ideal facilities for the shorter sessions (1-2 hours) offered by SEN specialists and behaviour referral units to individual children. The parish hall at Sunbury on Thames is one example of a hall that is now let to the local educational authority for this purpose, providing reliable income to the parish, and putting the property to use in a way very much in line with the aims and ethos of the Charity.

During 2023 Reinforced Autoclaved Aerated Concrete (RAAC) has been heavily in the news. The property department has been reviewing the Charity's estate and examining buildings that could have RAAC, and where a property is identified as having RAAC it is starting to take direct action. For example, in 2022 St John's Catholic Primary School in Rickmansworth had to decamp to temporary accommodation because of RAAC. The school is currently being rebuilt with funding from the Department for Education and the Local Authority.

### Finance

The Finance Department has an enormous job of meeting the statutory financial accounting and reporting obligations of such a complex organisation. They also have responsibility for administering robust financial controls, which is ever-more challenging due to the rapidly-growing sophistication of internet-based fraud and its strategies for circumventing such controls, as well as conducting online financial transactions on behalf of the parishes.

Parishes have always had access to cheques for the purposes of making payments, but many suppliers strongly prefer or require online payments, which parishes have not previously

been able to administer themselves. In 2022, at the request of many parishes, the Finance team was able to make internet banking available to parishes who underwent the requisite training with the diocesan banking partner and completed the checks and forms needed to set up authorisations for approval and to establish those persons who have access to the payment facilities. Because the control environment requires multiple approvals and two-factor authentication of those approvals, in order to safely devolve administration of online payments to the parishes, the process of setting up online banking has been long and complicated. It is the hope of the Finance team that giving parishes this direct access to online payment facilities simplifies the delivery of their mission by streamlining the payment process.

### Excellence in Governance

As a charity, the diocese is overseen by a board of trustees (the Trustee). In the summer of 2022, Pope Francis appointed one of the trustees, Kevin Ingram, to the Vatican's Financial Intelligence and Supervisory Authority. Mr Ingram is a chartered accountant and was a partner of PricewaterhouseCoopers (PwC) from 1990 until his retirement in 2009. He is the third trustee of the Diocese of Westminster to receive a papal appointment after serving on the diocesan board, the other two being Ruth Kelly and Leslie Ferrar.

Bishop John Sherrington, the Moderator of the Curia, welcomed news of the appointment, saying: 'I am delighted to learn that the Holy Father Pope Francis has appointed Mr Kevin Ingram as a new board member of the Financial Intelligence and Advisory Authority. Kevin has served as a Director of the Trustee of the diocese and on the Audit and Risk Committee. He brings professionalism and a meticulous attention to detail to his work for the sake of transparency and accountability. I assure him of the prayers of the Cardinal and the diocese as he brings this expertise and skill to the service of the Church.'

### Agency for Evangelisation

The Diocese of Westminster Agency for Evangelisation (AfE) provides support, training and formation for parish-based catechists, as well as arranging large diocesan liturgies at Westminster Cathedral for occasions such as the Rite of Election and the Mass for Matrimony.

Currently, the AfE is promoting the Catholic Certificate in Religious Studies (CCRS) and working in partnership with the Westminster Education Service to ensure that the course meets the needs of parish catechists. Whilst only three people completed the course in 2022, the impact of a parish having a well-formed, knowledgeable catechist is immense. It lifts the





*Celebrating the rich diversity of our parishes at the Mass for Migrants*

quality of catechesis and adult faith formation in that parish, and with it the spiritual lives of the parishioners who are better able to understand and practise their faith as a result.

The Mass for Matrimony was celebrated in May 2022, for the first time since before the pandemic. At that Mass, the Cardinal welcomed 630 married couples from the diocese who were celebrating significant anniversaries (5 years, 10 years, 20 years, etc), together with their families. In his address to the couples, Cardinal Nichols compared married life to the mosaics that adorn the Cathedral: 'Just as there are millions of mosaic pieces...there are millions of stories, events and tiny moments that go into creating married love.' One couple remarked afterwards 'We found it an inspiring service. It was wonderful to be able to share our special anniversary year with so many other couples in a simple, but very special Mass.'

## Data Protection

The Data Protection Department in the diocese has several key responsibilities:

- To ensure compliance with General Data Protection Regulation (GDPR) in the charity's collection and processing of personal data
- To action data requests in compliance with the rights outlined in GDPR
- To investigate and notify as appropriate any data breaches the organisation detects
- To provide ongoing training to the staff, clergy and volunteers of the Charity
- To undertake ongoing assessments to ensure the data across the Charity is processed in compliance with the laws and regulations

The Diocese of Westminster is registered with the Information Commissioner's Office (ICO), demonstrating the charity's commitment to processing data in a fair and transparent manner and being compliant with data protection laws. There are seven key principles for the processing of data and the Charity is committed to ensuring that in processing this data it complies with these principles, in particular the need to be fair and transparent in its collection of data and to ensure that individuals understand how their data is used.

The GDPR gives individuals more control over how their data is collected and used. It outlines eight rights for individuals, the most frequently exercised of which is the access to personal data. Requests to access data in accordance with these rights can be time-consuming for the organisation to deal with, as they involve collating data from various places, departments or individuals, checking to see if they can be disclosed, redacting third party material, etc., within an initial deadline of 30 days following enquiries.

A key requirement under the GDPR is that data breaches are investigated immediately and, if they are reportable to the ICO, the report is made within 72 hours of the breach being identified. Carrying out these investigations is a key part of the department's work. Data breaches are logged internally to look for patterns of incidents and to put measures in place to reduce the risk of the breach. Each breach is assessed as to its severity and whether the individuals affected by the breach need to be notified in case there is a risk related to



## The Year in Review – Year to 31 December 2022 (continued)

identity fraud or potential financial loss to the individual. The most common type of breach is from the use of email: commonly, emails or attachments that have been sent to an unintended recipient.

The Charity continues to raise awareness of data protection among its curial staff, as well as clergy, staff and volunteers at parish level. This is an ongoing process to instil a culture of collecting and processing data in a compliant manner. To help with this, there has been investment in the training of staff, clergy and volunteers. In 2023 online data protection training will be launched as part of ongoing staff development.

Three specific assessment initiatives were carried out in 2022 and are ongoing:

- There has been substantial engagement with the parishes to offer training and advice concerning data protection. All parishes have completed their records of processing activities, which is a document to help parishes understand the data that they hold and process. This includes data that is common to all parishes, such as sacraments, parishioners, safeguarding, rotas and accident book records. There must be a purpose to collecting this data, how it is stored, who has access to it, who it may be shared with and how long it is stored for. The most common collection of personal data is names, addresses, email addresses and contact numbers. Some departments, such as Human Resources, Safeguarding and the Chancery will collect sensitive data, such as passport details, health data and religion.
- The second type of assessment being undertaken is the data protection impact assessment (DPIA) of processes where there is a high risk to the rights and freedoms of individuals and when new software is implemented. These assessments are intended to ensure that the collection and processing of data is carried out in a compliant manner.
- The third type of assessment is for the use of closed-circuit television (CCTV) in parishes. The assessment involves evaluating the needs of the parish using the CCTV system, assessing the physical environment where the cameras will be placed, and identifying potential security risks and vulnerabilities. The use of CCTV presents its own challenges, ensuring that the installation is used within the parish boundaries, there is appropriate signage, the quality of picture and timestamps are fit for purpose, and, importantly, the parish is able to disclose images to the relevant authorities safely and within the confines of the law, if required.

During the pandemic many parishes turned to livestreaming the Mass to their parishioners and beyond. This, too, has its own challenges with data protection. The department has begun work to produce guidelines that will be issued to parishes by the summer of 2023.

Taken together, these steps, with other documents relating to staff and volunteers, show the path to compliance. It is important to note that the progress to regulatory compliance is a journey. It is forever changing as new means of collecting and processing data are developed, such as collection and potentially sharing test and trace data during the pandemic, and regulations are updated to reflect the new data landscape.

Full details of how the Charity processes data can be found at: <https://rcdow.org.uk/privacy/>

### Safeguarding

Protecting children and vulnerable adults from harm is central to the work of the Charity.

The diocese is committed to the continual improvement of the Safeguarding Service to ensure that victims and survivors of abuse receive a compassionate listening service, and to assist parishes to create a safe environment to prevent such situations happening again. Across the diocese, departments are working with the Safeguarding Service to create a culture of safeguarding. This involves identifying learning from previous and current practice and introducing best practice in such a way that it is robust, visible and promotes confidence in all who come into contact with the Charity. The diocese strives to ensure that it is working in accordance with Pope Francis' prayer intention for March 2023: 'The Church cannot try to hide the tragedy of abuse of any kind. Nor when the abuse takes place in families, in clubs, or in other types of institutions. The Church must serve as a model to help solve the issue and bring it to light in society and in families. The Church must offer safe spaces for victims to be heard, supported psychologically, and protected.'

The report and recommendations of the Independent Inquiry into Child Sexual Abuse, published in 2022, have provided a valuable insight into the way that victims and survivors experienced the response of the Church; the Charity is working to respond and implement learning from the Inquiry. Creating a culture of safeguarding is everyone's responsibility. It is currently undertaken across the diocese through a variety of different activities which aim to ensure that everyone has an understanding that Safeguarding is what we do to prevent harm, and Child and Adult Protection is the way we respond to harm. Both elements have equal importance in the work of the Charity.



The message that 'If you are in any role within the Catholic Church in England and Wales, you must refer allegations directly to the safeguarding office for your diocese or religious congregation, or directly to the Police' is being widely promoted. This is a commitment from the Bishops' Conference and is being actively promoted within the diocese. The case workers on the Safeguarding team operate a duty service to ensure that accurate, consistent advice and practice is provided.

There are several examples of work being undertaken to prevent harm, and create a safe environment:

- Promoting training, both face to face and online, to all clergy, curial staff and volunteers, and to signpost training to all members of parishes.
- Continuing to engage parishes via visits and deanery meetings to update clergy and Parish Safeguarding Representatives (PSRs) on current safeguarding themes and offer them practical advice on implementing this in their parishes.
- Ensuring that those in a role that requires a Disclosure and Barring Service (DBS) check are re-checked every three years, and to promote the safe recruitment process in relation to all volunteers.
- Offering refresher training to PSRs during which they can share their experience and parishes can learn from each other.

In addition to these practices, the Safeguarding Service continues a reflective review of historic cases in order to ensure that all necessary actions have been taken, and to identify lessons learnt are applied to current practice.

A good example of creating a safe environment is the guidance issued to parishes around setting up Warm Welcome spaces, which provide friendship and advice as well as food and drink, use of kitchen facilities, a place for children to play, and a place for offering assistance to immigrants and asylum-seekers (see Caritas section for full details). With such a variety of activities happening, and such diverse types of people attending, many of them by definition vulnerable, there was a pressing need to ensure that volunteers were safely recruited and well-equipped to fulfil their roles. In response to the popularity of the initiative, the department published comprehensive guidance on risk-assessing the events and ensuring the safety of all involved. This included advice on event planning, safe recruitment of staff and volunteers, safe practice for staff and volunteers, guidelines for event planners, and what to do should an allegation or concern arise.

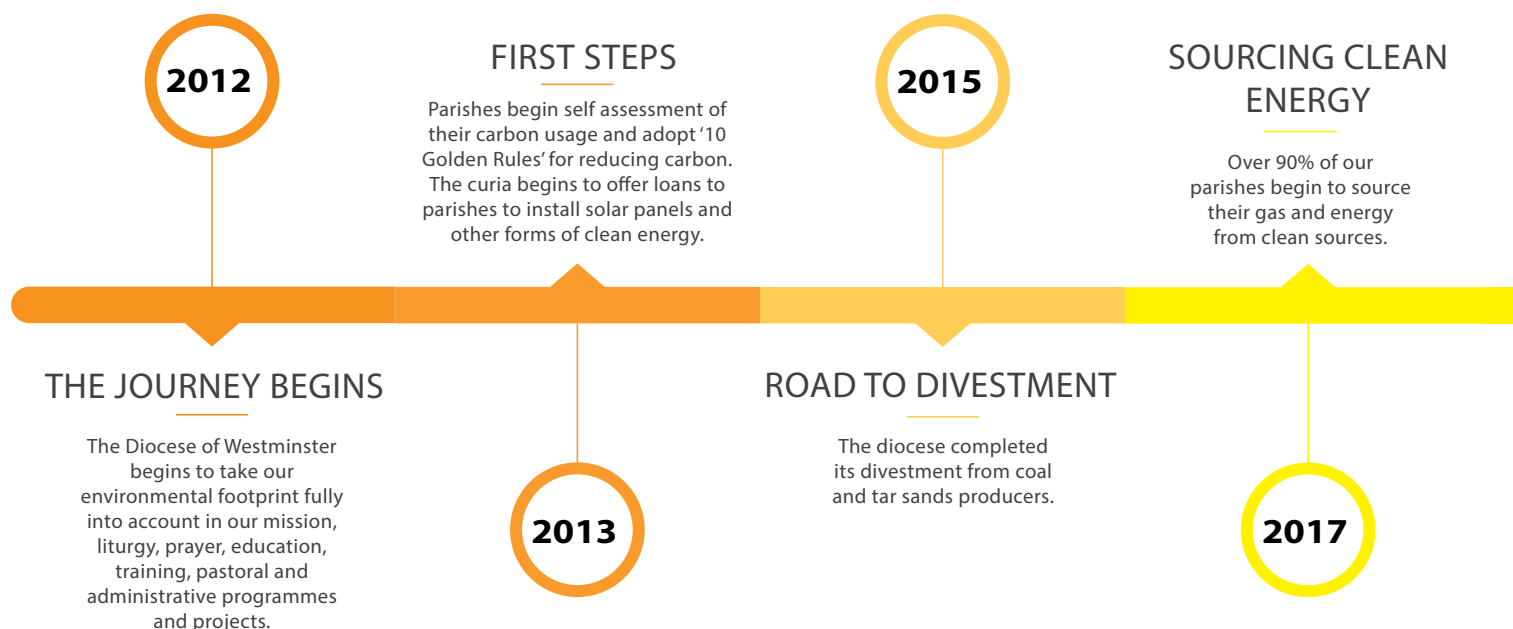
The Safeguarding Committee, chaired and attended by two Trustees, operates continual scrutiny over the work of the Service to 'support, assist and advise the Diocesan Trustee in discharging duties in safeguarding, in accordance with the Trustee's legal and regulatory duties, trust deed, canon law of the Catholic Church, Charity Commission guidance, and to operate within the standards, policies and procedures of the Catholic Safeguarding Standards Agency.'

This is but one example of the vital planning and work that is essential to the delivery of the mission of the diocese, ensuring that all who come in contact with the Charity can do so safely. Whether in parishes, schools or central services functions, the Charity strives to serve those in need and to be a source of life-giving nourishment, especially in a time when there is much in the external environment that resembles a barren and rocky landscape.

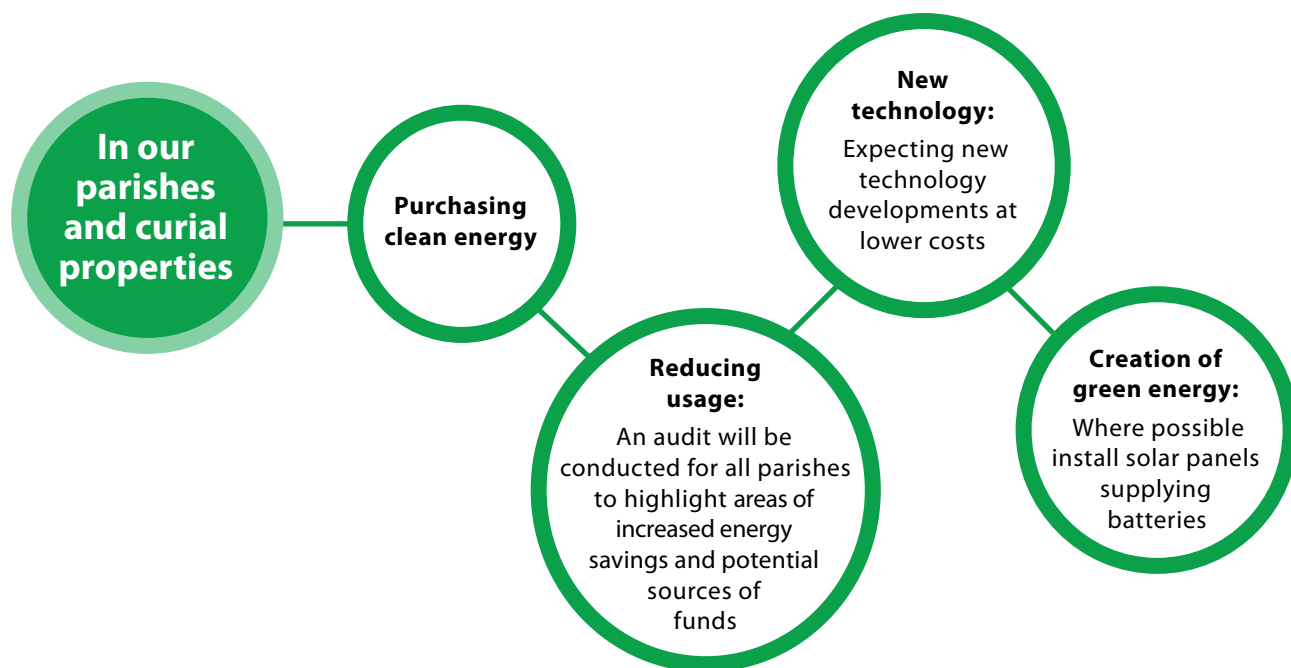


# Caring for the Environment

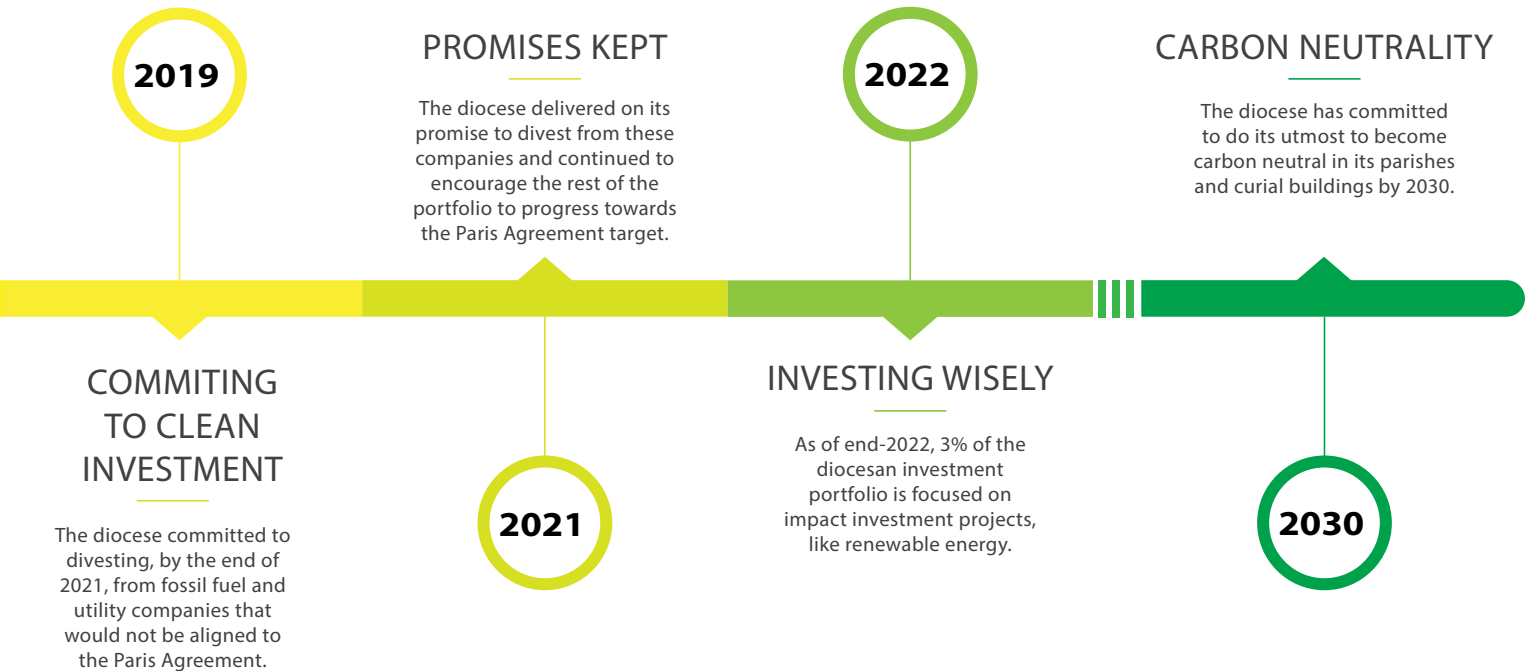
## Our Journey on the Road to Carbon Neutrality



## Our progress along this journey consists of the following:





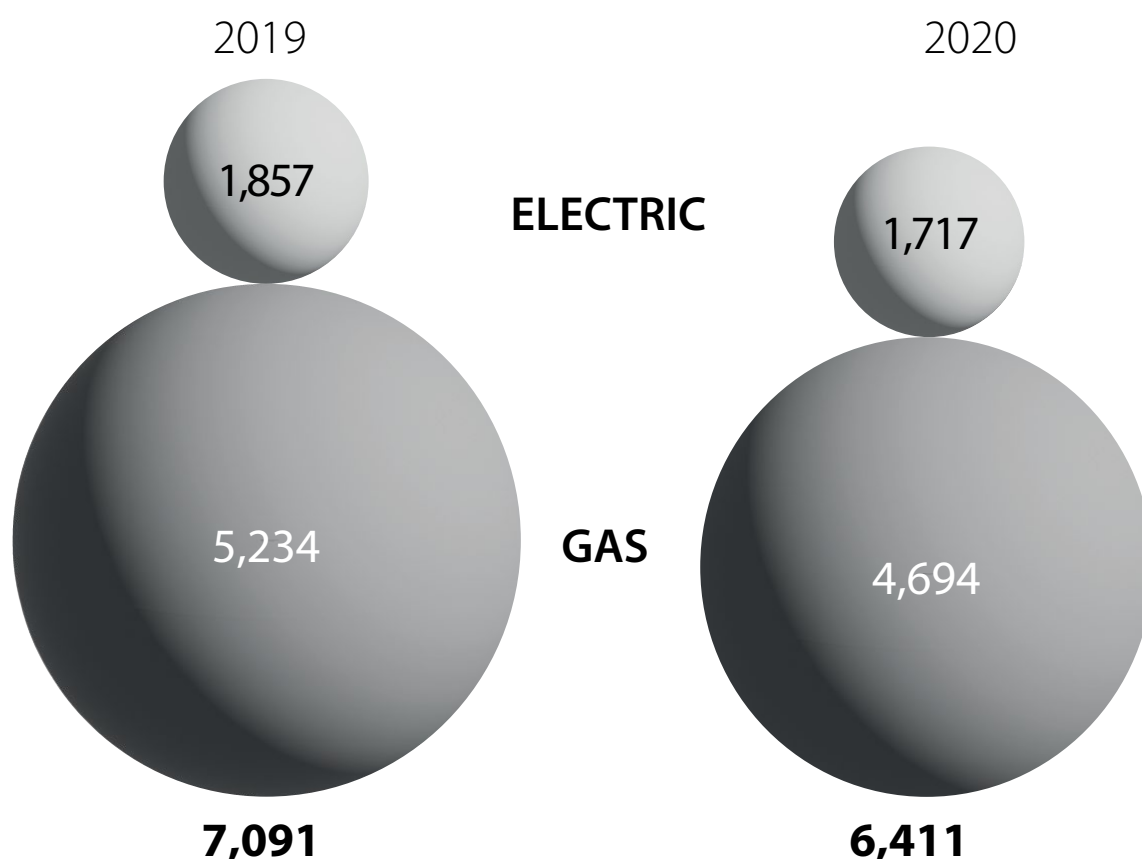




# Caring for the Environment

## Measuring our Carbon Footprint

**Location Base:** Carbon produced from diocesan consumption of energy sourced from the Grid (In tonnes)



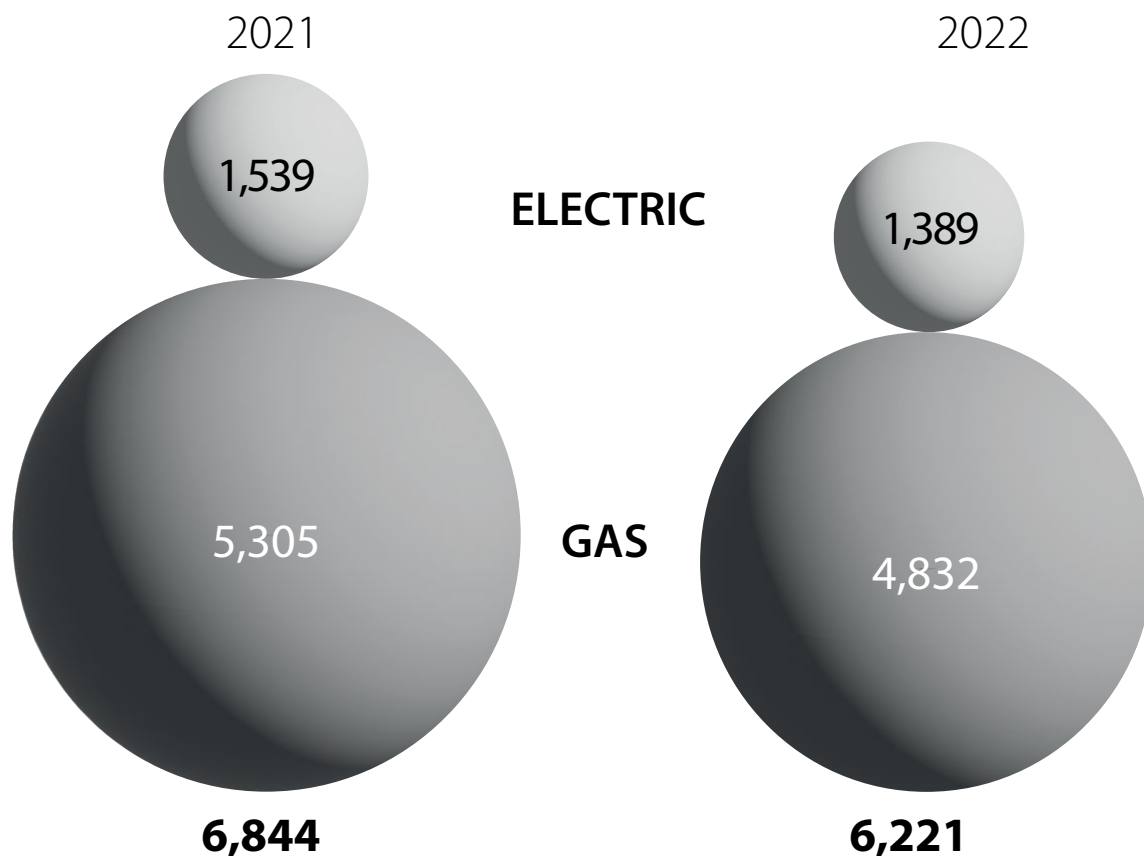
**Market Base:** Carbon produced from energy purchased (In tonnes)



The Location Base measures energy consumption from the Grid, which comes from a variety of sources, and therefore has the carbon intensity of the Grid as a whole, regardless of what is purchased by the diocese.

The Market Base has a lower carbon intensity. Energy sourced from renewable sources is rated as zero, whilst the carbon produced from other suppliers is not. These figures are based on assumptions on the properties which the Diocese of Westminster owns but are commercially let, and therefore the Diocese has no control over purchase and usage of energy.

**Location Base:** Carbon produced from diocesan consumption of energy sourced from the Grid (In tonnes)



**Market Base:** Carbon produced from energy purchased (In tonnes)



- In comparison to the baseline year of 2019, carbon produced from Location Base usage has declined by 8% and Market Base usage by 28%.
- Of 193 parishes in the diocese 179 (93%) are currently purchasing green energy.
- The above information only includes parishes that are consolidated in the annual accounts.
- 2021 and 2022 gas figures include transport fuel usage.



# Curia income and expenditure

## Income







Income by type (£'000)	2022	2021	2022 %	
Grants receivable	11,286	11,992	41.5	
Diocesan assessment	5,346	6,817	19.6	
Donations and legacies	4,889	4,628	18.0	
Investment income	2,387	1,173	8.8	
Income from charitable activities	1,945	2,929	7.1	
Rents from functional property	663	559	2.4	
Trading activities	385	290	1.4	
Disposal of assets	184	308	0.7	
Assessment for non-consolidated parishes	131	130	0.5	
<b>Total</b>	<b>27,216</b>	<b>28,826</b>	<b>100.0</b>	

## Expenditure












Expenditure by type (£'000)	2022	2021	2022 %	
Pastoral and related work	19,222	16,904	63.3	
Administration	5,123	4,196	16.9	
Education and formation	1,434	1,218	4.7	
Clergy and consecrated life	1,185	1,034	3.9	
Communication and safeguarding	698	613	2.3	
Auxiliaries and Vicar General	656	642	2.2	
Fundraising trading and other	606	723	2.0	
National bodies	468	418	1.5	
Archbishop's office and house	361	266	1.2	
Bank loan interest	309	196	1.0	
Transfers to parishes	261	3,429	0.9	
Growing in Faith projects	17	313	0.1	
<b>Total</b>	<b>30,340</b>	<b>29,952</b>	<b>100.0</b>	

# Parish income and expenditure

## Income

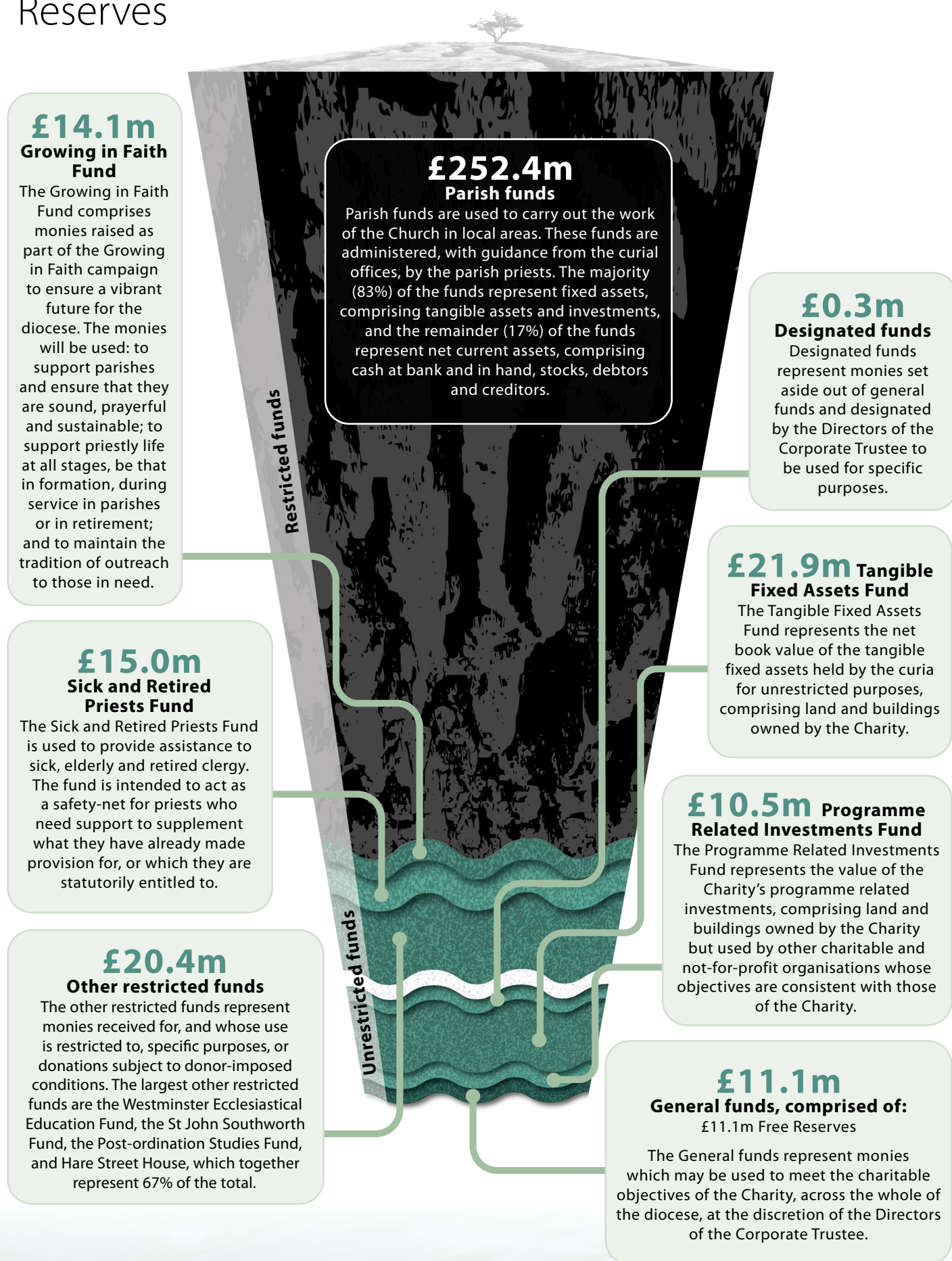
Income by type (£'000)	2022	2021	2022 %	
Donations and legacies	28,228	27,073	71.8	
Parish activities	5,365	4,489	13.7	
Investment income	3,891	3,469	9.9	
Rents from functional property	1,154	1,015	2.9	
Trading activities	403	69	1.0	
Transfers from curia	261	3,429	0.7	
Disposal of assets	-	6	0.0	
<b>Total</b>	<b>39,302</b>	<b>39,550</b>	<b>100.0</b>	

## Expenditure

Expenditure by type (£'000)	2022	2021	2022 %	
Non-clergy salaries and housekeeping	7,365	6,980	22.2	
Diocesan assessment	5,346	6,817	16.1	
Property repairs and renewals	4,131	4,035	12.5	
Council tax and utilities	3,818	2,815	11.5	
Other	2,820	2,258	8.5	
Depreciation	2,791	2,872	8.4	
Clergy stipends	2,350	2,253	7.1	
Liturgical, candles and repository	2,264	1,622	6.8	
Donations and grants	1,072	888	3.3	
Parish activities	991	571	3.0	
Costs of generating trading activities	190	59	0.6	
<b>Total</b>	<b>33,138</b>	<b>31,170</b>	<b>100.0</b>	



# Reserves





Financial Review and Annual Accounts **2022**



# Report of the Directors of the Corporate Trustee

– Year to 31 December 2022

## Financial Review

### Scope of the Consolidated Accounts

The consolidated accounts include the assets, liabilities and transactions of the following:

**The Curia:** responsible for the central organisation necessary for the Charity to achieve its stated purpose. Curial funds therefore help the curia provide support to over 200 schools and more than 200 parishes that are part of the diocese as well as support the Archbishop and Bishops in providing diocesan-wide programmes and pastoral care and in meeting the cost of central administration and stewardship. These funds are administered by staff in the curial offices in the Westminster Cathedral Complex and in other diocesan centres.

**The Parishes:** responsible for the local organisation necessary for the Charity to achieve its stated purpose. Parochial funds are therefore used to carry out the work of the Church in local areas and to help fund the curia. These funds are administered, with guidance from the curial offices, by the parish priests.

**Aedificabo Limited:** a wholly-owned subsidiary trading company carrying out project management to assist the building programme of the diocese in its schools, academies and parishes.

**Westminster Cathedral Limited:** a wholly-owned subsidiary trading company carrying out general activities relating to Westminster Cathedral, whose object is to generate profit for the benefit of the Cathedral.

**Westminster Cathedral Trust:** a charity with the principal objectives of supporting Westminster Cathedral and preserving its fabric, pastoral mission and music.

**The Moorfields Charity:** a charity providing assistance to the parishes of St Mary Moorfields, St Joseph's Bunhill Row and Westminster Cathedral.

**Hare Street House:** a charity providing a residence for the Roman Catholic Archbishop of the Diocese of Westminster.

**Diocese of Westminster Sick and Retired Priests Fund:** a charity that provides assistance to sick, elderly and retired clergy.

**Westminster Ecclesiastical Education Fund** (otherwise known as the Priests Training Fund): a charity that provides funding for the promotion of vocations to the priesthood in the Catholic Diocese of Westminster, as well as for the training of candidates through to ordination.

Although the Charity is the legal owner of over 200 school properties in the diocese comprising voluntary aided schools and academies, many of which are separate exempt

or excepted charities funded through combinations of government grants and voluntary contributions, the nature of the occupation of these properties means that the Trustees do not have the power to dispose of the land and buildings until a school ceases occupation, which in turn requires the approval of the school governors and the Secretary of State.

In accordance with the principal accounting policies which form part of the accounts attached to this report, voluntary aided schools and academies which are publicly funded are valued at £nil in the Charity's accounts.

As of 31 December 2022, the total amount invested in the Friary (£10.5 million) has been recognised in the accounts as a programme related investment.

### Financial Results

The table set out below summarises the financial activities of the diocese.

	2022 £m	2021 £m
<b>Parishes</b>		
Income	39.0	36.1
Expenditure	(27.8)	(24.4)
Surplus before assessment and transfers	11.2	11.7
Diocesan assessment	(5.3)	(6.8)
Transfers from Curia to Parishes	0.3	3.4
Surplus after assessment and transfers	6.2	8.3
Investment gains	9.2	10.4
Added to reserves	15.4	18.7
<b>Curia</b>		
Diocesan assessment	5.3	6.8
Other income	21.9	22.0
Total income after assessment	27.2	28.8
Expenditure	(30.1)	(26.5)
Transfers from Curia to Parishes	(0.3)	(3.4)
Deficit	(3.2)	(1.1)
Investment and actuarial (losses) gains	(1.3)	4.3
(Utilised from) added to reserves	(4.5)	3.2

# Report of the Directors of the Corporate Trustee

– Year to 31 December 2022

## Parishes

Parishes are central to fulfilling the Charity's mission. They are communities whose daily activities contribute, both directly and indirectly, to the moral and spiritual wellbeing of everyone living and working within them. They are the places where local communities come together each Sunday to worship, where sacraments are administered, where children are educated in the faith and where social outreach programmes are developed, allowing communities to support individuals of all faiths and none in their local area, caring for those in need, and working together for the common good of society.

Parish income (excluding net transfers from curia) was £39.0 million for the year (£36.1 million in 2021), an increase of £2.9 million that was driven by the continued bounce-back from the COVID-19 pandemic, in particular the growth in Mass attendance and parish activities.

The largest components of parish income were donations and legacies totalling £28.2 million (£27.1 million in 2021), income from parish and similar activities of £5.4 million (£3.7 million in 2021) and investment income and interest receivable of £3.9 million (£3.5 million in 2021). In 2021 parish income also included Coronavirus Job Retention Scheme funding of £0.8 million.

Parish expenditure increased by £3.4 million in 2022 to £27.8 million (£24.4 million in 2021), resulting in a surplus before assessment and transfers of £11.2 million (£11.7 million in 2021). Expenditure increased in almost all areas, but the largest components of the increase were council tax, insurance and business rates (£0.9 million higher in 2022 than in 2021), parish activities (up £0.4 million), and liturgical costs (up £0.4 million).

The diocesan assessment, being monies transferred from parishes to the curia in order to fund diocesan-wide programmes, was £5.3 million (£6.8 million in 2021).

Transfers from the curia to parishes relate to transactions between the curia and the parishes which are eliminated upon consolidation. In 2022 they were £0.3 million for the year (£3.4 million in 2021), and relate mainly to Growing in Faith grants.

Parish investment gains amounted to £9.2 million for the year (£10.4 million in 2021), resulting from an increase in the value of investment properties held by the parishes of £10.6 million (£9.3 million in 2021), partially offset by a decrease in the value of listed diocesan investments held by the parishes of £1.4 million (compared to a £1.1 million increase in value in 2021).

Total parish reserves increased by £15.4 million in the year (£18.7 million in 2021). All parish activities and funds are restricted and can only be used for the benefit of parishes.

## Curia

The curia is responsible for the central organisation necessary for the Charity to achieve its stated purpose and assists the Archbishop and Bishops in supporting the more than 400 schools and parishes across the diocese as well as in providing diocesan-wide programmes that enhance the Charity's mission.

Total curial income after assessment in 2022 stood at £27.2 million (£28.8 million in 2021). As mentioned previously, the diocesan assessment amounted to £5.3 million (£6.8 million in 2021) and other curial income in the year was £21.9 million (£22.0 million in 2021), a decrease of £0.1 million versus the prior year.

The main components of curial income are VASCA funding for school and academy building projects totalling £11.3 million for the year (£12.0 million in 2021), donations and legacies of £4.8 million (£4.5 million in 2021), and income from investments and interest receivable of £2.4 million (£1.2 million in 2021).

	Unrestricted funds		Restricted funds		Total funds	
	2022 £m	2021 £m	2022 £m	2021 £m	2022 £m	2021 £m
<b>Curia</b>						
Diocesan assessment	5.3	6.8	–	–	5.3	6.8
Other income	5.5	4.7	16.4	17.3	21.9	22.0
Total income after assessment	10.8	11.5	16.4	17.3	27.2	28.8
Expenditure	(12.3)	(10.5)	(17.8)	(16.0)	(30.1)	(26.5)
Transfers between funds	0.9	(2.4)	(1.2)	(1.0)	(0.3)	(3.4)
(Deficit) surplus	(0.6)	(1.4)	(2.6)	0.3	(3.2)	(1.1)
Investment and actuarial gains	1.7	1.9	(3.0)	2.4	(1.3)	4.3
Added to reserves	1.1	0.5	(5.6)	2.7	(4.5)	3.2



# Report of the Directors of the Corporate Trustee

– Year to 31 December 2022

Curial expenditure for the year increased by £3.6 million to £30.1 million (£26.5 million in 2021).

As noted last year, the Growing in Faith campaign came to a formal end in 2019. The Growing in Faith campaign supports the vision for the future of the diocese and the restricted funds obtained are intended to fund priests' training, sick and retired clergy, Caritas Westminster and parish projects. The programme, which resulted in an amount pledged of £34.8 million over five years, has incurred no fees in any year since 2014. Investment and actuarial losses for the year amounted to £3.4 million (compared to a £4.3 million gain in 2021). Net losses on investments (listed investments and investment properties) were £1.9 million for the year, compared to a £3.3 million gain in 2021, and there was an actuarial gain for the year of £0.6 million (£1.0 million in 2021).

Curial income relates to both restricted and unrestricted activities, and, in order to better understand curial income during the year, a split between unrestricted and restricted funds is provided in the table on page 33.

Total curial unrestricted income after diocesan assessment stood at £10.8 million (£11.5 million in 2021), and total curial unrestricted expenditure amounted to £12.3 million (£10.5 million in 2021).

Transfers to curial unrestricted funds were £0.9 million for the year, compared to transfers from curial unrestricted funds of £2.4 million in 2021.

Unrestricted investment and actuarial gains amounted to £1.7 million (£1.9 million gains in 2021), leading to an increase in the curial unrestricted reserves in the period of £1.1 million (£0.5 million in 2021).

Total curial restricted income after diocesan assessment was £1.7 million (£1.9 million in 2021). Curial restricted income largely results from income received from VASCA funding of £11.3 million (£12.0 million in 2021) and from income received from the restricted activities developed centrally, in particular Caritas, the Diocese of Westminster Sick and Retired Priests Fund, and the Westminster Ecclesiastical Education Fund.

Restricted expenditure was £17.8 million for the year (£16.0 million in 2021) comprising VASCA expenditure for the year of £13.6 million (£11.2 million in 2021) and expenditure on restricted activities developed centrally, in particular Caritas, the Diocese of Westminster Sick and Retired Priests Fund, and the Westminster Ecclesiastical Education Fund.

Losses from restricted listed investments amounted to £3.0 million (gains of £2.4 million in 2021), whilst transfers

from curial restricted funds were £1.2 million (£1.0 million in 2021) leading to a decrease in curial restricted reserves of £5.6 million (an increase of £2.7 million in 2021).

Full details of the income and expenditure are shown in the consolidated statement of financial activities and in the notes to the accounts.

## Funds of the Group

### General Funds and Free Reserves

The Charity's general funds, which represent monies available to the Charity for its general purposes, increased by £1.3 million over the year to reach £11.1 million (£9.8 million in 2021).

The Charity's general funds are subdivided between free reserves totalling £11.1 million (£10.5 million in 2021) and a pension reserve deficit which stands at £nil (£0.7 million in 2021).

### Other Unrestricted Funds

Also included in the balance of the unrestricted funds are tangible fixed assets funds totalling £21.9 million (£22.2 million in 2021) and programme related investments funds amounting to £10.5 million (£10.5 million in 2021), both of which represent property and other fixed assets essential to furthering the Charity's mission. By definition, they do not represent assets immediately available for expenditure. Designated funds represent monies set aside for specific purposes, totalling £0.3 million (£0.3 million in 2021).

Total curial unrestricted funds amounted to £43.8 million at 31 December 2022 (£42.7 million at 31 December 2021).

### Restricted Funds

Curial restricted funds of the Charity total £49.5 million (£55.1 million in 2021) and are not available to the Charity to use for its general purposes. Included in the total is £14.1 million (£15.2 million in 2021) representing monies raised as part of the Growing in Faith campaign.

These monies are essential for ensuring a vibrant future for the diocese and will be used: to support parishes and ensure that they are sound, prayerful and sustainable; to support priestly life at all stages, be that in formation, during service in parishes, or in retirement; and to maintain the tradition of outreach to those in need.

Parochial reserves at 31 December 2022 amounted to £252.4 million (£237.1 million at 31 December 2021) and relate solely to the assets and activities of individual parishes. These reserves are not available to the Charity to use for its general purposes, nor are individual parishes able to transfer their funds to other parishes within the diocese.

# Report of the Directors of the Corporate Trustee

– Year to 31 December 2022

## The Charity's Assets

During 2022, capital expenditure for the Charity was £3.1 million. Of this amount, £2.1 million relates to ongoing capital projects carried out in parishes, ranging from major projects, such as replacing church roofs or renovating parish halls, to smaller projects, such as refurbishing meeting rooms. The remaining capital expenditure for the year (£1.0 million) is mainly related to restoration projects at Westminster Cathedral and the other buildings on the Cathedral complex, such as Archbishop's House, and to projects at Allen Hall, our seminary. The total value of the assets disposed of during the year was £2.0 million, of which £1.8 million relates to plant, equipment, fixtures and fittings at parishes.

Further details of acquisitions and disposals of fixed assets during the year are recorded in the notes to the accounts.

## Connected Charities

The only charity connected with the Charity is Westminster Cathedral Choir School, a charity that aims to train children in church choral music. This charity is the responsibility of the Corporate Trustee, but is outside the scope of these accounts.

## Reserves Policy

A healthy level of free reserves is essential to ensuring that the Charity can sustainably continue to develop its mission, and is an important part of how the Charity is resilient.

The Trustees are continuing with the reserve calculation methodology in which they are more specific about the particular level of reserves. The approach not only aligns the reserves to the risk assessment process, but also links them to the specific risks faced by the Charity. The methodology allows the Trustees to ensure that the Charity does not accumulate funds unnecessarily, using them instead to enable the mission.

The desired levels of reserves are reviewed annually. There are currently a number of specific risks with the potential to severely affect the Charity and its ability to be financially resilient that might not be fully addressed from restricted funds. These are set out below.

**Decrease in Catholic population:** The number of people attending our parishes and contributing financially to the mission of the Charity has a direct impact on the funds available for unrestricted expenditure. A shortfall of income (i.e. a deficit) means that the curia must bridge the gap by using its free reserves.

The Trustees are currently seeing some major population shifts in the diocese, particularly in Central London, alongside some major changes in Mass count. Thus, an appropriate estimate would be that the Charity needs to be resilient to a 20% reduction in the Catholic population.

This could translate into an income reduction for the curia of £1.2 million per year, and it could take as long as three years for the curia to fully implement expenditure reduction plans to conform to this reduced income level. Assuming that expenditure cuts can be phased in over three years, the funds to be set aside for this risk are estimated at around £3.5 million.

**Regulatory and legal externalities:** The ever-changing regulatory environment has an impact on the mission of the Church. When changes occur, there is typically an impact on the Charity's resources. An example of this is in the field of education, with the academy policy that was implemented by the government and the implication for voluntary aided schools, where schools could convert to education companies and receive money directly from the government. This programme has gone through various steps from pilot to acceleration and then deceleration. For the Charity to participate in academisation, appropriate skill sets, resources and finances are required, which were not all available in the Charity when the programme first began.

One way to fund the transition of our schools to academies is by using our free reserves. But this is just one example. There are always various consultations and inquiries which require preparation and participation that cannot necessarily be funded from day-to-day income. The estimated funds needed to guard against these potential additional costs are around £7.0 million.

## Curia capital investment and building maintenance:

The activities of the curia are undertaken in many sites owned by the Charity. The major physical sites are: Archbishop's House, Vaughan House, St Joseph's Centre Hendon, Allen Hall Seminary, Waxwell Youth Retreat Centre, Newman House, Seeds Hub Wembley and Archives. These sites vary in size and age, but all require regular upkeep and updating. Additionally, due to the changing climate, there is an increased risk of subsidence affecting the Charity's physical plant. It is becoming increasingly evident that this risk cannot be solely mitigated by insurance coverage. Therefore, despite ongoing preventative maintenance, a significant unplanned expenditure could occur at any location at any time.

Additionally, there are many capital projects that must be completed in order to enhance or protect the mission of the Charity. This could be consolidating a school into one site or providing housing for the marginalised. Due to high inflation over the last couple of years, the costs of these projects have increased substantially. These types of projects will require the Charity to take substantial risks to safeguard the financial sustainability of the Charity.

Although funds for the capital outlay could be raised, the sheer financial requirements, the complexity of the sites' needs and the risk of an unplanned but necessary immediate expenditure could require the Charity to spend funds before



# Report of the Directors of the Corporate Trustee

– Year to 31 December 2022

fundraising is complete. It is very difficult to quantify what funds should be set aside to cover the potential risks to the financial sustainability of the Charity because they are mostly about potential projects in the future, but a figure of £8.0 million seems a reasonable estimate.

## **Increasing number of priests retiring from active service:**

In the next ten years there will be over 80 priests retiring from active service. In general, this causes two financial risks. The first is that the Bishop is responsible for their care and therefore needs to fund this care. This funding must cover not just healthcare costs, but also stipend and accommodation costs. Through the generosity of parishioners and donors, the main funding for this activity will be sourced from the Diocese of Westminster Sick and Retired Priests Fund and from the specific allocated portion of Growing in Faith. The second financial risk would be caused by the decrease in the number of parish priests. This might mean that some parishes will have to share priests, which could lead to an increase in lay staffing. These new hires would be funded by the parishes, another restricted fund. Therefore, no specific reserve needs to be set aside for this financial risk.

**Shock to asset value and working capital:** It is critical that the Charity can address the issues noted above independently of whether there is a shock to the value of its underlying assets. It also needs working capital to function properly, no matter the economic situation. Therefore, the Charity should be able to disburse its free reserves, if needed, even in the middle of a significant market or systemic correction. For sufficient free reserves to be available for the above needs assuming a 20% correction in assets, the funds that must be set aside are estimated at around £1.5 million.

**Economic turmoil and other externalities:** The global economy, and the UK in particular, are undergoing a series of economic adjustments due to high inflation, a slow-down in growth and a shortage of labour. This is having an impact on parishioners, parishes, schools and curia. The Trustees have implemented a multi-year strategy to ensure that the financial impact during this period does not affect the financial resilience of the Charity. It is important to note, as described above, that for curial activity there is £1.5 million of reserves set aside to weather shocks to asset value and working capital.

If all the specific risks listed above were to crystallise at the same time, the Charity would require free reserves of £20.0 million, though this is unlikely to be the case. It may be prudent, therefore, for the Charity to consider a target range for its free reserves, with £18.0 million at the upper end of that range and £15.0 million at the lower end. Although the Charity's free reserves have grown since last year, from £10.5 million to £11.1 million, they are below the lower end of this target range. The Trustees are continuing to implement a strategy, established in previous years, to achieve the above range within the next few years.

## **Fundraising Policy**

This is in line with the January 2020 guidance from the Fundraising Regulator: 'The Charities (Protection and Social Investment) Act 2016: Good practice guidance on reporting your fundraising.'

**Introduction** Giving has been central to the Church for two thousand years. Jesus' teaching and the words of Scripture repeatedly affirm the importance of this aspect of Christian life. It is part of the Church's identity and, as early as the first century, 'all who believed were together and had all things in common. And they were selling their possessions and belongings and distributing them to all, as any had need' (Acts 2:44-45).

Whereas 'giving' is a heart-felt gesture of sharing our God-given blessings with others, 'fundraising' can seem like something that donors have done 'to' them. This perception informs the Charity's approach to all the fundraising it does, where it strives simply to nurture each individual's natural inclination towards giving.

**Fundraising as Ministry** Catholic priest, theologian and writer Henri Nouwen once spoke of fundraising like this: 'Fundraising is, first and foremost, a form of ministry; it is a way of announcing our vision and inviting other people into our mission'. He went on to say: 'When those with money and those who need money share a mission, we see a central sign of new life in the Spirit of Christ. We belong together in our work because Jesus has brought us together, and our fruitfulness depends on staying connected with him.'

The Trustees recognise the responsibility to carry out fundraising in ways that are consistent with this spirit of generosity, and rooted in the idea of ministering to supporters. They invite all supporters to share the resources that God has given them: prayer, time and money.

**Best Practice** The Charity is registered with the Fundraising Regulator, whose Code of Fundraising Practice provides the framework within which all charities need to operate. The Trustees see this as the minimum standard that should be upheld. For instance, the Charity takes great care when processing donations and when speaking to donors on the telephone to ensure that vulnerable adults are not exploited. For example, this includes training to look for signs that an older donor might be confused about their giving, in line with the Chartered Institute of Fundraising's guidance *Treating Donors Fairly. Responding to the needs of people in vulnerable circumstances*. Parishes are communities in which people build friendships over many years and in which parish priests come to know almost everyone. They foster an environment in which any concerns about an individual's vulnerability can be discussed in strict confidence. This allows the Charity to tailor its approach and interaction with individuals whenever necessary.

# Report of the Directors of the Corporate Trustee

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The Charity is also signed up to the Fundraising Preference Service to enable individuals to opt out from receiving fundraising communications from it. Three such requests were received in 2022.

**Serving Our Parishioners** About two-thirds of the Charity's income is generated in the parishes, for the parishes. Most of this income is collected and administered by thousands of volunteers, and consists of small donations made by parishioners week after week, often for many decades.

However, supporters are never treated as just 'numbers in a database'. The Trustees place emphasis on a flexible approach to communication preferences, making it as easy as possible for individuals to control how often and in what way they are contacted.

Many other charities are talking increasingly about the 'supporter journey'. Throughout its history, however, the Church has been blessed with countless supporter journeys that last a lifetime, starting in childhood and often continuing all the way to a gift in someone's will. In this context, the ministry offered to supporters is both service and care. One of the most important ways this is visible is in the approach to protecting supporters' privacy.

In this regard, supporter care extends to the relationships the Charity has with the small number of third parties working on its behalf, whose policies are carefully checked, and with whom strict contracts are in place. The Charity does not involve professional fundraisers or commercial participants in its fundraising.

**Complaints** The Trustees ensure that information is easily available on the Charity's website about how to make a complaint about fundraising activity. They also ensure there are systems and processes in place to monitor and respond to any complaints received: thankfully these are extremely rare, with none in 2022 (one in 2021). During the year, no complaints were received by the Fundraising Regulator about the Charity.

**Raising money in different ways** In most cases the Charity's fundraising simply builds upon the connection people have with the Church through their parish, but it uses as wide a variety of fundraising activities as necessary to fund all aspects of the mission. Fundraising activities include cash collections and standing order donations in parishes, usually organised by volunteers from those parishes. The activity of these volunteers is monitored by the parish priest, with regular support and guidance from our central fundraising team. Fundraising activities also include events focused on specific projects, as well as a variety of digital fundraising tools, including contactless giving.

At different times during the year opportunities are provided to support specific appeals, such as the Priest Training Fund appeal around Good Shepherd Sunday and the Sick and Retired Priests Fund appeal in November.

These specific appeals are promoted in various ways, including via the diocesan website and, most importantly, via posters and donation envelopes distributed to every parish in the diocese. The Cardinal's Lenten Appeal, which runs like these appeals in the parishes, also features a letter that is sent to previous supporters, inviting them to return a donation by post or online. We employ a 'feedback-led' fundraising strategy, which means an emphasis is placed on showing donors the impact of their giving, mainly through the biannual supporter magazine Mosaic.

In addition, ad hoc donations are received throughout the year which donors wish to go towards (be restricted to) these appeals. There are also over 650 Patrons of the Sick and Retired Priests Fund, who pledge monthly gifts and who are invited to a Patrons' Mass every June.

**Building Partnerships** Relying on a range of income streams means the Charity's work is more sustainable. The Charity is particularly glad to receive funding from a range of trusts and foundations. Many of these grants recognise the substantial positive impact that parishes and diocesan projects have on the lives of those they support and in their wider communities. The Trustees aim to build long term partnerships, and are grateful for follow-up grants from a number of funders in the past year.

**Legacies** The Charity makes it as easy as possible for supporters to leave gifts in their wills, producing leaflets and other materials to highlight the wonderful benefit of giving a legacy, of any size, to one's parish or to some other area of the Church's work. Individual parishes are supported in promoting this method of giving, and may occasionally write to supporters directly. Although legal advice is not offered to supporters, information is provided to help them make a decision, whether in writing, over the telephone, on the website or in face-to-face conversations.

The Trustees also take great care in administering the legacy gifts received, ensuring executors and family members are treated professionally, with compassion, dignity and care.

The Trustees recognise that the work of the Church is only possible thanks to the prayers, volunteering and generosity of parishioners and supporters. In this sense, the Church is much more than an institution or buildings; it is the body of believers who bring its mission to life, and the Trustees are truly grateful for all they give.

## Investment Policy

### Introduction

Trustees set the investment guidelines and an Investment Committee implements and reviews the guidelines.

The Charity's investments comprise units in the Mutual Investment Fund, the investment policy of which is determined by the Investment Committee, which meets on a quarterly basis to monitor the performance of the Fund



# Report of the Directors of the Corporate Trustee

– Year to 31 December 2022

and of the investment managers. At the end of the year, the Fund was invested as follows: 64.2% in equities; 11.2% in UK fixed interest; 9.7% in alternative and property investments; 14.9% in liquid assets. The overall long-term objective is to manage the portfolio on a total return basis.

The Trustees regularly review information from their investment managers, monitor the performance of the portfolio against their investment guidelines and assess the suitability of the investment strategy. The Trustees have reviewed the performance of investments during the year and remain confident that their medium- to long- term investment objective is being achieved. The Investment Committee reviews the choice of investment managers every three years.

## Faith Consistent Investment (FCI)

The Catholic Church's understanding of faith and finance is drawn from a series of social encyclicals founded upon Pope Leo XIII's encyclical letter *Rerum Novarum* issued in 1891. That document set out to restore in contemporary industrial society the priority of the human over the economic, and the spiritual and moral over the material. It remains as relevant today as ever. For example, Pope Francis told the world in *Evangelii Gaudium*, that 'money must serve, not rule'. This powerful statement was in tune with comments made by his predecessor Pope Benedict XVI in *Caritas in Veritate*, where he stated that the 'economic sphere is neither ethically neutral, nor inherently inhuman and opposed to society. It is part and parcel of human activity and precisely because it is human, it must be structured and governed in an ethical manner.' The recent publication of *Mensuram Bonam* by the Pontifical Academy of Social Sciences applies this principle to financial investments, noting that prudent investment by Catholic institutions is an essential part of the mission of the Catholic Church and should be aligned to Catholic social teaching.

The challenge for the Trustees is to reflect these teachings in the investment policy while also adhering to the charity law requirement to obtain the best possible financial return that is consistent with commercial prudence. The Trustees strive to maintain a Faith Consistent Investment (FCI) policy by making value judgements about the products, services and corporate practices of companies as well as by assessing their financial efficacy.

In line with the practical, coherent guidance of *Mensuram Bonam*, the Trustees have implemented a three-tier approach to their policy. First, they believe that positive engagement with companies, while taking more effort and time, can lead to a more sustainable change for the betterment of society. Where this engagement fails to change a company's behaviour, the second approach is

to divest from that company and exclude it from further investment. Additionally, as a third approach, the Trustees are developing interest in a social impact investment policy in which the Charity invests for a positive outcome.

In specific guidance, in order to preserve the dignity and sanctity of life the Trustees intend to exclude from their investment portfolio companies that: profit from abortion; manufacture contraceptives or make significant revenue from the distribution of contraception; are involved with embryonic stem cell research, foetal tissue research, or human cloning; engage in arms production; manufacture tobacco products or make significant revenue from distribution of tobacco; have revenue greater than 3% from the production or distribution of pornography.

The Trustees continue to review and develop their climate change engagement, following the implementation by the end of 2021 of a policy of only investing in electrical utility and fossil fuel companies that have taken steps to manage their business in line with energy scenarios that limit temperature rises to well below two degrees Celsius above pre-industrial times. The Trustees recognise that they have an obligation to use the investment portfolio to accelerate the transition to a low carbon economy, so wherever possible, and subject to proper risk analysis, the Charity will seek investments that contribute to or facilitate reductions in greenhouse gas emissions. This currently includes significant allocations in solar and wind infrastructure, battery storage and energy efficiency initiatives (such as retrofitting buildings with more efficient heating and lighting systems). One sign of the full implementation of this policy was the lack of financial impact on the investment portfolio from the divestment from Russia, following its invasion of Ukraine.

The Trustees continually review the FCI policy, and the officers of the diocese keep up to date on the ongoing discussions about the subject, assessing how they might affect the overall investment approach. Additionally, dialogue and cooperation with other institutions ensure that the policy remains relevant and up to date. It is a complicated journey that requires continual improvements, amendments and learning from mistakes that have been unintentionally made. The Trustees periodically audit the investment portfolio to ensure that the underlying assets continue to adhere to the FCI policy; when they do not, the Trustees seek to rectify the situation when possible. The review carried out at year-end 2022 identified no holdings in the portfolio that were in breach of the FCI policy.

As stated, the FCI policy focuses on shareholder activism and engagement with companies to convert them to better comportment. The diocese, through its investment advisors

# Report of the Directors of the Corporate Trustee

– Year to 31 December 2022

and peer network, proactively engages with companies to encourage and promote shareholder initiatives through proxy voting or through direct contact with specific members of company management. Since the size of the diocesan portfolio prevents it from influencing many companies' practices in a sole capacity, it participates in the Church Investors Group (CIG), an ecumenical group representing many mainstream Church denominations and Church-related charities, including the Church of England, the Methodists and many other Christian organisations, groups and institutions. Through membership of CIG the diocese is also a member of the Investors Group on Climate Change.

The Trustees' priorities for engagement during the year continued to include: addressing modern slavery in the supply chains of listed companies; promoting the transition to a low, and then net zero, carbon economy; promoting high standards of mental health protection for employees, and improved governance, of listed companies. Examples of the engagement activity can be found in the following paragraphs.

Recognising our long-term commitment to addressing modern slavery and human trafficking, the diocese is a founding supporter, and sits on the Advisory Committee, of the 'Find It, Fix It, Prevent It' initiative. This has been created and co-ordinated by CCLA and supported by Sarasin & Partners, our principal investment managers, and aims to bring investors together to encourage companies to find, and then provide remedy to, victims of slavery in their supply chain. The initiative was launched in November 2019 and is supported by investors with over £13 trillion in assets under management. During the year, CCLA engaged with companies on the cost-of-living crisis and, under the Find It, Fix It, Prevent It programme, both with construction companies on modern slavery and with supermarkets on the Seasonal Workers Scheme.

Our investment managers have also continued to actively engage to accelerate the transition to a low carbon economy. With no direct exposure to 'fossil fuel companies' CCLA, once again, continued their focus on calling for improvements in public policy (through their role supporting the Powering Past Coal Alliance) and in company actions in their wider portfolio. Meanwhile Sarasin & Partners continued to pressure audit firms to ask during the audit process for more detailed reporting about their clients' energy transition, through the provision of greater and more quantitative disclosures about how material climate concerns have been considered. They also wrote to the SEC to propose better rules for climate related financial disclosure.

Additionally, the Trustees have continued to support CCLA's work addressing poor corporate approaches to protecting employees' mental health. During the year, CCLA launched the inaugural Corporate Mental Health Benchmark, 'UK 100' and 'Global 100'. The benchmarks assess and rank 195 of the world's largest listed companies on their approach to workplace mental health. The project has two explicit aims: to strengthen the hand of those within organisations that are trying to make headway on mental health, and to mobilise the investment community into action on this important topic. Furthermore, in September 2022 CCLA wrote to the 100 largest employers in the UK to ask them what they were doing to shield their lowest paid employees during the cost-of-living crisis, and to notify them of our policy to vote against FTSE350 companies that are not Living Wage accredited. CCLA followed this up by developing an investor statement on the cost-of-living crisis which was signed by 17 investors with £3.2 trillion assets under management.

Meanwhile, Sarasin & Partners, on behalf of the Trustees, has continued its initiative for better governance: it has voted repeatedly against exorbitant CEO remuneration, as with Alstom; it has voted against re-election of key directors who are not independent and who have served more than 12 years, as in Medtronic PLC; and it voted for better tax transparency and country-by-country reporting of tax payments, as it did with Microsoft.

In the third aspect of the Trustees' FCI policy, positive social impact investment, while the Trustees do not have a specific target, as of December 2022 around 3% of the portfolio managed by Sarasin & Partners and 3% of the portfolio managed by CCLA were invested in 'wholly positive' entities, such as companies involved solely in renewable energy infrastructure and the provision of social housing. Besides the investment portfolio, the physical assets of the diocese are used for social justice initiatives such as housing and caring for female victims of human trafficking, hosting Syrian refugee families, or housing social workers in economically disadvantaged communities.

## Structure, Governance and Management

### Constitution

Westminster Roman Catholic Diocesan Trust is a charitable trust established by a Trust Deed dated 1 November 1940 and is registered under the Charities Act 2011 with Charity Registration No. 233699.



# Report of the Directors of the Corporate Trustee

– Year to 31 December 2022

## Trustees

The Trustees, i.e. the Directors of the Corporate Trustee, are appointed by the Archbishop of Westminster.

The Trustees who served during the year ended 31 December 2022 and who were in office at the date of this report were:

His Eminence Cardinal V Nichols
Rt Rev J Sherrington (1,2,4,5)
Rt Rev N Hudson (1,6)
Rt Rev P McAleenan (1,6)
Rev Mgr M Hayes (1,4)
Rev Mgr J O'Boyle (7)
Baroness N O'Loan (7)
Dame C Bowe
Mr E Craston (5)
Mr K Ingram (2)
Mr A Ndoca (1,3,6)

Committee member of: 1) Finance Board 2) Audit and Risk Committee  
3) Investment Committee 4) Human Resources Committee 5) Property Committee  
6) Caritas Board 7) Safeguarding Committee

The Trustees met four times during the year.

On agreeing to become a Trustee, individuals are thoroughly briefed by their co-Trustees on the history of the Charity, the day-to-day management, the responsibilities of the Trustees, the current objectives and future plans. The Trustees are also encouraged to attend any courses which they feel are relevant to the development of their role, and to keep up to date on any changes in legislation.

## Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the annual report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of

the charity and group and of the income and expenditure of the group for that period.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the Trust Deed. 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.

The Trustees are responsible for the maintenance and integrity of financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

## Trustees' Expenses

A number of the Trustees are clergy of the Roman Catholic Diocese of Westminster. They are housed and remunerated by the diocese and are reimbursed expenses for carrying out their ministry in the same way as other priests of the diocese.

However, no Trustee received any remuneration from the Charity, nor had any beneficial interest in any contract with the Charity. One Trustee was reimbursed expenses totaling £638 incurred in connection with their duties as Trustee during the year (£nil in 2021).

## Key Management Personnel

The key management personnel of the Roman Catholic Diocese of Westminster comprises the COO/Financial

# Report of the Directors of the Corporate Trustee

– Year to 31 December 2022

Secretary together with the heads of the following departments of the Curial Offices/Central Services: Evangelisation, Youth, Education, Caritas, Tribunal, Safeguarding, Human Resources, Finance, Property, Maintenance, Fundraising, Communications, ICT, Security and Data Protection.

Remuneration for key management personnel is set by the Human Resources Committee, taking into account the market rates for similar roles, and is periodically reviewed by the committee in order to recognise and reward outstanding performance.

## Organisation

The Charity is governed by the Trustees, who meet regularly throughout the year to attend to the financial, property, legal and administrative affairs of the diocese. A subset of Trustees comprises the Finance Board, which deals with the day-to-day financial operations of the Charity.

The Trustees have instituted a number of committees to assist them and advise them in the proper performance of their duties, including:

Audit and Risk Committee, which has delegated responsibility for ensuring that a framework of accountability exists and operates effectively within the Charity; for examining and reviewing all systems and methods of control, both financial and otherwise, including risk analysis and risk management; and for ensuring that the Charity complies with all applicable aspects of the law, relevant regulations and good practice.

Human Resources (HR) Committee, which is responsible for reviewing any major changes in diocesan HR strategy, employment law or employee benefits and making recommendations to the Trustees; and for ensuring that all diocesan HR policies, practices and procedures are complete, are professionally and legally administered, fully meet all current and future UK employment legislation, accord with Westminster Roman Catholic Diocesan Trust's Memorandum and Articles of Association and with the social and moral teaching of the Catholic Church, and, where appropriate, also accord with the provisions of canon law.

Property Committee, which has delegated responsibility for both advising and making recommendations to the Trustees on all property matters across the diocese; for carrying out, under devolved powers, any necessary advisory work that it sees fit; and for exercising oversight of strategic decisions relating to property matters, taking into account both the civil law of England and Wales and canon law.

Investment Committee, which is responsible for reviewing and developing investment objectives and risk priorities, and for ensuring that the Charity's investment objectives

are implemented effectively and within desirable risk and ethical parameters. The committee monitors progress towards the successful implementation of the above on a quarterly basis.

Education Commission, which is responsible for all areas related to education, in schools, academies and colleges, as set out in canon law and English law. Appointed by the Cardinal Archbishop as a decision-making body which acts in his name, it is responsible to the Trustees for the financial aspects of both providing and maintaining Catholic Education in the diocese.

Caritas Board, which is responsible for advising and reviewing the activity of Caritas Westminster, ensuring that programmes and investments accord with stated objectives and achieve desired impacts.

Safeguarding Committee, created by the Trustees following the recommendation of the Elliott Report, has replaced the Safeguarding Commission and its responsibilities. On behalf of the Trustees, the Committee will also oversee the implementation of the Safeguarding Strategy and have operational oversight of operational issues related to Safeguarding in the Charity.

Further details of the membership of all diocesan committees can be found on page 86.

Supplementing the above diocesan committees is a Pension Board, which is responsible for ensuring compliance with all the rules and regulations pertaining to the various pension schemes of the diocese, for which the Charity nominates Pension Trustees, who meet on a quarterly basis to review and apply any changes to regulation or compliance requirements.

The parishes in the diocese are established and operate under the Church's Code of Canon Law, which bestows on them separate canonical status. This explains their treatment in these accounts, specifically the columnar representation and their classification as 'restricted funds'. Also, under canon law, each parish must have a finance committee to help the incumbent parish priest in the proper administration of the parish and its finances.

As required by canon law, a diocesan Finance Committee, made up of all the Trustees (as distinct from the Finance Board referred to above), exists to give advice to the Archbishop on financial matters. It must also be consulted on administrative matters of major importance.

The diocese has a Council of Priests which meets at least twice a year with the Archbishop to discuss and advise him on a range of issues. The Council is composed of all 22 deans, 22 additional representatives, one from each of the 22 deaneries, together with the Auxiliary Bishops and a number of other senior priests of the diocese.



# Report of the Directors of the Corporate Trustee

– Year to 31 December 2022

At the re-establishment of the Catholic Church hierarchy in 1850 each diocesan Bishop was empowered to appoint a Chapter of Canons to take responsibility for the organisation and maintenance of his cathedral. In the Diocese of Westminster 18 senior priests constitute the Chapter of Canons and are consulted by the Archbishop on important diocesan matters. They are also constituted as the College of Consultors to fulfil the legal requirements of Canon 502 s.3.

## Risk Management

The Westminster Roman Catholic Diocesan Trust has in place a risk review process and risks are recorded on a Risk Register. Risks across all departments are identified and rated using a RAG score. Each department is required to reduce risk by implementing mitigating actions. The risk register is reviewed every four months and updated accordingly. The Risk Register is also reviewed by the Audit and Risk Committee and Trustees at least annually.

As elsewhere, many of our risks are intertwined. The three main risks to the Charity's purposes, as identified by the Trustees, are (1) Impact of population shifts in Greater London (2) ensuring appropriate, quality education is provided across diocesan Catholic schools while maintaining the Catholic ethos; and (3) the continuing financial sustainability of the Westminster Roman Catholic Diocesan Trust.

### Shift in Population

In recent years the population in Greater London has shifted in substantial ways. According to estimates, close to one million people have moved out of London. There are multiple reasons for this migration, such as families' desires for larger accommodation and lower cost of living, a net decrease in immigration, local authority policies shifting social housing outside their boroughs, and demographic change, particularly in Central London. Areas with traditional family housing have shifted to more luxury accommodation housing visitors to London instead of families.

This shift in population affects the provision of the whole Charity. Many primary schools in central London are seeing substantial reduction in pupil numbers. These schools have been asked to reduce their PAN by the local education authority. The reduction of numbers is not correlated with their Ofsted results, but it affects their financial sustainability nonetheless. To mitigate this impact the Trustees, through the Charity's officers, are expediting the academy conversion programme. This will enable schools to collaborate with each other and share resources.

Additionally, the pandemic has had an effect on Mass attendance. Because of the various lockdowns and fear of contagion, parishioners could not or chose not to attend

Masses, and various community activities had to be cancelled. The habits of remote participation have carried on for some after the pandemic period. Parishes that were once vibrant find themselves with decreasing Mass attendance, which is impacting on the type of provision they can make for their local communities. During 2022, Mass attendance improved from the low of the pandemic years, but it still requires a sizeable effort to recover to pre-pandemic levels.

## Education

The Charity contributes to the education of around 90,000 pupils of all backgrounds, of all faiths and none, through its 206 schools. At the time of writing this report, 99.5% of diocesan schools were graded by Ofsted as Good or Outstanding. The Charity's goal is to ensure that every pupil receives the best possible education, despite the many challenges involved in achieving this aim.

One of the risks identified is potential underperformance of diocesan schools. To ensure that a proper standard of education is provided to the pupils of each school, the Trustees, via the Education Commission and the Education Service, regularly monitor Ofsted results. If a school receives notice that it Requires Improvement, the Education Service provides support to help it improve to the necessary standard. Additionally, the Charity, through Section 48, inspects each school for the quality of Catholic Life and Religious Education of its pupils.

The Charity also encourages co-operation between various schools and the sharing of resources. This not only happens within Catholic Academy Trusts that have been established but across all schools within the Charity through the Catholic school network which allows best practices to be shared and practical support to be provided to schools in need.

An additional risk facing the Catholic school system is recent legislative change on the provision of education services. The Charity is currently facing many changes, including several policies on the academy programme, alterations to the school funding regime, cuts to government and local authority funding for education and major population shifts out of Greater London.

These are fundamental changes, which substantially affect the educational framework of the Charity and, in particular, the most vulnerable of the schools.

In December 2016, the Trustees announced their policy to move toward the academisation of schools which proposed that schools be geographically grouped into multi-academy trusts. In December 2020, the Trustees confirmed this policy and asked its officers to accelerate its implementation.

# Report of the Directors of the Corporate Trustee

– Year to 31 December 2022

Throughout 2021, the officers of the Charity worked with new groups of schools on conversions to academy trusts. At the time of writing this report 53% of schools are already either academies or have started the discussion or process to become an academy. The Trustees believe this model will provide more support for the challenges that schools will face and improve the standards of education provided to pupils. In the meantime, the Charity is increasing support for schools, creating networks and ensuring vigilance in financial matters and educational standards. The Education Commission retains canonical oversight of diocesan schools in maintaining the Catholic ethos, even if they are converted to academies.

## Financial Sustainability and Resilience of the Charity

As a charity, the Westminster Roman Catholic Diocesan Trust has a demanding list of activities it would like to carry out. These activities include enhancing parish community spaces, educating young people and taking care of our neighbours and the poor. Monetary assets are one of the many enablers the Charity uses to deliver these works. Thus, the financial health of the Charity is crucial in ensuring that its objectives are achieved year in and year out in a sustainable manner.

The financial health of the Charity is affected by many variables which are outside its control: the level of voluntary income received, the value of investment property, the economic environment, the requirement for major capital investment in schools and churches, the volatility of financial markets, the changes in migration that affect London's population and the shift in weather patterns in the southeast of England. The majority of the Charity's operational income is from parishioners' contributions and the level of donations is dependent upon the general economic environment. Proactive steps have been taken to mitigate the risks that any of these factors might adversely affect the financial health of the Charity.

For the overarching long-term liabilities of the Charity, the Trustees have a more direct approach to address the foreseen funding shortfall by being more proactive in fundraising. Starting in 2012, the Charity had a major fundraising drive, Growing in Faith, not only to help with needs in the parishes but also to address the forecast funding shortfall in the Priest Training Fund, and for the care of sick and retired priests. Due to the immense generosity of our parishioners, the forecast need for funding has been addressed for the near future.

Nevertheless, the growing number of priests going into retirement and the increasing costs of training new priests and permanent deacons still pose a challenge in the long term.

On the expenditure and investment side, the Charity has financial management processes to assess and approve investment decisions, taking into consideration risk and impact on its financial health. Major projects, particularly school projects, are monitored on a monthly basis to ensure that the expenditure is within approved budget as well as being on time and within scope. When assessing parish projects more scrutiny is given to the allocation of funds for the long-term sustainability of the parish. The Trustees encourage the parishes also to complete annual budgets and to monitor performance against them regularly. Additionally, for the central service functions and agencies, the Charity has an annual budgetary process which ensures proper yearly funding of the operations.

Besides the consequences of the aftermath of the pandemic period, the volatility of the financial markets is one of the biggest financial risks facing the Charity. As volatility impacts investments, it also affects the ability of the Trustees to fund future activity by reducing the level of free reserves. In light of this, the Trustees have adopted an appropriate investment risk strategy. The Trustees continually monitor the performance of the investment fund with the advice of the Investment Committee.

Finally, to assist in managing this risk the Trustees monitor the Charity's reserves level, such that should a risk come to realisation there are funds available to help mitigate the impact of the risk on the Charity's mission.

Signed on behalf of the Trustees:



Trustee

Approved by the Board on: 6 October 2023



# Independent auditor's report to the Directors of The Westminster Roman Catholic Diocese Trustee (the 'Trustees')

## Opinion

We have audited the accounts of Westminster Roman Catholic Diocesan Trust (the 'Charity') and of Westminster Roman Catholic Diocesan Trust and its subsidiaries (the 'Group') for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, the consolidated and Charity balance sheets, the consolidated statement of cash flows, the principal accounting policies, the notes to the accounts and the comparative consolidated statement of financial activities. 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 accounts:

- give a true and fair view of the state of affairs of the Group and of the Charity as at 31 December 2022 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## Basis for opinion

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

## Conclusions relating to going concern

In auditing the accounts, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the accounts 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 ability of the Group or Charity to continue as a going concern for a period of at least twelve months from when the accounts 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 and Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

## 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 given in the Report of the Directors of the Corporate Trustee is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts 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 accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the ability of the Group and the Charity to

# Independent auditor's report to the Directors of The Westminster Roman Catholic Diocese Trustee

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 Charity or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Irregularities, including fraud, are instances of noncompliance 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Charity through discussions with those charged with governance and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the Charity, including the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), Financial Reporting Standard 102 (FRS 102), and safeguarding regulations;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of

management and inspecting legal correspondence. We corroborated our enquiries through our review of Board and committee minutes;

- identified laws and regulations were communicated within the engagement team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- performed substantive testing of expenditure including testing the authorisation thereof;
- investigated the rationale behind significant or unusual transactions;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing accounts disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify noncompliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.



# Independent auditor's report to the Directors of The Westminster Roman Catholic Diocese Trustee

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

## Use of our report

This report is made solely to the Directors of the Westminster Roman Catholic Diocese Trustee (the Trustees), as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Buzzacott LLP". The signature is written in a cursive, slightly stylized font. Below the signature is a horizontal line.

12 October 2023

Buzzacott LLP Statutory Auditor  
130 Wood Street London EC2V 6DL

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

# Consolidated statement of financial activities

– Year to 31 December 2022

	Notes	Curial funds			Parochial funds	Total 2022 £'000	Total 2021 £'000
		Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Restricted funds £'000		
<b>Income:</b>							
Donations and legacies							
. Grants receivable	1	–	121	121	–	121	130
. Other donations and legacies	1	1,059	3,709	4,768	28,228	32,996	31,571
Assessments	2	131	–	131	–	131	130
Other trading activities							
. Commercial trading operations	3	385	–	385	403	788	359
Investment income and interest receivable	4	2,063	324	2,387	3,891	6,278	4,642
Charitable activities							
. Rental income from functional properties	5	663	–	663	1,154	1,817	1,574
. Parish and similar activities	5	1,034	911	1,945	5,365	7,310	6,020
. Coronavirus Job Retention Scheme funding	5	–	–	–	–	–	1,398
. Grants receivable	5	–	11,286	11,286	–	11,286	11,992
Other income							
. Net gains on disposal of tangible fixed assets		184	–	184	–	184	314
<b>Total income</b>		<b>5,519</b>	<b>16,351</b>	<b>21,870</b>	<b>39,041</b>	<b>60,911</b>	<b>58,130</b>
<b>Expenditure:</b>							
Cost of raising funds							
. Fundraising trading: cost of goods sold and other costs	3	387	–	387	190	577	317
Charitable activities							
. Advancement of the Catholic faith primarily in the Diocese of Westminster	6	11,934	17,758	29,692	27,602	57,294	50,559
<b>Total expenditure</b>		<b>12,321</b>	<b>17,758</b>	<b>30,079</b>	<b>27,792</b>	<b>57,871</b>	<b>50,876</b>
<b>Net (expenditure) income before transfers and investment gains</b>	7	<b>(6,802)</b>	<b>(1,407)</b>	<b>(8,209)</b>	<b>11,249</b>	<b>3,040</b>	<b>7,254</b>
Transfers between funds							
. Growing in Faith		–	(157)	(157)	157	–	–
. Assessments	2	5,346	–	5,346	(5,346)	–	–
. Other		864	(968)	(104)	104	–	–
		<b>6,210</b>	<b>(1,125)</b>	<b>5,085</b>	<b>(5,085)</b>	<b>–</b>	<b>–</b>
<b>Net (expenditure) income before investment gains (losses)</b>		<b>(592)</b>	<b>(2,532)</b>	<b>(3,124)</b>	<b>6,164</b>	<b>3,040</b>	<b>7,254</b>
Net gains (losses) on investments	12	1,108	(3,020)	(1,912)	9,179	7,267	13,802
<b>Net income (expenditure) for the year</b>		<b>516</b>	<b>(5,552)</b>	<b>(5,036)</b>	<b>15,343</b>	<b>10,307</b>	<b>21,056</b>
Actuarial gains	8	562	–	562	–	562	967
<b>Net movement in funds</b>		<b>1,078</b>	<b>(5,552)</b>	<b>(4,474)</b>	<b>15,343</b>	<b>10,869</b>	<b>22,023</b>
<b>Reconciliation of funds</b>							
Total funds brought forward at 1 January		<b>42,743</b>	<b>55,061</b>	<b>97,804</b>	<b>237,102</b>	<b>334,906</b>	<b>312,883</b>
Total funds carried forward at 31 December		<b>43,821</b>	<b>49,509</b>	<b>93,330</b>	<b>252,445</b>	<b>345,775</b>	<b>334,906</b>

All of the Group's activities derived from continuing operations during the above two financial periods.  
A full comparative consolidated statement of financial activities may be found on page 85.



# Consolidated balance sheet

31 December 2022

	Notes	Curial £'000	Parochial £'000	<b>Total 2022 £'000</b>	Total 2021 £'000
<b>Fixed assets</b>					
Tangible assets	10	24,213	107,477	<b>131,690</b>	131,559
Programme related investments	11	10,503	–	<b>10,503</b>	10,503
Investments	12	38,623	98,339	<b>136,962</b>	130,409
		<u>73,339</u>	<u>205,816</u>	<b>279,155</b>	272,471
<b>Current assets</b>					
Stocks		–	73	<b>73</b>	80
Debtors	13	4,080	1,432	<b>5,512</b>	3,528
Short term deposits		19,061	–	<b>19,061</b>	22,601
Cash at bank and in hand		16,028	45,433	<b>61,461</b>	53,806
		<u>39,169</u>	<u>46,938</u>	<b>86,107</b>	80,015
<b>Current liabilities</b>					
<b>Creditors:</b> amounts falling due within one year	14	(10,721)	(364)	<b>(11,085)</b>	(8,128)
<b>Net current assets before adjustment for inter-fund indebtedness</b>		<u>28,448</u>	<u>46,574</u>	<b>75,022</b>	71,887
<b>Elimination of inter-fund indebtedness</b>		(55)	55	<b>–</b>	–
<b>Net current assets</b>		<u>28,393</u>	<u>46,629</u>	<b>75,022</b>	71,887
<b>Total assets less current liabilities</b>		101,732	252,445	<b>354,177</b>	344,358
<b>Creditors:</b> amounts falling due after one year	15	(8,402)	–	<b>(8,402)</b>	(8,780)
<b>Total net assets excluding pension liability</b>		<u>93,330</u>	<u>252,445</u>	<b>345,775</b>	335,578
Pension liability	8	–	–	<b>–</b>	(672)
<b>Total net assets including pension liability</b>		<u>93,330</u>	<u>252,445</u>	<b>345,775</b>	334,906
<b>The funds of the Group</b>					
Restricted funds					
. Growing in Faith	16	14,147	–	<b>14,147</b>	15,249
. Other restricted funds	16	35,360	252,445	<b>287,805</b>	276,914
<b>Total restricted funds</b>		<u>49,507</u>	<u>252,445</u>	<b>301,952</b>	292,163
Unrestricted funds					
. Designated funds	17	327	–	<b>327</b>	256
. Tangible fixed assets fund	18	21,874	–	<b>21,874</b>	22,177
. Programme related investments fund	19	10,503	–	<b>10,503</b>	10,503
. General funds					
.. Free reserves		11,119	–	<b>11,119</b>	10,479
.. Pension reserve	8	–	–	<b>–</b>	(672)
		<u>11,119</u>	<u>–</u>	<b>11,119</b>	9,807
<b>Total unrestricted funds</b>		<u>43,823</u>	<u>–</u>	<b>43,823</b>	42,743
		<u>93,330</u>	<u>252,445</u>	<b>345,775</b>	334,906

Approved by the Trustees and signed on their behalf by:



Trustee

Approved on: 6 October 2023

The Consolidated balance sheet includes Aedificabo Ltd. and Westminster Cathedral Ltd.; the Charity balance sheet does not.

# Charity balance sheet

31 December 2022

	Notes	Total 2022 £'000	Total 2021 £'000
<b>Fixed assets</b>			
Tangible assets	10	131,690	131,559
Programme related investments	11	10,503	10,503
Investments	12	136,962	130,409
		<b>279,155</b>	<b>272,471</b>
<b>Current assets</b>			
Debtors	13	5,607	3,488
Short term deposits		19,061	22,601
Cash at bank and in hand		61,260	53,755
		<b>85,928</b>	<b>79,844</b>
<b>Current liabilities</b>			
<b>Creditors:</b> amounts falling due within one year	14	(10,970)	(8,024)
<b>Net current assets</b>		<b>74,958</b>	<b>71,820</b>
<b>Total assets less current liabilities</b>		<b>354,113</b>	<b>344,291</b>
<b>Creditors:</b> amounts falling due after one year	15	(8,402)	(8,780)
<b>Total net assets excluding pension liability</b>		<b>345,711</b>	<b>335,511</b>
Pension liability	8	–	(672)
<b>Total net assets including pension liability</b>		<b>345,711</b>	<b>334,839</b>
<b>The funds of the Charity</b>			
Restricted funds			
. Growing in Faith		14,147	15,249
. Other restricted funds		287,741	276,847
<b>Total restricted funds</b>	16	<b>301,888</b>	<b>292,096</b>
Unrestricted funds			
. Designated funds	17	327	256
. Tangible fixed assets fund	18	21,874	22,177
. Programme related investments fund	19	10,503	10,503
. General funds			
.. Free reserves		11,119	10,479
.. Pension reserve	8	–	(672)
		<b>11,119</b>	<b>9,807</b>
<b>Total unrestricted funds</b>		<b>43,823</b>	<b>42,743</b>
		<b>345,711</b>	<b>334,839</b>

Approved by the Trustees and signed on their behalf by:

+ John Sherrington .

Trustee

Approved on: 6 October 2023

The Charity balance sheet does not include Aedificabo Ltd. and Westminster Cathedral Ltd.; the Consolidated balance sheet does.



## Consolidated statement of cash flows

– Year to 31 December 2022

	Notes	Total 2022 £'000	Total 2021 £'000
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	A	1,136	4,472
<b>Cash flows from investing activities:</b>			
Investment income and interest received		6,278	4,642
Proceeds from the disposal of tangible fixed assets		222	1,308
Purchase of tangible fixed assets		(3,143)	(6,005)
Repayment by joint venture		–	31
Purchase of investments		–	(1,000)
<b>Net cash used in investing activities</b>		<b>3,357</b>	<b>(1,024)</b>
<b>Cash flows from financing activities:</b>			
Loan repayments		(378)	(378)
<b>Change in cash and cash equivalents in the year</b>		<b>4,115</b>	<b>3,070</b>
<b>Cash and cash equivalents at 1 January</b>	B	<b>76,407</b>	<b>73,337</b>
<b>Cash and cash equivalents at 31 December</b>	B	<b>80,522</b>	<b>76,407</b>

## Notes to the statement of cash flows for the year to 31 December 2022

### A Reconciliation of net movement in funds to net cash provided by operating activities

	Total 2022 £'000	Total 2021 £'000
<b>Net movement in funds</b> (as per the statement of financial activities)	<b>10,869</b>	<b>22,023</b>
<b>Adjustments for:</b>		
Depreciation charge	3,689	3,728
Donation of properties	–	(1,000)
Gains on investments	(7,267)	(13,802)
Investment income and interest receivable	(6,278)	(4,642)
Surplus on disposal of tangible fixed assets	(184)	(314)
Tangible fixed assets written off	–	135
Pension cost less contributions payable	(111)	(101)
Actuarial gains	(562)	(967)
Decrease in stocks	7	5
(Increase) decrease in debtors	(1,984)	427
Increase (decrease) in creditors	2,957	(1,020)
<b>Net cash provided by operating activities</b>	<b>1,136</b>	<b>4,472</b>

### B Analysis of cash and cash equivalents

	Total 2022 £'000	Total 2021 £'000
Short term deposits	19,061	22,601
Cash at bank and in hand	61,461	53,806
<b>Total cash and cash equivalents</b>	<b>80,522</b>	<b>76,407</b>

## Notes to the statement of cash flows for the year to 31 December 2022 (cont.)

### C Analysis of changes in net (debt) funds

	At 1 January 2022 £'000	Cash flows £'000	At 31 December 2022 £'000
Cash and cash equivalents	76,407	4,115	80,522
Loan	(8,780)	378	(8,402)
<b>Total</b>	<b>67,627</b>	<b>4,493</b>	<b>72,120</b>

## Principal accounting policies

### – Year to 31 December 2022

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

#### Basis of preparation

These accounts have been prepared for the year to 31 December 2022 with comparative information provided for the year to 31 December 2021.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and with the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

#### Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- assessing the probability of the receipt of legacy income;
- estimating accrued expenditure including employees' accrued holiday pay;
- estimating the useful economic life of tangible fixed assets for the purposes of determining a depreciation charge;
- assessing the appropriateness of the assumptions and methodology used in determining the fair value of investment properties;

- assessing the need for any provision against slow-moving and/or obsolete stock within Westminster Cathedral Limited;
- assessing the recoverability of outstanding debtors and the need for any provision for bad or doubtful debts;
- assessing the appropriateness of the assumptions and methodology used by the scheme actuary in the valuation of the defined benefit pension scheme;
- determining the value of designated funds needed at the year end to meet specific future expenditure; and
- estimating future income and expenditure flows for the purpose of assessing going concern (see below)

#### Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect of a period of at least one year from the date of approval of these accounts.

2022 was not defined by the pandemic in the same way that 2020 and 2021 had been. Schools and parishes were able to function as they did prior to the pandemic, and many of the challenges related to carrying out the Charity's usual activities were alleviated. The consequential greater provision of charitable activities throughout the diocese during the year as well as inflation of the underlying costs, led to a material increase in expenditure incurred, but not to the extent that the Charity moved from a surplus to a deficit. Mitigation for the Charity's additional expenditure included, amongst other things, increases in the income received from donations and legacies, from investments and interest receivable, and from parish and similar activities. Subsequent to the year-end stubbornly high inflationary pressures have eased and at the time of writing appear to be on a downward trajectory. At the same time interest rates, which had increased during 2022 to a 14-year high, have risen further and at the time of writing are forecast to remain high for the foreseeable future. By contrast, turbulent market forces and labour market constraints are fostering ever-greater uncertainty about the future, resulting in a growing risk of an economic slowdown.



## Principal accounting policies

– Year to 31 December 2022

The Trustees acknowledge and recognise the impact of these factors on the operations of the Charity, its beneficiaries, partners, stakeholders and on society in general, and have continued to take steps to ensure that both resources and processes are in place to mitigate any disruption.

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. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 December 2023, the most significant areas that affect the carrying value of the assets held by the Charity are the level of investment return, the performance of the investment markets and property values, and the impact of the macroeconomic and physical climate (see the reserves policy, the investment policy and the risk management sections of the report of the Directors of the Corporate Trustee for more information).

### Basis of consolidation and scope of the accounts

The statement of financial activities and the balance sheet consolidate the accounts of the Charity and its subsidiary undertakings made up to the balance sheet date. No separate statement of financial activities has been prepared for the Charity as the results of the trading subsidiaries are clearly shown in the consolidated statement of financial activities and supporting notes.

The accounts also include the net assets and transactions of linked charities under the control of the Directors of the Corporate Trustee and whose activities are integral to those of the Westminster Roman Catholic Diocesan Trust and the furtherance of its objectives. Such charities (see note 23) have been incorporated into the accounts as special trusts (or restricted funds).

The accounts do not include the results and net assets of connected entities (see note 22).

### Income recognition

Income is recognised in the period in which the Group and/or Charity has entitlement to the income, where the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises collections, donations, legacies and grants; income from commercial trading activities of trading subsidiaries; investment income and interest receivable; rental income from functional properties; income from parish and other similar activities, and net gains on the disposal of tangible fixed assets.

Donations and grants receivable (including income from offertory and similar collections) are recognised when the Group and/or Charity has confirmation of both the amount and the settlement date. When donations and grants receivable are pledged but not received, the income is accrued for when the receipt is considered probable. In the event that a donation or grant is subject to conditions that require a level of performance before the Group and/or Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Group and/or Charity and it is probable that those conditions will be fulfilled within the reporting period.

In accordance with Charities SORP FRS 102, volunteer time is not recognised.

Legacies are included in the statement of financial activities when the Group and/or Charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and the fulfilment of any conditions attached to the legacy is wholly within the control of the Group and/or Charity.

Entitlement is taken as the earlier of: the date on which the Group and/or Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Group and/or Charity that a distribution will be made, and the date on which a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Group and/or Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Group and/or Charity, or where the Group and/or Charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the Group and/or Charity.

Income generated from the commercial trading activities of trading subsidiaries comprises income from the sale of merchandise, concerts and similar performances of the Westminster Cathedral Choir and building development projects. It is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Investment income is recognised once the dividend has been declared and notification has been received of the dividend due.

# Principal accounting policies

– Year to 31 December 2022

Interest on funds held on deposit is included when it is receivable and the amount can be measured reliably by the Charity; this is normally upon notification from the bank of the interest payable or paid.

Income from the rental of functional properties is recognised when the income is receivable under the contract for hire or lease document, when the amount can be measured reliably and it is probable such income will be received.

Income from parish and similar activities is defined more specifically in note 5 to these accounts and is recognised in each instance when the relevant parish has entitlement to the income, the amount can be measured reliably and it is probable that the income will be received.

Coronavirus Job Retention Scheme funding is credited to the statement of financial activities once the charity is entitled to the funding and once the amount receivable has been quantified.

VASCA funding is included in the statement of financial activities when the Group and/or Charity has confirmation of both the amount of the funding and the settlement date.

The surplus on the disposal of tangible fixed assets is calculated as the difference between the sale proceeds net of sale costs and the net book value of the asset immediately prior to disposal. It is accounted for once legal completion of the disposal has taken place.

Other income is measured at fair value and accounted for on an accruals basis.

## Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation committing the Group and/or Charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings.

The classification between activities is as follows:

- Expenditure on raising funds comprises the costs incurred by subsidiary companies in connection with their commercial trading operations, and investment management fees paid directly to investment managers.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Charity and its subsidiary charities through the provision of charitable activities. Such costs include staff costs and other direct overheads attributable to those purposes. A detailed analysis of the expenditure is provided in note 6.

Charitable donations in support of Catholic foundations and projects are included in the statement of financial activities in the year when approval is granted and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

All expenditure is stated inclusive of irrecoverable VAT.

## Support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity, it is necessary to provide support in the form of personnel development, financial procedures and controls, provision of general office services and equipment and a suitable working environment.

Governance costs comprise the costs relating to the public accountability of the Charity (including audit costs) and costs incurred in respect of its compliance with regulation and good practice.

All support costs and governance costs are included within the expenditure of the one principal charitable activity of the Group and/or Charity i.e. advancing the Roman Catholic faith primarily within the Diocese of Westminster.

## Functional freehold property

Functional freehold properties, comprising the Cathedral, churches, presbyteries, halls and similar buildings owned by the Group and/or Charity prior to 1997, are included in the balance sheet at an estimate of their original cost. These estimates were arrived at by discounting the 1997 insurance values of the properties by reference to the inflation statistics from 1997 back to the date on which the properties were acquired or built. For the purpose of these accounts, and consistent with the transitional rules set out in FRS 102, the 1997 valuations are defined as 'deemed cost'.

Additions to functional freehold properties since January 1998 are included in the accounts at cost or, where such assets have been donated or bequeathed to the Group and/or Charity at their estimated market value at the date of the gift.

Properties previously classified as investment properties but, owing to a change in use, reclassified as functional properties are included within functional freehold property at their fair value immediately prior to reclassification. Such fair value will normally equate to market value as determined within the immediately preceding five year period. Original cost figures are not available for many such properties and it is deemed appropriate that the valuations be regarded as their 'deemed cost' at the point of reclassification.



## Principal accounting policies

– Year to 31 December 2022

No value is identified in the accounts in respect of freehold land.

Freehold buildings are depreciated at rates calculated to write off their estimated historic cost, on a straight line basis, as follows:

- Listed properties – 200 to 300 years
- Other properties – 100 years

The condition and net book values of all properties are regularly reviewed to ensure that the depreciation policies adopted are and remain appropriate. Disposals of freehold property are accounted for on completion.

### Voluntary aided and grant maintained schools and academies

Whilst the Charity is the legal owner of over 200 school properties in the diocese comprising voluntary aided schools and academies, many of which are separate exempt or excepted charities funded through combinations of government grants and voluntary contributions, the nature of the occupation of these properties means that the Trustees do not have the power to dispose of the land and buildings until a school ceases occupation, which in turn requires the approval of the school governors and the Secretary of State.

Land and buildings legally owned by the Charity and occupied rent free by Catholic voluntary aided schools and academies, which are exempt charities and publicly funded, are valued at £nil for the purposes of these accounts. The Trustees consider that no meaningful value can be attributed to these assets since they are not used directly by the Charity, 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.

Any expenditure incurred on the fabric of these buildings is written off in the year it is incurred and treated in these accounts as expenditure on the advancement of the Catholic faith primarily in the Diocese of Westminster.

The school and academy governors are responsible for the buildings and the repair and refurbishment and insurance costs thereof. The Charity assists governors in managing projects dealing with their liability for building and repair costs. Until April 2020, the Charity acted as the agent of the governors in helping to arrange funding through the DfE and Local Authorities. Funds received under the LCVAP (Locally Coordinated Voluntary-Aided Programme) were not included in the Statement of Financial Activities as the Charity had no control over the funds and the transactions were those of the school governors rather than the Charity, which administered these monies as managing agent and made the appropriate payments to contractors for work carried out. Any LCVAP monies due to the Charity, or held by the Charity on behalf of schools and academies, as at the balance sheet date, are treated as debtors or creditors

respectively on the balance sheet. In April 2020 the VASCA (Voluntary-Aided Schools Condition Allocation) system was introduced and superseded the LCVAP. The change in funding gives the Charity 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.

Details of the diocesan voluntary aided schools and academies are given in the diocesan Year Book and on the diocesan website.

### Furniture, fittings and equipment

Items of furniture, fittings and equipment costing in excess of £1,000 are capitalised and depreciated on a straight line basis in order to write off their original cost over the expected useful lives of the assets concerned.

The depreciation rates applied are as follows:

- Office equipment - 20%
- Fixture and fittings - 10% to 25%

Individual works of art, treasures and plate are not capitalised as they are regarded as heritage assets which are held in a manner consistent with the advancement of the Roman Catholic faith, have very long lives and are worth preserving indefinitely.

### Motor vehicles

Motor vehicles are capitalised and depreciated over a four year period in order to write off the cost of each vehicle over its estimated useful life.

### Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The Charity currently does not acquire put options, derivatives or other complex financial instruments.

As noted above one of the financial risks the Charity is exposed to is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Properties held for investment purposes are included in these accounts at fair value based on open market value. The valuation has been determined by the Trustees, with professional assistance. Details of the dates and basis of the valuations are given in note 12 to the accounts. Disposals of investment properties are accounted for on completion.

# Principal accounting policies

– Year to 31 December 2022

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and either their opening carrying value, or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value and the carrying value at year end. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Investments in commercial companies under a joint venture agreement are included in the accounts at the Group's and/or Charity's share of the net assets of the commercial company as at the balance sheet date.

Investments in subsidiary companies are included on the balance sheet at cost.

## Programme related investments

Programme related investments are defined as significant financial contributions made by the Charity towards the development or refurbishment of property assets to which the Charity has freehold title but which are used by other charitable and not-for-profit organisations (including schools) for purposes consistent with the Charity's own objectives.

Programme related investments are included in the accounts at cost with any permanent diminution in value below such cost accounted for as charitable expenditure.

## Stocks

Stocks of miscellaneous items are valued at the lower of cost and net realisable value.

## Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

## Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or that have a maturity of less than three months from the date of investment or acquisition. Deposits made for longer than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

## Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can

be estimated reliably. Creditors and provisions are recognised at the amount the Charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

## Fund accounting

### • The Curial Funds

These can be used across the whole of the diocese and are subdivided between:

- Restricted funds: monies received for, and whose use is restricted to, a specific purpose, or donations subject to donor-imposed conditions.
- Designated funds: monies set aside out of general funds and designated by the Directors of the Corporate Trustee to be used for specific purposes.
- The tangible fixed assets fund: the net book value of those tangible fixed assets held by the curia for unrestricted purposes.
- The programme related investments fund: the value of the Group's and Charity's programme related investments.
- General funds: monies which may be used to meet the charitable objectives of the Charity, across the whole of the diocese, at the discretion of the Directors of the Corporate Trustee.

### • The Parochial Funds

These comprise legacies, donations, trust income and interest relating to individual parishes. Under canon law these monies must be utilised by the parishes and therefore cannot be used across the whole of the diocese. As such, the funds are all regarded as restricted for the purpose of these accounts.

## Pension costs

The Charity contributes to a defined benefits pension scheme, closed for accrual of benefits since 2005, providing benefits based on final pensionable salary.

Pension scheme assets are measured at fair value at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset or liability on the balance sheet.

Any change in the asset or liability between balance sheet dates is reflected in the statement of financial activities.

All eligible members of staff are auto-enrolled in a workplace pension scheme. Employer contributions to the scheme are charged to the statement of financial activities in the year in which they are payable to the scheme.



## Notes to the accounts

– Year to 31 December 2022

### 1 Donations and legacies

#### 2022

Group	Curial funds			Parochial funds	
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Restricted funds £'000	Total 2022 £'000
Grants receivable	–	121	121	–	121
Other donations	509	1,986	2,495	26,362	28,857
Legacies	550	1,723	2,273	1,866	4,139
<b>Total</b>	<b>1,059</b>	<b>3,830</b>	<b>4,889</b>	<b>28,228</b>	<b>33,117</b>

#### 2021

Group	Curial funds			Parochial funds	
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Restricted funds £'000	Total 2021 £'000
Grants receivable	–	130	130	–	130
Other donations	707	2,216	2,923	24,872	27,795
Legacies	100	1,475	1,575	2,201	3,776
<b>Total</b>	<b>807</b>	<b>3,821</b>	<b>4,628</b>	<b>27,073</b>	<b>31,701</b>

### 2 Assessments

Five (five in 2021) parishes operated by specific religious congregations are not consolidated into these accounts. Income from assessments (£131,000 in 2022 and £130,000 in 2021) represents monies received by the Charity from those parishes and is unrestricted.

The diocesan assessment, being monies transferred from parishes to the curia in order to fund diocesan-wide programmes, is included under 'Transfers between funds'. In 2022, £5,346,000 was transferred from parochial to curial funds (£6,817,000 in 2021).

### 3 Income from other trading activities and cost of raising funds

These categories of income and expenditure comprise the income and expenditure of the Charity's trading subsidiaries. At 31 December 2022 the Charity owned the entire called up ordinary share capital of the following trading companies:

Company	Company No.	Country of incorporation	Principal activity
Aedificabo Limited	07409205	England	Management of capital projects
Westminster Cathedral Limited	2784481	England	Miscellaneous trading activities

Audited accounts of the companies will be filed with the Registrar of Companies.

The registered office of Aedificabo Limited is Vaughan House, 46 Francis Street, London SW1P 1QN.

The registered office of Westminster Cathedral Limited is Archbishop's House, Ambrosden Avenue, London SW1P 1QJ.

## Notes to the accounts

– Year to 31 December 2022

### 3 Income from other trading activities and cost of raising funds (continued)

	Unrestricted funds		Restricted funds	
	Aedificabo Limited		Westminster Cathedral Limited	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
<b>Turnover</b>	<b>385</b>	290	<b>403</b>	69
Cost of sales	(126)	(111)	(139)	(39)
<b>Gross profit</b>	<b>259</b>	179	<b>264</b>	30
Administrative expenses	(261)	(147)	(51)	(20)
<b>(Loss) profit on ordinary activities before Gift Aid and taxation</b>	<b>(2)</b>	32	<b>213</b>	10
Gift Aid (via deed of covenant)	–	(19)	(213)	(10)
<b>(Loss) profit for the year before taxation</b>	<b>(2)</b>	13	–	–
Taxation	–	–	–	–
<b>(Loss) profit for the year after taxation</b>	<b>(2)</b>	13	–	–

At 31 December 2022 the called up share capital of Westminster Cathedral Limited comprised 2 ordinary £1 shares and its reserves amounted to £66,000 (£66,000 in 2021).

At 31 December 2022 the called up share capital of Aedificabo Limited comprised 2 ordinary £1 shares and its reserves amounted to negative £2,000 (£nil in 2021).

### 4 Investment income and interest receivable

2022	Curial funds			Parochial funds	
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Restricted funds £'000	Total 2022 £'000
<b>Investment income:</b>					
Income from listed investments	75	234	309	130	439
Income from programme related investments	545	–	545	–	545
Rents and similar income	283	79	362	3,519	3,881
	903	313	1,216	3,649	4,865
<b>Interest receivable</b>	<b>1,160</b>	<b>11</b>	<b>1,171</b>	<b>242</b>	<b>1,413</b>
<b>Total</b>	<b>2,063</b>	<b>324</b>	<b>2,387</b>	<b>3,891</b>	<b>6,278</b>

2021	Curial funds			Parochial funds	
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Restricted funds £'000	Total 2021 £'000
<b>Investment income:</b>					
Income from listed investments	129	199	328	104	432
Income from programme related investments	499	–	499	–	499
Rents and similar income	259	79	338	3,365	3,703
	887	278	1,165	3,469	4,634
<b>Interest receivable</b>	<b>8</b>	<b>–</b>	<b>8</b>	<b>–</b>	<b>8</b>
<b>Total</b>	<b>895</b>	<b>278</b>	<b>1,173</b>	<b>3,469</b>	<b>4,642</b>

All rents and similar income are from properties situated in the United Kingdom.

## Notes to the accounts

– Year to 31 December 2022

### 5 Income from charitable activities

	<b>Total 2022 £'000</b>	<b>Total 2021 £'000</b>
<b>Rental income from functional properties</b>		
Curial unrestricted funds	663	559
Parochial restricted funds	1,154	1,015
	<b>1,817</b>	<b>1,574</b>

The Charity and Group own a number of properties which are used primarily for activities oriented towards achieving the Charity's and/or the Group's mission. However, within such properties, certain halls and rooms are occasionally rented out, often for purposes consistent with the charitable objectives of the Charity and resulting in the income shown above.

	<b>Total 2022 £'000</b>	<b>Total 2021 £'000</b>
<b>Parish and similar activities</b>		
Candles, repository and newspapers	1,940	1,396
Parish centres	1,377	842
Parish activities	733	519
Miscellaneous	763	443
Catechetics	354	289
Board and lodging	133	139
Income from clubs	35	31
Chaplaincies	30	26
Parochial restricted funds	5,365	3,685
Curial unrestricted funds	1,034	1,231
Curial restricted funds – School contributions	438	438
Curial restricted funds – Other	473	666
	<b>7,310</b>	<b>6,020</b>

#### School contributions

The school contributions are voluntary payments made by the schools and academies in the diocese towards the costs of the school projects team at Vaughan House and agreed as 'Catholic Education Contributions' with the schools and academies.

	<b>Total 2022 £'000</b>	<b>Total 2021 £'000</b>
<b>Coronavirus Job Retention Scheme Funding</b>		
Parochial restricted funds	–	804
Curial unrestricted funds	–	490
Curial restricted funds	–	104
	<b>–</b>	<b>1,398</b>

	<b>Total 2022 £'000</b>	<b>Total 2021 £'000</b>
<b>Grants receivable</b>		
Curial restricted funds – School projects (VASCA) (see also note 21)	11,286	11,992



## Notes to the accounts

– Year to 31 December 2022

### 6 Advancement of the Catholic faith primarily in the Diocese of Westminster

#### 2022

Curial funds	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
<b>Voluntary-Aided Schools Condition Allocation (VASCA) (see also note 21)</b>	–	13,603	13,603
<b>Pastoral and related work</b>	2,434	3,185	5,619
<b>Administration</b>	5,123	–	5,123
<b>Education &amp; formation</b>	997	437	1,434
<b>Clergy and consecrated life</b>	669	516	1,185
<b>Auxiliaries and Vicar General</b>	656	–	656
<b>Safeguarding</b>	522	–	522
<b>National bodies</b>	468	–	468
<b>Cardinal's office and Archbishop's House</b>	361	–	361
<b>Bank loan interest</b>	309	–	309
<b>Communications</b>	176	–	176
<b>Miscellaneous</b>	119	–	119
<b>Governance costs</b>	94	–	94
<b>Growing in Faith projects</b>	–	17	17
<b>Ecumenical and interfaith</b>	6	–	6
<b>Total</b>	<b>11,934</b>	<b>17,758</b>	<b>29,692</b>

Depreciation of £898,000 (£856,000 in 2021) is included in the above curial fund expenditure.

#### 2021

Curial funds	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000
<b>Voluntary-Aided Schools Condition Allocation (VASCA) (see also note 21)</b>	–	11,236	11,236
<b>Pastoral and related work</b>	2,247	3,421	5,668
<b>Administration</b>	4,196	–	4,196
<b>Education &amp; formation</b>	676	542	1,218
<b>Clergy and consecrated life</b>	535	499	1,034
<b>Auxiliaries and Vicar General</b>	642	–	642
<b>Safeguarding</b>	423	–	423
<b>National bodies</b>	418	–	418
<b>Cardinal's office and Archbishop's House</b>	252	14	266
<b>Bank loan interest</b>	196	–	196
<b>Communications</b>	190	–	190
<b>Miscellaneous</b>	307	–	307
<b>Governance costs</b>	99	–	99
<b>Growing in Faith projects</b>	–	313	313
<b>Ecumenical and interfaith</b>	59	–	59
<b>Total</b>	<b>10,240</b>	<b>16,025</b>	<b>26,265</b>

Depreciation of £856,000 is included in the above curial fund expenditure.

## Notes to the accounts

– Year to 31 December 2022

### 6 Advancement of the Catholic faith primarily in the Diocese of Westminster (continued)

#### Parochial restricted funds

Religious and pastoral services and educational programmes offered by the Charity through its parishes are funded by the parishes themselves. A detailed breakdown of expenses paid during the year from parochial restricted funds is provided in the table below.

Parochial restricted funds	Total 2022 £'000	Total 2021 £'000
Non-clergy salaries	6,121	5,781
Property repairs and renewals	4,131	4,035
Clergy stipends	2,350	2,253
Heat, light and water	1,937	1,793
Council tax, insurance and rates	1,881	1,022
Other fixed asset depreciation	1,510	1,628
Liturgical expenses	1,475	1,098
Property depreciation	1,281	1,244
Housekeeping	1,244	1,199
Donations/grants	1,072	888
Office & administration	1,049	925
Parish activities expenses	991	571
Candles, repository and newspapers expenses	789	524
Miscellaneous expenses	529	443
Supply priests	408	255
Catechetics expenses	302	237
Parish Centre expenses	207	114
Travel expenses	175	162
Bank interest	84	39
Mass stipends distributed	66	83
<b>Total</b>	<b>27,602</b>	<b>24,294</b>

The above are the gross costs relating to each activity/department. Many of these have related income flows which are included in total income. Due to the number of charitable donations made out of both curial and parochial funds it is not practical to provide details of individual donations.

## Notes to the accounts

– Year to 31 December 2022

### 7 Net (expenditure) income before transfers and investment gains (losses)

This is stated after charging:

2022	Curial funds			Parochial funds	Total 2022
	Unrestricted funds	Restricted funds	Total funds	Restricted funds	
Group	£'000	£'000	£'000	£'000	£'000
Staff costs (note 8)	6,056	2,004	8,060	6,147	14,207
Auditor's remuneration					
. Audit fees current year	94	–	94	–	94
. Other services: taxation	5	–	5	–	5
Depreciation (note 10)	732	166	898	2,791	3,689

2021	Curial funds			Parochial funds	Total 2021
	Unrestricted funds	Restricted funds	Total funds	Restricted funds	
Group	£'000	£'000	£'000	£'000	£'000
Staff costs (note 8)	5,278	1,875	7,153	5,670	12,823
Auditor's remuneration					
. Audit fees current year	77	–	77	–	77
. Other services: taxation	9	–	9	–	9
Depreciation (note 10)	694	162	856	2,872	3,728

### 8 Staff costs and remuneration of key management personnel

Staff costs during the year were as follows:

Group	Total 2022 £'000	Total 2021 £'000
Wages and salaries	12,518	11,378
Social security costs	1,067	889
Other pension costs	622	556
	<b>14,207</b>	<b>12,823</b>

The average number of employees and full time equivalents (FTE) was:

	2022 FTE	2022 Total Employees	2021 FTE	2021 Total Employees
Charitable activities	368	694	363	683



## Notes to the accounts

– Year to 31 December 2022

### 8 Staff costs and remuneration of key management personnel (continued)

The number of employees who earned more than £60,000 (including benefits but excluding employer's national insurance and pension contributions) during the year was as follows:

	2022	2021
£60,001 - £70,000	9	2
£70,001 - £80,000	2	3
£80,001 - £90,000	3	2
£90,001 - £100,000	2	1
£120,001 - £130,000	–	1
£130,001 - £140,000	2	–
	<b>18</b>	<b>9</b>

Employer pension contributions totalling £108,500 (£63,200 in 2021) were made to defined contribution schemes in respect of all those employees who earned £60,000 or more during the year (as defined above).

The key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis comprise the Directors of the Corporate Trustee, the COO/Financial Secretary and the heads of the following departments of the Curial Offices/ Central Services: Evangelisation, Youth, Education, Caritas, Tribunal, Safeguarding, Human Resources, Finance, Property, Maintenance, Fundraising, Communications, ICT, Security and Data Protection. The total remuneration (including taxable benefits and employer's national insurance and pension contributions) of the key management personnel for the year was £1,337,200 (£1,237,200 in 2021).

A number of the Directors of the Corporate Trustee (i.e. Trustees) are clergy of the Catholic Diocese of Westminster. They are housed and remunerated by the diocese and are reimbursed expenses for carrying out their ministry in the same way as other priests of the diocese. However, none of the Trustees received any remuneration in respect of their services as a Trustee during the year (£nil in 2021). One Trustee was reimbursed expenses totaling £638 in connection with their duties as Trustee (£nil in 2021).

#### Pension schemes

**Auto-enrolled pension scheme** The Charity offers an auto-enrolled pension scheme provided by Standard Life. The total contributions made by the employer in 2022 to this scheme amounted to £524,000 (£491,000 in 2021).

**Defined benefit scheme** The Charity administers a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Charity, being invested with Sarasin & Partners LLP. The contributions are determined on the basis of triennial valuations by a qualified actuary using the projected unit method.

From 6 July 2005 accrual of benefits, death in service benefits and member contributions ceased. The level of funding has been reviewed on a yearly basis. From 6 January 2021, deficit reduction contributions have been paid at the rate of £10,000 per month, and an amount in relation to administration expenses has been paid to the scheme at the rate of £1,500 per month, as agreed following the finalisation of the 6 April 2019 valuation.

The scheme undertook the most recent formal triennial valuation as at 6 April 2022, which showed that the market value of the scheme's assets was £12,632,000 and that the level of funding on an ongoing basis was 118%. The principal assumptions made were that the discount rate would be 4.0% per annum before retirement and 3.0% per annum after retirement, and that inflation linked increases to deferred pensions would be 3.2% per annum pre-2030 and 4.0% per annum post-2030, and that inflation-linked pension increases in payment would be 4.0% per annum for service between 1 July 2002 and 11 February 2003, and 3.0% per annum pre-2030 and 3.8% per annum post-2030 for service from 12 February 2003. No allowance was made for possible discretionary increases in pensions beyond those prescribed in the scheme rules.

Following the conclusion of the 6 April 2022 valuation, it has been agreed with the pension scheme trustees that funding contributions will continue to be paid at the rate of £10,000 per month from 6 July 2023. The Employer will also continue to make monthly contributions to the scheme of £1,500 to cover administration expenses.

Financial Reporting Standard 102 (FRS 102) requires the surplus or deficit of the scheme as at 31 December 2022, calculated in accordance with the requirement of FRS 102, to be included on the balance sheet. For the purposes of FRS 102, the assets of the scheme have been taken at market value and the liabilities have been calculated by a qualified independent actuary.

## Notes to the accounts

– Year to 31 December 2022

### 8 Staff costs and remuneration of key management personnel (Pension schemes continued)

The assets and liabilities in the scheme were:

	2022 £'000	2021 £'000
Equity securities	5,295	6,808
Fixed interest securities	1,339	1,264
Insurance contracts	2,031	2,779
Cash and cash equivalents	1,530	1,508
Other	877	854
Total assets	11,072	13,213
Actuarial value of liabilities	(8,733)	(13,885)
	2,339	(672)
Unavailable surplus	(2,339)	–
<b>Deficit in the scheme – net pension liability</b>	<b>–</b>	<b>(672)</b>

The major assumptions used by the actuary were:

	2022 % per annum	2021 % per annum
Inflation	3.3	3.5
Salary increases	2.8	2.9
Rate of discount	4.8	1.9
Rate of increase in pensions in payment and deferred pensions	2.7	2.8

The mortality assumptions used were as follows:

	2022 years	2021 years
Longevity at age 65 for current pensioners		
Men	22.4	22.6
Women	24.8	24.9

The net pension liability decreased from £672,000 in 2021 to £nil in 2022 as the surplus calculated by the actuary in accordance with the requirements of FRS 102 has not been recognised. The Trustees have determined that the Charity is not currently able to recover the surplus under the scheme rules, as the surplus will only be recoverable when the scheme is closed. There are currently no plans to close the scheme and the Charity has therefore not recognised the surplus on the balance sheet.

The deficit decrease is mainly due to the increase in the yields available on high-quality corporate bonds, resulting in a higher discount rate assumption which placed a lower value on the scheme's liabilities. This was complemented by contributions made during the year, which acted to increase the value of the scheme's assets and further improve the overall funding position, though this effect was offset by lower than expected returns on the scheme's assets.

**Contributions** The total contributions made to the scheme by the Charity in the year were £138,000 (£138,000 in 2021). The contributions expected to be paid by the Charity to the scheme for the year ending 31 December 2023 total £138,000.

## Notes to the accounts

– Year to 31 December 2022

### 8 Staff costs and remuneration of key management personnel (Pension schemes continued)

Total operating charge and net interest recognised in the statement of financial activities:

	2022 £'000	2021 £'000
Administration costs	(16)	(16)
<b>Total operating charge</b>	<b>(16)</b>	<b>(16)</b>
Interest income on scheme assets	242	157
Interest cost on scheme liabilities	(254)	(178)
<b>Net interest on net defined benefit liability</b>	<b>(12)</b>	<b>(21)</b>
<b>Total amount recognised in the statement of financial activities</b>	<b>(28)</b>	<b>(37)</b>

Actuarial net gains recognised in the statement of financial activities:

	2022 £'000	2021 £'000
Actual return on assets excluding amounts included in net interest	(2,166)	618
Actuarial gains on scheme obligations	5,067	349
Decrease in available surplus from membership fall and other factors	(2,339)	–
<b>Re-measurement gains recognised in the statement of financial activities</b>	<b>562</b>	<b>967</b>

The reconciliation of the fair value of the scheme assets is as follows:

	2022 £'000	2021 £'000
Opening fair value of scheme assets	13,213	12,574
Interest income	242	157
Contributions by Westminster Roman Catholic Diocesan Trust	138	138
Actual return on assets excluding amount included in net interest	(2,166)	618
Benefits paid	(355)	(274)
<b>Closing fair value of scheme assets</b>	<b>11,072</b>	<b>13,213</b>

The reconciliation of the scheme benefit obligation is as follows:

	2022 £'000	2021 £'000
Opening defined benefit obligation	13,885	14,314
Administration costs	16	16
Interest cost	254	178
Actuarial gains	(5,067)	(349)
Benefits paid	(355)	(274)
<b>Closing defined benefit obligation</b>	<b>8,733</b>	<b>13,885</b>

The actuarial value of the scheme liabilities at 31 December 2022 if different key actuarial assumptions had been used is shown below:

	2022 £'000	2021 £'000
-0.5% decrease in discount rate	9,360	15,190
1 year increase in member life expectation	9,082	14,440
+0.5% change in inflation	8,943	14,338



## Notes to the accounts

– Year to 31 December 2022

### 9 Taxation

Westminster Roman Catholic Diocesan Trust is a registered charity and, therefore, is not liable to income tax, corporation tax or capital gains tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

Linked charities are also not liable to income tax, corporation tax or capital gains tax on income or gains derived from their charitable activities.

Aedificabo Limited and Westminster Cathedral Limited are commercial trading companies. Subject to having sufficient distributable reserves, each company transfers its taxable profits, if any, to Westminster Roman Catholic Diocesan Trust each year under a Gift Aid compliant Deed of Covenant (see note 3). Therefore, neither entity ordinarily incurs a direct taxation charge. Where the company has insufficient distributable reserves to transfer all of its taxable profits, a tax charge may arise on the profit retained by the company.

### 10 Tangible fixed assets

Group and Charity	Functional freehold property £'000	Plant, equipment, fixtures and fittings £'000	Motor vehicles £'000	Total £'000
<b>Cost or deemed cost</b>				
At 1 January 2022	150,244	25,235	93	<b>175,572</b>
Additions	1,607	1,526	10	<b>3,143</b>
Reclassification from investment properties (note 12)	1,397	–	–	<b>1,397</b>
Disposals	(62)	(1,915)	(20)	<b>(1,997)</b>
Reclassification to investment properties (note 12)	(819)	–	–	<b>(819)</b>
At 31 December 2022	152,367	24,846	83	<b>177,296</b>
<b>Depreciation and impairment</b>				
At 1 January 2022	25,540	18,418	55	<b>44,013</b>
Depreciation charge for the year	1,600	2,070	19	<b>3,689</b>
On disposals	(25)	(1,915)	(20)	<b>(1,960)</b>
Reclassification to investment properties (note 12)	(136)	–	–	<b>(136)</b>
At 31 December 2022	26,979	18,573	54	<b>45,606</b>
<b>Net book values</b>				
At 31 December 2022	125,388	6,273	29	<b>131,690</b>
At 31 December 2021	124,704	6,817	38	<b>131,559</b>

## Notes to the accounts

– Year to 31 December 2022

### 10 Tangible fixed assets (continued)

The Charity has continued to adopt a policy of not revaluing its tangible fixed assets. The historical cost of the functional properties stated above at a valuation cannot be ascertained with accuracy. The original valuation, which was performed in 1997, is an estimate of original cost based on the replacement cost of each property in 1997, discounted back to the original year of purchase. Hence for the purpose of these accounts and consistent with the transitional rules set out in FRS 102, the 1997 valuations are defined as 'deemed cost'.

Land and buildings reclassified from investment properties are included at their value immediately prior to reclassification.

All other tangible fixed assets are stated at cost. Where assets including land and buildings are gifted or bequeathed to the Charity, they are included at an estimate of their market value at the date of the gift.

Works of art, treasures and plate are not capitalised in these accounts. They are considered to be heritage assets for the purposes of the Charities SORP (FRS 102). The assets are integral to the Charity's overall objective of advancing the Catholic religion. They all have very long lives and are worth preserving indefinitely. The Trustees consider that it would be prejudicial to the safe custody of these assets to disclose details of their value and usage in these accounts.

Several of the Charity's properties are subject to restrictions or covenants over their use and/or disposal.

#### Capital commitments

At 31 December 2022 the Group and Charity had the following capital commitments:

<b>Group and Charity</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Land and buildings – functional property		
Contracted but not provided	<b>122</b>	<b>309</b>

It is likely that there are material differences between the open market values of the Charity's land and buildings and their book values with the open market value being higher. These arise from the specialised nature of some properties and the effects of inflation. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of the Trustees, is not justified in terms of the benefit to the users of the accounts.

Land and buildings legally owned by the Charity and occupied rent free by Catholic voluntary aided schools and academies, which are separate charities and publicly funded, are valued at £nil for the purposes of these accounts. The Trustees consider that no meaningful value can be attributed to these assets since they are not used directly by the Charity, 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. Any expenditure incurred on the fabric of these buildings is written off in the year it is incurred and treated in these accounts as expenditure on the advancement of the Catholic faith primarily in the Diocese of Westminster.

#### Post Balance Sheet Events

Subsequent to the year end the Charity purchased four functional properties with an aggregate purchase price of £1,153,000.

The capital commitments are in respect of various parish and curial building works.

## Notes to the accounts

– Year to 31 December 2022

### 11 Programme related investments

Programme related investments represent investments made in properties owned by the Charity but which are used by other charitable and not-for-profit organisations for purposes consistent with the Charity's objectives.

<b>Group and Charity</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
At 1 January and 31 December	<b>10,503</b>	10,503

Programme related investments comprise:

<b>Group and Charity</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
The Friary, Westminster	<b>10,503</b>	10,503

The Friary is a building adjacent to the Westminster Cathedral Complex that was, historically, part of the Catholic fabric in this location, having been the location of both a Franciscan friary and the National Catholic Library.

It is leased to the Westminster Cathedral Choir School, a charity connected to the Westminster Roman Catholic Diocesan Trust (see note 22), to house an independent preparatory school to help to have a sustainable choir in the cathedral. The rental income from the lease will be used to finance repayments due on a £10 million, 30-year loan granted by HSBC Bank plc in March 2016 in order to purchase and refurbish the property (see note 15).



## Notes to the accounts

– Year to 31 December 2022

### 12 Investments

At 31 December 2022 investments comprised the following:

<b>Group and Charity</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Listed investments	<b>39,519</b>	45,251
Investment properties	<b>97,414</b>	85,122
Joint venture	<b>29</b>	36
	<b>136,962</b>	130,409

#### Listed investments

During the year, listed investments under the control of the Westminster Roman Catholic Diocesan Trust principally comprised units in a Mutual Investment Fund, with a small balance of cash awaiting investment. The Mutual Investment Fund comprises investments managed by Sarasin & Partners LLP and CCLA Investment Management Limited.

The market value of the units in the Mutual Investment Fund at 31 December 2022 amounted to £39,357,000 (£45,080,000 in 2021) and their historical cost as at that date was £37,600,000 (£35,933,000 in 2021).

Investment managers' fees of £210,000 in 2022 and £219,000 in 2021 are charged indirectly through the unit holdings.

At 31 December 2022 the composition of the listed investments comprising the Mutual Investment Fund was as follows:

<b>Group and Charity</b>	<b>2022 %</b>	<b>2021 %</b>
Fixed income	<b>11.2</b>	6.5
Equities	<b>64.2</b>	72.1
Property	<b>1.2</b>	1.7
Alternatives	<b>8.5</b>	8.0
Liquid assets (money market instruments and cash)	<b>14.9</b>	11.7
	<b>100.0</b>	100.0

## Notes to the accounts

– Year to 31 December 2022

### 12 Investments (continued)

Holdings by the group and charity in the Mutual Investment Fund and other listed investments at 31 December 2022 and their movements during the year were as follows:

<b>Group and Charity</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
<b>Market value</b>		
At 1 January	<b>45,251</b>	39,707
Additions	–	1,000
Net unrealised (losses) gains during the year	<b>(5,732)</b>	4,544
At 31 December	<b>39,519</b>	45,251

### Investment properties

Investment properties held at 31 December 2022 and their movements during the year were as follows:

<b>Group and Charity</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
<b>Market value</b>		
At 1 January	<b>85,122</b>	76,613
Reclassification from tangible fixed assets (note 10)	<b>683</b>	–
Additions	–	1,000
Reclassification to tangible fixed assets (note 10)	<b>(1,397)</b>	(1,729)
Gains on revaluation during the year	<b>13,006</b>	9,238
At 31 December	<b>97,414</b>	85,122

Investment properties are included in the accounts at market valuations. It is the aim of the Trustees that properties will each be revalued at least every five years, unless there is an indication that a valuation has changed by a material amount in which case the valuation date will be brought forward. In 2021, six investment properties were revalued by Smith & Knight Property Consultants and 43 investment properties were revalued by internal property surveyors in possession of relevant qualifications and knowledge of the property market. In 2022, fifteen properties were revalued by Smith & Knight Property Consultants and 23 investment properties were revalued by internal property surveyors in possession of relevant qualifications and knowledge of the property market.

An indexation allowance was made in the accounts for properties that were not revalued this year, to take account of market value movements between the date the properties were last valued and 31 December 2022.

It is not possible to ascertain with accuracy the original cost of all the investment properties, the majority of which were purchased many years ago. The Trustees are of the opinion that the costs involved in researching such information outweigh the value of disclosing it.

### Joint venture

The investment in the joint venture represents the Charity's investment in Parish Accounting Services Limited, a company incorporated in England and Wales (Company Registration No 09503675) on 23 March 2015.

Westminster Roman Catholic Diocesan Trust and Birmingham Roman Catholic Diocesan Trust each own one £1 share in the company which has purchased and developed accounting software for use by parishes within Roman Catholic dioceses. Each of the two partners to the joint venture has lent the company £72,000 to enable it to purchase and develop the software.

# Notes to the accounts

– Year to 31 December 2022

## 12 Investments (continued)

A summary of the trading results and financial position of the company at 31 December 2022 is given below:

<b>Summary statement of income</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Turnover	161	183
Cost of sales	(123)	(121)
Gross profit	38	62
Administrative expenses	(51)	(21)
(Loss) profit for the financial period	(13)	41

<b>Summary statement of financial position and retained earnings</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Fixed assets	26	40
Current assets	42	59
Current liabilities	(9)	(27)
Net current assets	33	32
Total net assets	59	72

The total net assets are represented by called up share capital of £2 and retained net profits. The retained net profits are shared equally by the two partners. As such, the investment by Westminster Roman Catholic Diocesan Trust as at 31 December 2022 comprises:

	<b>2022 £'000</b>	<b>2021 £'000</b>
Investment at 1 January	36	47
Share of (loss) profit in the year	(7)	20
Loan repayment in the year	–	(31)
Investment at 31 December	29	36



## Notes to the accounts

– Year to 31 December 2022

### 13 Debtors

	<b>Group 2022 £'000</b>	Group 2021 £'000	<b>Charity 2022 £'000</b>	Charity 2021 £'000
<b>Receivable within one year</b>				
Sundry debtors	293	379	293	379
Legacies receivable	2,654	1,155	2,654	1,155
Prepayments and other accrued income	1,842	1,254	1,842	1,254
Amounts due from (to) subsidiaries	–	–	95	(40)
School expenditure recoverable from the Department for Education, Local Education Authorities and contract advances (see below and note 21)	275	353	275	353
Other loans (see below)	109	48	109	48
	<b>5,173</b>	<b>3,189</b>	<b>5,268</b>	<b>3,149</b>
<b>Receivable after more than one year</b>				
Loan to the Cardinal Hume Centre	339	339	339	339
	<b>5,512</b>	<b>3,528</b>	<b>5,607</b>	<b>3,488</b>

School expenditure recoverable from the Department for Education, Local Education Authorities and contract advances represents amounts refundable from these bodies and from School Governors in respect of work and maintenance to school properties and held by the Charity as agent.

Other loans receivable within one year comprise amounts advanced to priests and schools, and season ticket loans to staff. Other than some school loans which are charged interest rates linked to bank base rates and have set repayment terms, loans are interest free.

### 14 Creditors: amounts falling due within one year

	<b>Group 2022 £'000</b>	Group 2021 £'000	<b>Charity 2022 £'000</b>	Charity 2021 £'000
School building projects	7,236	3,956	7,236	3,956
Collections payable to third parties	362	489	362	489
Bank loan (see note 15)	378	378	378	378
Other loans	447	464	447	464
Accruals and sundry creditors	1,553	1,736	1,438	1,632
Funds held on behalf of the Belarusian Catholic Mission	189	185	189	185
Funds held on behalf of the Congregation for the Eastern Churches	920	920	920	920
	<b>11,085</b>	<b>8,128</b>	<b>10,970</b>	<b>8,024</b>

Amounts due in respect of school building projects include amounts due to contractors in connection with work and maintenance to school properties and amounts committed to projects where there is a constructive obligation. The majority of the loans are interest bearing with interest rates linked to bank base rates.

## Notes to the accounts

– Year to 31 December 2022

### 15 Creditors: amounts falling due after more than one year

	<b>Group 2022 £'000</b>	Group 2021 £'000	<b>Charity 2022 £'000</b>	Charity 2021 £'000
Bank loan	<b>8,402</b>	8,780	<b>8,402</b>	8,780

On 22 March 2016, the Charity signed a thirty year loan agreement with HSBC Bank plc for up to £10 million. The loan is secured by a first charge mortgage on two of the Charity's properties.

The loan is repayable in quarterly instalments commencing three years after initial drawdown with interest payable at 2% over the base rate. On 9 April 2020, HSBC granted the Charity a six-month capital repayment holiday, which had the effect of deferring the repayment of £183,000 of the loan balance into future periods.

Of the amounts falling due after more than one year, £1,511,000 (£1,511,000 in 2021) is repayable within 2 to 5 years and £6,891,000 (£7,269,000 in 2021) is repayable after 5 years.

### 16 Restricted funds

Restricted funds comprise:

<b>Group</b>	<b>2022 £'000</b>	2021 £'000
Curial	<b>49,507</b>	55,061
Parochial	<b>252,445</b>	237,102
	<b>301,952</b>	292,163

<b>Charity</b>	<b>2022 £'000</b>	2021 £'000
Curial	<b>49,509</b>	55,061
Parochial	<b>252,379</b>	237,035
	<b>301,888</b>	292,096

## Notes to the accounts

– Year to 31 December 2022

### 16 Restricted funds (continued)

#### Curial restricted funds

The income funds of the curia include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

#### 2022

Group and Charity	At 1 January 2022 £'000	Income £'000	Expenditure £'000	Net Losses £'000	Transfers £'000	At 31 December 2022 £'000
Growing in Faith Fund	15,249	4	(17)	–	(1,089)	14,147
Masses Funds	976	8	(19)	(110)	(90)	765
Ecclesiastical Education Fund	169	1	–	(21)	(68)	81
Trinity Fund	209	1	–	–	35	245
St Richard Reynolds	–	121	–	–	–	121
Archbishop's Fund	1,320	547	(122)	–	(418)	1,327
St Joseph's Pastoral Centre	239	174	(326)	–	79	166
Bakhita House	594	238	(415)	–	30	447
Property Repairs Fund	194	5	–	(22)	(12)	165
Post-ordination Studies Fund	1,708	15	–	(216)	(85)	1,422
Missions Fund	97	1	–	(12)	(10)	76
St John Southworth Fund	3,114	35	(180)	(432)	(81)	2,456
Filipino Chaplaincy Fund	165	1	–	(21)	(21)	124
Hare Street House	1,779	16	–	(187)	(20)	1,588
Sick and Retired Priests Fund	14,888	1,947	(516)	(1,129)	(156)	15,034
Westminster Ecclesiastical Education Fund	8,753	1,187	(1,094)	(672)	(71)	8,103
VASCA Fund	3,316	11,286	(13,603)	–	–	999
Outreach Fund	1,072	8	–	(110)	(39)	931
Other restricted funds	1,219	756	(1,466)	(88)	891	1,312
<b>Total</b>	<b>55,061</b>	<b>16,351</b>	<b>(17,758)</b>	<b>(3,020)</b>	<b>(1,125)</b>	<b>49,509</b>



## Notes to the accounts

– Year to 31 December 2022

### 16 Restricted funds (continued)

#### 2021

Group and Charity	At 1 January 2021 £'000	Income £'000	Expenditure £'000	Net Gains £'000	Transfers £'000	At 31 December 2021 £'000
Growing in Faith Fund	16,548	8	(313)	–	(994)	15,249
Masses Funds	1,135	9	(264)	112	(16)	976
Poor Fund	629	4	–	55	(688)	–
Ecclesiastical Education Fund	153	1	–	17	(2)	169
Trinity Fund	209	1	–	–	(1)	209
Wellesley Colley Fund	350	3	–	34	(387)	–
St Richard Reynolds	–	130	–	–	(130)	–
Archbishop's Fund	1,180	789	(322)	–	(327)	1,320
St Joseph's Pastoral Centre	134	191	(338)	–	252	239
Bakhita House	772	189	(397)	–	30	594
Property Repairs Fund	187	2	–	18	(13)	194
Post-ordination Studies Fund	1,576	14	–	181	(63)	1,708
Missions Fund	89	1	–	19	(12)	97
St John Southworth Fund	2,961	27	(160)	348	(62)	3,114
Filipino Chaplaincy Fund	149	1	–	18	(3)	165
Hare Street House	1,702	9	(14)	97	(15)	1,779
Sick and Retired Priests Fund	13,095	1,734	(499)	915	(357)	14,888
Westminster Ecclesiastical Education Fund	7,970	1,319	(1,003)	543	(76)	8,753
VASCA Fund	2,560	11,992	(11,236)	–	–	3,316
Outreach Fund	–	–	–	–	1,072	1,072
Other restricted funds	957	875	(1,479)	72	794	1,219
<b>Total</b>	<b>52,356</b>	<b>17,299</b>	<b>(16,025)</b>	<b>2,429</b>	<b>(998)</b>	<b>55,061</b>

The specific purposes for which the funds are to be applied are as follows:

- Growing in Faith Fund comprises monies raised as part of the Growing in Faith campaign to ensure a vibrant future for the diocese. The monies will be used: to support parishes and ensure that they are sound, prayerful and sustainable; to support priestly life at all stages, be that in formation, during service in parishes or in retirement; and to maintain the tradition of outreach to those in need.
- Masses Funds represent monies held for Masses.
- Poor Fund is for the relief of poverty in the diocese.
- Ecclesiastical Education Fund is for housing costs for priests.
- Trinity Fund is for major projects in parishes.
- Wellesley Colley Fund is for general charitable purposes of the diocese and for the relief of poverty.
- St Richard Reynolds represents grants received in respect of the construction of St Richard Reynolds School, Twickenham.
- Archbishop's Fund represents a legacy which is for projects as approved by the Archbishop.
- St Joseph's Pastoral Centre is for a variety of specific projects agreed with individual donors.
- Bakhita House supports the work of Bakhita House.
- Property Repairs Fund is available for repairs to diocesan properties.
- Post-ordination Studies Fund supports priests in further studies.
- Missions Fund supports the work carried out by missions.

## Notes to the accounts

– Year to 31 December 2022

### 16 Restricted funds (continued)

- St John Southworth Fund supports the work of parishes, organisations and projects across a range of issues including poverty, homelessness, old age and infirmity, and children with disabilities or who are in danger of deprivation.
- Filipino Chaplaincy Fund supports the work of the Filipino Chaplaincy.
- Hare Street House represents the net assets of the linked charity (see note 23).
- Sick and Retired Priests Fund represents the net assets of the linked charity (see note 23).
- Westminster Ecclesiastical Education Fund represents the net assets of the linked charity (see note 23).
- VASCA Fund represents the uncommitted balance of the VASCA Funds received by the Charity in respect of school and academy building projects (see note 21).

- Outreach Fund supports charitable work carried out in local communities.
- Other restricted funds are for specific charitable purposes of the diocese.

Transfers from curia restricted funds principally relate to grants to support diocesan-wide programmes and accommodation costs.

#### Parochial restricted funds

The parishes in the Diocese of Westminster are established and operate under the Church's Code of Canon Law which bestows on them separate canonical legal status. As such, each parish has been treated as a separate restricted fund in these accounts. The total parish or parochial funds are administered, with guidance from the Central Finance Office, by the parish priests and are used to carry out the work of the Church within local areas and help fund the curia. The transfers from the parochial restricted funds to the curial unrestricted funds represent the payment of the diocesan assessment by the parishes and contributions made towards the central costs of the diocese.

### 17 Designated funds

The income funds of the Charity include the following designated funds which have been set aside out of restricted funds by the Trustees for specific purposes:

Group and Charity	2022 £'000	2021 £'000
At 1 January	256	1,231
New designations	77	3
Utilised/released	(6)	(978)
At 31 December	327	256

The designated funds represent monies held by the curia for specific, unrestricted activities.

### 18 Tangible fixed assets fund

Group and Charity	2022 £'000	2021 £'000
At 1 January	22,177	21,968
Movement	(303)	209
At 31 December	21,874	22,177

The tangible fixed assets fund represents the net book value of the tangible fixed assets held by the curia for unrestricted purposes.

## Notes to the accounts

– Year to 31 December 2022

### 19 Programme related investment fund

The programme related investments fund represents the value of the Group's and Charity's programme related investments. As explained in note 11, these investments comprise land and buildings owned by the Charity but used by other charitable and not-for-profit organisations whose objectives are consistent

with those of the Charity. It is the intention of the Trustees that such assets should continue to be used for these purposes for as long as needed, and that as such their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

<b>Group and Charity</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
At 1 January and at 31 December	<b>10,503</b>	10,503

### 20 Analysis of net assets between funds

#### 2022

2022	Curial funds			Parochial funds	
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Restricted funds £'000	Total 2022 £'000
Group					
Fund balances at 31 December 2022 are represented by:					
Tangible fixed assets	21,874	2,339	24,213	107,477	131,690
Programme related investments	10,503	–	10,503	–	10,503
Investments	12,550	26,073	38,623	98,339	136,962
Net current assets	7,296	21,097	28,393	46,629	75,022
Non-current liabilities	(8,402)	–	(8,402)	–	(8,402)
Total net assets	43,821	49,509	93,330	252,445	345,775

#### 2021

2021	Curial funds			Parochial funds	
Group	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Restricted funds £'000	Total 2021 £'000
Fund balances at 31 December 2021 are represented by:					
Tangible fixed assets	22,177	2,438	24,615	106,944	131,559
Programme related investments	10,503	–	10,503	–	10,503
Investments	11,441	29,093	40,534	89,875	130,409
Net current assets	8,074	23,530	31,604	40,283	71,887
Non-current liabilities	(8,780)	–	(8,780)	–	(8,780)
Total net assets excluding pension liability	43,415	55,061	98,476	237,102	335,578
Pension liability	(672)	–	(672)	–	(672)
Total net assets	42,743	55,061	97,804	237,102	334,906



## Notes to the accounts

– Year to 31 December 2022

### 20 Analysis of net assets between funds (continued)

#### 2022

Charity	Total unrestricted funds £'000	Total restricted funds £'000	Total 2022 £'000
<b>Fund balances at 31 December 2022 are represented by:</b>			
Tangible fixed assets	21,874	109,816	131,690
Programme related investments	10,503	–	10,503
Investments	12,550	124,412	136,962
Net current assets	7,298	67,660	74,958
Non-current liabilities	(8,402)	–	(8,402)
<b>Total net assets</b>	<b>43,823</b>	<b>301,888</b>	<b>345,711</b>

#### 2021

Charity	Total unrestricted funds £'000	Total restricted funds £'000	Total 2021 £'000
<b>Fund balances at 31 December 2021 are represented by:</b>			
Tangible fixed assets	22,177	109,382	131,559
Programme related investments	10,503	–	10,503
Investments	11,441	118,968	130,409
Net current assets	8,074	63,746	71,820
Non-current liabilities	(8,780)	–	(8,780)
Total net assets excluding pension liability	43,415	292,096	335,511
Pension liability	(672)	–	(672)
<b>Total net assets</b>	<b>42,743</b>	<b>292,096</b>	<b>334,839</b>

#### Unrealised gains and revaluation reserve

It is not possible to ascertain with accuracy the original cost of the investment properties, the majority of which were purchased many years ago and for which records no longer exist recording the costs of acquisition. The Trustees are of the opinion that the costs involved in researching such information outweigh the value of disclosing the accumulated unrealised gains or revaluation reserve.

The accumulated unrealised gains on listed investments at 31 December 2022 are £1,776,000 (£9,147,000 in 2021).

## Notes to the accounts

– Year to 31 December 2022

### 21 School and academy building works

#### School and academy building works

The Charity is the legal owner of properties comprising voluntary aided schools, academies and two independent schools in the diocese. 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 Charity assists voluntary aided schools and academies 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 LCVAP (Locally Coordinated Voluntary-Aided Programme) were not included in the Statement of Financial Activities as the Charity

had no control over the funds and the transactions were those of the school governors rather than the Charity, which administered these monies as managing agent and made the appropriate payments to contractors for work carried out. In April 2020 the VASCA (Voluntary-Aided Schools Condition Allocation) system was introduced and superseded the LCVAP. The change in funding gives the Charity 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. The unspent balance of VASCA funding at the end of the year of £1.0 million (£3.3 million in 2021) has to be committed to projects by 31 March 2024 or returned to the DfE.

A summary of the transactions during the year in respect of the VASCA funding, which are reflected in the Statement of Financial Activities and Balance Sheet, is set out below:

	2022 £'000	2021 £'000
Expenditure on school and academy building works	11,078	9,952
The above expenditure was funded through grants from the DfE which were as follows:		
Monies carried forward at 1 January (note 16)	3,316	2,560
Monies received in the year and reflected in income (note 5)	11,286	11,992
Monies committed in the year and reflected as expenditure (note 6)	(13,603)	(11,236)
Monies carried forward at 31 December (note 16)	999	3,316

During the year, the Group and Charity received, as agent, government grants of £8,901,000 (£8,124,000 in 2021) in connection with major repair and capital projects at Church schools and academies in the diocese. These monies, together with the contributions received from governors are used to fund contractor payments also administered by the Charity acting as managing agent for the Church schools and academies concerned. During the year, the Charity made payments to contractors of £3,543,000 (£8,836,000 in 2021). The Charity receives this money in its capacity of managing agent for the governors only and, as such, these amounts are

excluded from the statement of financial activities. Consequently, only the Charity's net contribution to costs after deducting the contributions from governors and government grants towards the costs of the projects concerned is included as expenditure in the statement of financial activities.

A summary of the transactions during the year in respect of the non-VASCA funding, none of which are reflected through the statement of financial activities (see note above) since the Charity acted as the agent of the governor in respect of the funding, is as follows:

	2022 £'000	2021 £'000
Total amount spent	3,543	8,836
Less: grants received	(6,901)	(8,124)
Net governors' (asset) liability	(3,358)	712
Amounts owing on contracts at 31 December (note 14)	7,236	1,892
Amounts recoverable from Department for Education, Local Education Authorities and contract advances (note 13)	275	353
	2022	2021
Number of projects	181	140

## Notes to the accounts

– Year to 31 December 2022

### 22 Connected charities and related party transactions

The Charity is connected to the following charity, which is the responsibility of the same Corporate Trustee, namely Westminster Roman Catholic Diocese Trustee.

Charity Name	Charity Registration Number	Objectives
Westminster Cathedral Choir School	1063761	The training of children in church choral music

Transactions between the Charity and Westminster Cathedral Choir School are included in these accounts as Income from Programme Related Investments in note 4 (see also note 11).

The nature of such giving means that it is not possible to quantify the amount donated to the Charity by its Trustees during any financial year.

Throughout the year, the Trustees who are not members of the clergy attend Mass and other services and events in the Diocese of Westminster in their capacity as parishioners. In the course of doing so, they will contribute to the offertory and make other financial contributions.

Details of other transactions with Trustees are disclosed in note 8.

Other than the transactions disclosed above, there were no other related party transactions in 2022 or 2021 requiring disclosure.

### 23 Financial activities of linked charitable subsidiaries

In 2018, the Charity successfully applied to the Charity Commission for a uniting direction in respect of both Diocese of Westminster Sick and Retired Priests Fund and Westminster Ecclesiastical Education Fund (WEEF) which took effect from 1 January 2018. The effect of the uniting direction was to allow the Charity to prepare a single set of accounts that incorporates these linked charities as restricted funds of the Charity. Consequently, these linked charities are included in curial funds.

Charity, Westminster Cathedral Trust and Hare Street House which took effect from 1 January 2017. The effect of the uniting direction was to allow the Charity to prepare a single set of accounts that incorporated these three charities as restricted funds of the Charity. Consequently, Hare Street House is included in curial funds and both The Moorfields Charity and Westminster Cathedral Trust are included in parochial funds.

In 2017, the Charity successfully applied to the Charity Commission for a uniting direction in respect of The Moorfields

A summary of the statement of financial activities and a statement of the net assets at 31 December 2022 of each of the linked charities is given below.

2022	Curial funds			Parochial funds		Total 2022 £'000
	Hare Street House £'000	Sick & Retired Priests Fund £'000	WEEF £'000	The Moorfields Charity £'000	Westm. Cathedral Trust £'000	
Income	16	1,947	1,187	67	371	3,588
Expenditure	(20)	(672)	(1,165)	(101)	(675)	(2,633)
Net gains on investments	(187)	(1,129)	(672)	(540)	(467)	(2,995)
Net income and net movement in funds	(191)	146	(650)	(574)	(771)	(2,040)
Net assets	1,588	15,034	8,103	3,932	3,338	31,995

2021	Curial funds			Parochial funds		Total 2021 £'000
	Hare Street House £'000	Sick & Retired Priests Fund £'000	WEEF £'000	The Moorfields Charity £'000	Westm. Cathedral Trust £'000	
Income	9	1,734	1,319	49	642	3,753
Expenditure	(29)	(856)	(1,079)	(101)	(454)	(2,519)
Net gains on investments	97	915	543	400	377	2,332
Net income and net movement in funds	77	1,793	783	348	565	3,566
Net assets	1,779	14,888	8,753	4,506	4,108	34,034



## Notes to the accounts

– Year to 31 December 2022

### 24 Contingent liability

During 2014, the Charity agreed to act as guarantor to HSBC Bank plc to secure all liabilities in respect of a loan facility made available by HSBC Bank plc to St Etheldreda Trust (Registered Charity No. 1154426) in connection with the purchase and refurbishment of 13 Ely Place, London, EC1N 6RY. The maximum amount of the loan and hence the amount guaranteed by the Charity is £1,500,000. In return for the guarantee, the Charity has been granted a second legal charge over the freehold property purchased by St Etheldreda Trust at 13 Ely Place. The loan is for a period of 30 years with monthly capital repayments commencing two years after the initial drawdown.

Interest on the loan is charged at 1.5% above Bank Rate. St Etheldreda Trust is a charitable trust which owns both St Etheldreda's Church and the adjoining presbytery which serve the Parish of St Etheldreda's in the Roman Catholic Diocese of Westminster.

### 25 Post Balance Sheet Events

Subsequent to the year end the Charity purchased four functional properties with an aggregate purchase price of £1,153,000.

# Comparative consolidated statement of financial activities

– Year to 31 December 2021

	Notes	Curial funds			Parochial funds	Total 2021 £'000
		Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Restricted funds £'000	
<b>Income:</b>						
Donations and legacies						
. Grants receivable	1	–	130	130	–	130
. Other donations and legacies	1	807	3,691	4,498	27,073	31,571
Assessments	2	130	–	130	–	130
Other trading activities						
. Commercial trading operations	3	290	–	290	69	359
Investment income and interest receivable	4	895	278	1,173	3,469	4,642
Charitable activities						
. Rental income from functional properties	5	559	–	559	1,015	1,574
. Parish and similar activities	5	1,231	1,104	2,335	3,685	6,020
. Coronavirus Job Retention Scheme funding	5	490	104	594	804	1,398
. Grants receivable	5	–	11,992	11,992	–	11,992
Other income						
. Net gains on disposal of tangible fixed assets		308	–	308	6	314
<b>Total income</b>		<b>4,710</b>	<b>17,299</b>	<b>22,009</b>	<b>36,121</b>	<b>58,130</b>
<b>Expenditure:</b>						
Cost of raising funds						
. Fundraising trading: cost of goods sold and other costs	3	258	–	258	59	317
Charitable activities						
. Advancement of the Catholic faith primarily in the Diocese of Westminster	6	10,240	16,025	26,265	24,294	50,559
<b>Total expenditure</b>		<b>10,498</b>	<b>16,025</b>	<b>26,523</b>	<b>24,353</b>	<b>50,876</b>
<b>Net (expenditure) income before transfers and investment gains</b>	7	<b>(5,788)</b>	<b>1,274</b>	<b>(4,514)</b>	<b>11,768</b>	<b>7,254</b>
Transfers between funds						
. Growing in Faith		–	(108)	(108)	108	–
. Assessments	2	6,817	–	6,817	(6,817)	–
. Property		(3,229)	–	(3,229)	3,229	–
. Other		798	(890)	(92)	92	–
		<b>4,386</b>	<b>(998)</b>	<b>3,388</b>	<b>(3,388)</b>	<b>–</b>
<b>Net (expenditure) income before investment gains</b>		<b>(1,402)</b>	<b>276</b>	<b>(1,126)</b>	<b>8,380</b>	<b>7,254</b>
Net gains on investments	12	931	2,429	3,360	10,442	13,802
<b>Net income for the year</b>		<b>(471)</b>	<b>2,705</b>	<b>2,234</b>	<b>18,822</b>	<b>21,056</b>
Actuarial gains	8	967	–	967	–	967
<b>Net movement in funds</b>		<b>496</b>	<b>2,705</b>	<b>3,201</b>	<b>18,822</b>	<b>22,023</b>
<b>Reconciliation of funds</b>						
Total funds brought forward at 1 January		42,247	52,536	94,603	218,280	312,883
<b>Total funds carried forward at 31 December</b>		<b>42,743</b>	<b>55,061</b>	<b>97,804</b>	<b>237,102</b>	<b>334,906</b>

All of the Group's activities derived from continuing operations during the above financial period.

# Diocesan Committees

<b>Audit and Risk Committee</b>	Mr K Ingram Rt Rev J Sherrington Mrs V Dias
<b>Caritas Board</b>	Rt Rev P McAleenan Rev M Woodruff Mr DJ Barnes Mr J Brar Ms R Cairns Mr P Camoletto Ms A De Souza Ms P Fernandez
<b>Education Commission</b>	Rev Canon M Dunne Mr J Asgian Mr R Friel Mr P Camoletto Mr E Conway Mrs K Griffin Mrs J Jackson
<b>Finance Board</b>	Rt Rev J Sherrington Rt Rev N Hudson Rt Rev P McAleenan Rev Mgr M Hayes Mr A Ndoca Mr J Gibney Mr S Bunce Mrs V Dias
<b>Human Resources Committee</b>	Rt Rev J Sherrington Rev Mgr M Hayes Mr P Camoletto Ms M Mo
<b>Investment Committee</b>	Mr P Pejacevich Mr A Ndoca Mr A Fitzalan Howard Mr R McAdie Ms V Morel Kane Mr P Camoletto
<b>Property Committee</b>	Rt Rev J Sherrington Mr C Shepherd Mr E Craston Mr P Camoletto Mr J Petit
<b>Safeguarding Committee</b>	Baroness N O'Loan Mr P Houghton Mgr J O'Boyle Ms B Beese Dr E Morgan QC Mr K Barry Ms M Coller Rev S Coker Mr A Wdowiak Ms R O'Driscoll Ms B Herbert

Members at time of printing.



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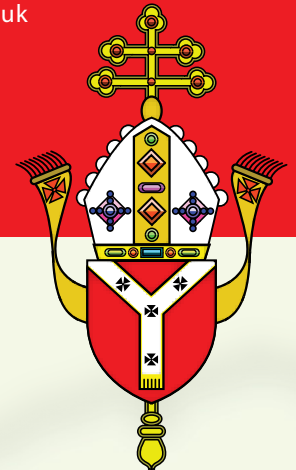
- The care of sick and elderly priests
- The training of new priests
- Evangelisation and formation
- The inclusion of all people in the life of the Church
- The Trinity Fund (which provides a lifeline to parishes with financial problems)
- Work with young people
- Lourdes pilgrimage
- Preserving church buildings

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You can also obtain further information about the different ways that you can help by contacting:

Director of Development  
Diocese of Westminster  
46 Francis Street  
London SW1P 1QN

Email: [supportercare@rcdow.org.uk](mailto:supportercare@rcdow.org.uk)  
Tel: 020 7798 9025



## The Diocese of Westminster



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Our website has the latest news about the work and mission of the Catholic Church in the diocese. It also includes full listings of all Catholic parishes, schools and chaplaincies.

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Diocese of Westminster

## **Westminster Year Book 2024**

Westminster Year Book contains full listings of Catholic parishes, priests, schools and societies. To be published in November 2023, it also includes the 2024 Liturgical Calendar. To order a copy please contact [wyb@rcdow.org.uk](mailto:wyb@rcdow.org.uk).

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