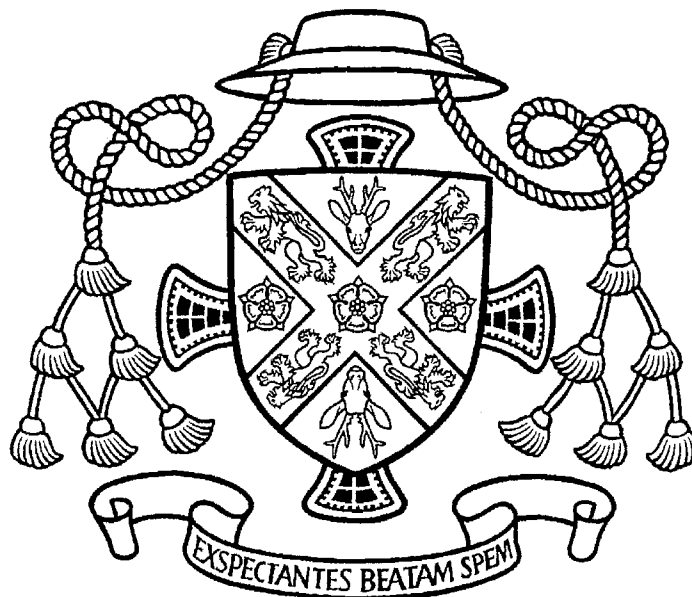


DIOCESE OF MIDDLESBROUGH



TRUSTEE'S REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2021

Diocese of Middlesbrough

Contents of the Financial Statements
for the Year ended 31 December 2021

	Page
Charity Information	2
Trustee's Report	3
Auditors' Report	11
Statement of Financial Activities for the year ended 31 December 2021	14
Statement of Financial Activities for the year ended 31 December 2020	15
Balance Sheet	16
Statement of Cash Flows for the year ended 31 December 2021	17
Notes to the Accounts	18-31

Diocese of Middlesbrough
Charity Information
for the Year Ended 31 December 2021

TRUSTEE: Diocese of Middlesbrough Trustee

DIRECTORS AND OFFICERS OF THE DIOCESE OF MIDDLESBROUGH TRUSTEE:

The directors shown below have held office for the whole of the period from 1 January 2021 to the date of this report.

Rt Rev Terence Patrick Draney, Bishop of Middlesbrough
Very Rev Mgr Canon G Robinson, Vicar General
Dr J Whiston
Mr N Mack
Mr J C Fleming
Rev W Massie
Mr P G Westmacott
Mr G Moran

Changes in directors holding office are as follows:

Very Rev Canon A Sheridan (resigned 16/03/21)
Mrs A Barham (resigned 16/03/21)
Mrs M T Clark (appointed 21/01/21 / died 22/11/21)
Dr T A Lyth (appointed 18/02/21)
Mr A T McMillan (appointed 05/03/21)
Mrs B Hungin (appointed 08/12/21)

FINANCIAL SECRETARY: Mr J A Walton

CHARITY NUMBER: 233748

CHARITY OFFICES: Curial Offices
50a The Avenue
Middlesbrough
TS5 6QT

AUDITORS: Anderson Barrowcliff LLP
3 Kingfisher Court
Bowesfield Park
Stockton on Tees
TS18 3EX

BANKERS: Barclays Bank Plc
Unit 1
Central Mall
The Mall
Middlesbrough
TS1 2NR

SOLICITORS: Grays
Solicitors
Duncombe Place
York
YO1 2DX

KEY MANAGEMENT PERSONNEL:

Chief Operating Officer: Rev P Warren
Financial Secretary: Mr J Walton
Director of Schools: Mr K Duffy (retired 31/03/22)

Trustee's Report for the Year Ended 31 December 2021

The Trustee presents its report and accounts for the year ended 31 December 2021.

CONSTITUTION AND AIMS

The Roman Catholic Diocese of Middlesbrough is governed by a Trust Deed dated 2 January 1928, and is registered under the Charities Act 1960 – No 233748. The sole Trustee of the Charity is a Trust Corporation, Diocese of Middlesbrough Trustee, company registration number 03482285, which was incorporated on 17 December 1997. The Charity is controlled by the Bishop who is assisted by ten directors of the Trust. The Bishop is empowered to appoint and dismiss all directors. Details of the Directors, acting as Trustees of the Charity, who served during the year, are given on page two.

The aims and objectives of the Trust are the “advancement or maintenance of the Roman Catholic Religion in the Roman Catholic Diocese of Middlesbrough”.

The Trustee Board confirm that they have complied with the duty in the Charities Act 2011 Section 17 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

OBJECTIVES AND ACTIVITIES

The aim of the Diocese is, in accordance with the objectives of the charity, the advancement of the Roman Catholic religion and education.

This advancement of the Roman Catholic religion is achieved, most effectively, when Catholics, inspired by faith, share the love of God with those around them, whether in their families, in the workplace, in schools or in the community.

During the year, the Government's Coronavirus Regulations were amended from time to time. This created a lack of confidence among the parishioners and resulted in reduced numbers attending Mass and other liturgies and attendance numbers were, and continue to be, quite significantly reduced. Consequent upon this reluctance to attend, the Bishops of England and Wales delayed the re-introduction of the obligation to attend Mass on Sundays and on Holy Days until Pentecost Day, 5 June 2022. During the various lockdowns, many parishes began to livestream Mass and many continue to do so to date and, currently, the Middlesbrough Cathedral livestreams every day.

The Diocese fulfils its purpose by offering religious and pastoral services, educational programmes and charitable support and assistance to all within its boundaries whether they be Catholics or belong to other religions or to none. This formation then enables the people of the Diocese to carry out the mission of the Church by reaching out to those in any form of need including refugees and asylum-seekers and immigrants, to those who have alcohol or drug dependency, to the homeless and to the poor and by supporting food banks. Schools, too, have involvement in this outreach through the way in which they help to form responsible individuals going out into society and reflecting the love of God by putting their faith into action.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Diocese comprises 70 parishes, five of which are served by the Benedictine Order, two by the Oratorians who have now formed their own charity, the York Oratory Trust, one by a Syro Malabar priest and one by the Norbertines. We also have Carmelite priests in York. In addition to this, we have University Chaplaincies in Hull and in York. We now have 42 diocesan priests in active ministry and one studying Canon Law in Canada. We also have 15 priests who have retired from parish pastoral office and, sadly, 2 priests have died in the past year. A number of our retired priests provide supply assistance to resident priests. We now have 12 permanent deacons working in various parishes of the Diocese and 6 who have retired. Parishes aim to provide for the spiritual needs of people of all ages with special emphasis on the needs of the poor and the sick. There is also great awareness of the plight of refugees and asylum-seekers and much effort is expended on providing assistance to those in this position.

We try to work in harmony with other Christian churches and people of all faiths as appropriate. We also provide education in the faith much of which is done through a network of schools. There are forty-five primary schools and eight secondary schools. The majority of our schools are members of multi-academy trusts (MATs) with only one school outside of these MATs. We also have two independent schools. One of our academy schools serves jointly Catholics and Church of England pupils from the Richmond area.

Trustee's Report for the Year Ended 31 December 2021

The operation of the Charity is overseen by the Corporate Trustee. Directors of the Trustee are appointed by the Bishop. The Trustee Board normally meets seven times in the year under the Chairmanship of the Bishop. A number of Board committees provide advice and guidance to the Trustee Board on a range of matters relevant to the Charity. These meet, normally, in advance of each Board meeting so that the Trustee body can be made aware of any matters of significance. Currently, these committees and sub-committees are as follows:

Finance Advisory Committee: The committee is made up of three Trustee directors and a senior priest supported by officers and specialists. The committee meets seven times a year, in advance of the Trustee Board meeting. It reviews parish and school expenditure, in addition to the Curia budget and deals with other matters of financial governance.

Ethical Investment Committee: Led by the Financial Secretary and including a member of the Diocesan Justice & Peace Commission, a member of the Council of Priests and the Investment Manager this committee reviews the Diocesan investment portfolio ensuring that the investments which make up the portfolio comply with the principles of the Ethical Investment Policy. Meetings of the Committee have been restricted due to the pandemic and it is hoped that we can, soon, return to a full programme of meetings.

Safeguarding Sub-Committee: The Diocesan Safeguarding Sub-Committee (which has replaced the Safeguarding Commission) is chaired by an independent person with significant experience in Child Protection work, who is also a Trustee Board director. It includes representatives from the statutory authorities, Diocesan clergy and another member of the Trustee Board. The Diocesan Safeguarding Co-ordinator attends meetings of the sub-committee and reports to each Trustee Board meeting on the implementation of policies and procedures in addition to any matters of concern.

Diocesan Historic Churches Commission (HCC): The HCC is chaired by a senior priest with representatives from various heritage bodies, specialists and Diocesan representatives. The Chair has, recently, retired from active ministry but will continue his work on the Commission. The Commission is charged with the task of ensuring that regular inspections are carried out and that any required work is carried out in an appropriate manner. It also requires that any work on the twenty-four listed churches and chapels in the Diocese is not undertaken without its prior approval. The Commission has also taken into its care a number of churches which experts consider should be listed.

Sick and Retired Priests' Welfare Committee: This committee, chaired by the Episcopal Vicar for Clergy, is responsible for supporting the sick and aged priests of the Diocese and the approval of expenditure for their welfare. Membership comprises the Chair, two priests elected by the Diocesan priests, a priest retired from pastoral office, a deacon and laity appointed by the Bishop.

The Directors of the Trust are also the Diocesan Finance Committee required by Canon Law (Canon 492). Newly-appointed Trustee Directors are briefed, initially, by the Company Secretary and receive copies of the Memorandum and Articles of Association, copies of the Charity Commission document on the responsibilities of Trustees and copies of Board minutes. There have been a number of changes since the date of the last Trustee's Report with two Directors resigning for personal reasons, the sad death of one other and three new appointments.

The Chief Operating Officer continues to provide legal advice and act as Company Secretary in addition to having responsibility for the operations of the Curia.

The Financial Secretary and his staff, under the ultimate authority of the Bishop, are responsible for handling all financial and property matters.

The Bishop's Council, comprising the Vicar General, four Episcopal Vicars with responsibility across the Diocese for aspects of a pastoral nature, together with the Chancellor, advises and assists the Bishop in pastoral matters.

The Diocesan Gift Aid Officer works closely with parishes on financial matters and provides support where requested. He meets, periodically, with representatives of parish Finance Committees. Recently, he has undertaken the task of introducing facilities for cashless giving in parishes and he now has these machines in a number of churches.

Care and Welfare: The consultant dealing with welfare needs of priests has continued her work throughout the Diocese. This is a service very much welcomed by priests.

Diocese of Middlesbrough

Trustee's Report for the Year Ended 31 December 2020

Remuneration Policy

The Trustee Board approves annual pay awards and job roles and remuneration are reviewed periodically. If, and when, significant roles change hands, benchmarking of rates is employed.

Subsidiary Company

The Diocese has a wholly-owned subsidiary company, Diocesan Property Management Limited. The company was established to facilitate the management of building contracts for the Diocese and its sales are to the Diocese only. The company provides its services at cost and, therefore, make a minimal profit or loss. For the year ended 31 December 2021, the turnover of the company was £Nil (2020: £Nil) and its loss was £848 (2020: £803).

FINANCIAL REVIEW AND REVIEW OF THE YEAR

The table below summarises the financial activities of the Diocese:-

	2021		2020	
	Unrestricted	Restricted	Unrestricted	Restricted
	£k	£k	£k	£k
PARISHES				
Income (excluding profit on sale of assets)	3,999	341	3,187	108
Expenditure	(2,919)	(92)	(2,668)	(96)
Diocesan assessment and transfer	(241)	-	(487)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Surplus/(deficit) before transfers etc	839	249	32	12
Transfers	72	(30)	188	(18)
(Loss)/Profit on sale of assets	177	-	126	-
Unrealised (loss)/gain on investment property	1,892	-	752	-
	<hr/>	<hr/>	<hr/>	<hr/>
Added to/ (deducted from) reserves	2,980	(219)	1,098	(6)
	<hr/>	<hr/>	<hr/>	<hr/>
CURIAL				
Diocesan assessment & transfer	241	-	487	-
Other income (excluding profit on sale of assets)	1,618	496	1,450	52
	<hr/>	<hr/>	<hr/>	<hr/>
Total income	1,859	496	1,937	52
Expenditure	(1,820)	(190)	(1,621)	(163)
	<hr/>	<hr/>	<hr/>	<hr/>
Surplus/(deficit)	39	306	316	(111)
Other transfers	(155)	114	(308)	138
(Loss)/Profit on sale of assets	(20)	-	-	-
Realised/unrealised gain/ (loss) on investments	2,226	17	555	(11)
	<hr/>	<hr/>	<hr/>	<hr/>
Added to/(deducted from) to reserves	2,090	437	563	16
	<hr/>	<hr/>	<hr/>	<hr/>

Full details of the income and expenditure are shown in the statement of financial activities on page 14 and in the notes to the accounts.

The Trustee Board wishes to place on record its sincere thanks to all priests, the Curia Office staff, parish volunteers and external professions for their efforts on behalf of the Trust.

Investment Powers and Policy

The Trust Deed, in conjunction with the Trustee Investment Act 1961 and the Memorandum and Articles of Association of the Trust Corporation, authorises the Trustee to make and hold investments using the general funds of the Diocese. The investment objective of the Trustee is that the real value of the assets should be maintained and enhanced over the long term and that the fund provides income to assist in the operational costs of the Diocese.

Diocese of Middlesbrough

Trustee's Report for the Year Ended 31 December 2021

The Investment Manager manages the portfolio on a discretionary basis, with an emphasis on medium risk, and the Diocese and the Investment Manager meet periodically to review the portfolio and its performance. In the management of the portfolio the Investment Manager takes due account of the Diocesan Ethical Investment Policy and reports to the Ethical Investment Committee. The Trustee is satisfied with the performance of the portfolio during the year.

However, 2022 up to the date of writing this report, has proved to be less comfortable. At the turn of the year, the market experienced a downturn due to interest rate movements which had not been, fully, anticipated. Then, in February, the Russian invasion of Ukraine, now in its ninth month, brought about a further market fall. By the third quarter of the year, the market had begun to regain some stability. Then, on 23rd September, the Government unveiled its mini budget and the fallout from that is continuing. The Diocese holds its share portfolio for the purpose of income generation and, so far there are no indications that this is anticipated to fall. Our Investment Manager believes that, once the issues around the mini budget have subsided, a good part of the portfolio will recover quite quickly and that, by the end of next year, we are likely to see close to a full recovery.

Reserves Policy

The Trustee Board has not determined a fixed amount of general reserves that are required but consider that the reserves need to be maintained at least at the present level in order to meet possible shortfalls in income and to be able to respond to requests for funding.

FUTURE PLANS

As was envisaged in the Trustee Report for 2020, the Diocese did, indeed, stage a successful Pilgrimage to Lourdes in 2022 and, heartened by the success of this, plans are already underway in the organising of a Pilgrimage to Lourdes in 2023. This will be the Diocese's 70th such Pilgrimage and will commence on 26th May 2023 and return on 2nd June 2023.

After years of expectation prolonged by the Coronavirus pandemic, the next celebration of World Youth Day will be held, in Lisbon, between 1st and 6th August 2023. It is expected that the celebration will commence with an opening ceremony and Mass on 1st August and will conclude with a Papal Mass on Sunday, 6th August. We hope that we will have a number of young people from the Diocese attending the celebrations.

The date for the Seventh World Day of the Poor will be 19 November 2023 with the theme yet to be announced. Pope Francis did celebrate Mass for the sixth World Day of the Poor on Sunday, 13th November 2022 with the theme "Jesus Christ ... for your sakes became poor." (2Cor: 8-9). This was the first time since 2019, as a result of restrictions due to the Covid pandemic, that this Mass was attended by a large congregation. In addition, there were several initiatives during the previous week reaching out to the many forms of poverty in his Diocese of Rome.

In our report for 2020, we referred to the Synod of Bishops and this will culminate, in Rome in October 2023 with the XVI Ordinary General Assembly of the Synod of Bishops.

PUBLIC BENEFIT, ACHIEVEMENTS AND PERFORMANCE

In preparing this report, the Directors of the Corporate Trustee confirm that they have complied with their duty in the Charities Act 2011 to have full regard to the public benefit guidance published by the Charity Commission's guidance in the exercise of their powers and duties.

The provision of public benefit provided by the Charity includes the provision of religious ceremonies (such as baptisms, weddings and funerals), maintaining religious burial grounds, celebrating public Masses and providing and maintaining places of worship. There is also a benefit to the general public since churches can be accessed, by people of all faiths and none, for personal spiritual contemplation. Parishes are, themselves, communities which contribute to the moral and spiritual wellbeing of those who attend, and, from these centres, educational, social and pastoral work is carried out as a practical expression of faith.

In supporting the parish endeavour, the Diocese has a number of agencies which provide central services. Details of this provision are shown below.

Trustee's Report for the Year Ended 31 December 2021

Youth Ministry

Father Phil Cunnah, our Schools Chaplaincy Co-ordinator, continues to be the Curial lead in working with young people and he is heavily involved in the organisation of Youth and Liturgy work of the diocesan Pilgrimage to Lourdes.

We are looking forward to Flame in March 2023 and to World Youth Day which take place in August 2023. We hope that we will have a number of young people accompanying Bishop Terry to WYD which will be held in Lisbon.

The Bishop's Council for Spirituality and Worship

The council supports Catechists, Extraordinary Ministers of Holy Communion (EMHC) and Ministers of the Word (MoW) by way of initial and ongoing formation. Regular deanery meetings are held in order to reinforce the support which is provided.

In October/November of each year the Diocese holds an "Inspirational Day" and all such ministers are invited to attend. Generally, this is a well-attended event at which there is an external speaker and which culminates with Mass before departure and returning home.

Various opportunities for formation are offered – these include, among a number of others, the Catholic Certificate in Religious Studies (CCRS). More recently, the Diocese has provided support to suitable students, lay leaders etc in undertaking an online course in pastoral and religious education available via the Diocese of Liverpool in conjunction with the Loyola Institute for Ministry based in Chicago, USA. A number of parishioners are now enrolled in this course.

The Council recognises that these various initiatives are an essential part of evangelisation and outreach.

Education

Bishop Terry, as the chief educator of the Diocese continues to believe strongly in the value of Catholic schools and in the development of the Catholic ethos and religious education in all schools in accordance with the Diocesan Trust documents. Foundation Governors and Directors, appointed by the Bishop, form the majority on each Governing Body and they assist the Bishop in addition to carrying out the various functions of the schools as required by statute.

The Coronavirus pandemic continued to have a significant impact on school life into the third quarter of 2021 and efforts continued to ensure that pupils and staff were protected. Due to this continuing issue, examinations at all levels were badly affected with Teacher Assessed Grades forming much of the indicators of attainment.

The fifty-three schools and academies within the Diocese are held mainly in academy trusts with only one school being outside such a trust. There are also two independent schools within the diocesan boundaries.

An independent review of our three Multi-Academy Trusts (MATs) was undertaken in an effort to identify the best way forward with our Trusts' structure and it was well into 2022 that, not without its difficulties, the final structure was settled upon. The result of this was that Saint Margaret Clitherow Catholic Academy Trust would be closed and that the academies formerly within that Trust would move into Nicholas Postgate Catholic Academy Trust (NPCAT) and Saint Cuthbert Roman Catholic Academy Trust (SCRCAT). This has now been finalized and we are left in the position that we have the one remaining secondary school still outside of a MAT. This position is being addressed and it is hoped that this school will move into NPCAT early in 2023. We will, then, have NPCAT with 36 schools and SCRCAT with 17 schools.

At the end of the 2020-2021 academic year, 85% of our schools were judged by Ofsted to be good or outstanding which falls within the national average. The remaining schools were already making rapid progress in anticipation of further Ofsted inspections. For their diocesan inspections which look at RE, Collective Worship and Catholic Life, 92% were judged to be good or better at their latest inspection report.

Vocations

Canon Alan Sheridan was appointed Vocations Director in 2020. He has been active in seeking candidates for the priesthood and the diaconate and he now has three candidates for the diaconate.

Trustee's Report for the Year Ended 31 December 2021

Work of the Tribunal

The Ministry of the Tribunal is often a last resort when a marriage has completely broken down and has ended in a civil divorce. A declaration of nullity may be requested for a number of reasons. Most commonly, someone wants to enter into another union or is already in another union and wishes to regularize the situation in the eyes of the Catholic Church so that they may participate more fully in its life. These are difficult times and care and generosity are needed to guide them.

The Tribunal is also involved in the processing of cases concerning clergy in co-operation with the CDF and the Congregation for Clergy.

Work of the Chancery

The main work of the Chancery is the processing of marriage papers, sometimes worldwide, for couples where the Catholic party, at least, is resident within the diocesan boundary. This work includes enabling marriages to take place legally (both civilly and canonically); ensuring that the property of the Church is correctly protected and administered on behalf of the people to whom it properly belongs. Other matters dealt with by the Chancery include advice to the Bishop on matters of public good and public order; liaising with outside agencies (both outside of the Church itself and within the Church but outside of the Diocese); enquiries from people regarding the status of themselves or their parishes/churches in Canon Law. In short, the Chancery works to ensure that the Church *works* properly on behalf of all its members.

Vicariate for Missionary Discipleship

This Vicariate encompasses a number of elements including Adult Formation, Caritas, Bishop's Council for Marriage and Family Life, Justice and Peace, Hospital, Prisons, Liaison for Catholic Fellowship and LGBT+ Outreach and Service and it forms a link with the wider community beyond the bounds of the liturgical and spiritual life of the Diocese. A priest, working part time, together with administrative support from the Curial Office, works with volunteers from the Diocese, upon whom much of the work depends, and encourages the various agencies.

The Marriage Preparation programme is in place to welcome couples from every part of the diocese into a marriage preparation programme for couples intending to get married in the Catholic Church. Groups and organisations such as the Justice and Peace Commission and people who support refugees and asylum seekers, in interfaith and ecumenical bodies, continue their work.

Communications

Communications falls within the ambit of the Vicariate for Missionary Communities and is coordinated by an Episcopal Vicar. Work of Communications is performed by a part-time consultant who deals with a number of matters including editing of the Catholic Voice newspaper, working with social media and promoting the Diocese via various local and national media. The Catholic Voice is now, fully, up and running and has, since the third quarter of 2021, been available monthly.

Within this area of activity, the EV deals, as required, with crisis management within the Diocese, acting with the part-time consultant and a specialist external agency in conjunction with our Safeguarding Department.

Prison Chaplaincy

There are seven prisons within the Diocese of Middlesbrough covering the whole range of categories: local, remand, maximum security, women and young people. Each is served by a priest chaplain, or deacon or volunteer, of varying contracted hours to celebrate Mass and other sacraments and respond to the pastoral needs of prisoners as requested. Roman Catholic Chaplains also play their part as members of the multi-faith chaplaincy teams in each prison and contribute to the daily round of prison life in a variety of other ways as required by the prison service.

Roman Catholic Chaplains, like all Chaplains, receive regular training and development opportunities provided by the prison service.

Diocese of Middlesbrough

Trustee's Report for the Year Ended 31 December 2021

Sick and Retired Priests

Care of our retired priests comes within the remit of the Vicariate for the Clergy. The local Deans still have an important part to play to make our retired priests feel that they remain involved in the life of the local church by attending Deanery conferences if possible as well as other spiritual and social gatherings.

The Retired Priests' Welfare Committee meets several times a year and the practical needs of each retired priest are discussed with the aim that their needs, from housing to healthcare, are met. The Diocese supports priests who have retired from active ministry by providing accommodation and financial assistance. Retired priests also have the services of our consultant Care and Welfare Officer.

Their independence is important to them as it is to us all. Mrs Audrey Kirby, our Care and Welfare Consultant, with her in-depth knowledge of the needs of older people coming from her long professional career in nursing, visits our retired men to offer them advice and reassurance about any health issues they may have. It is clear that this is much appreciated and she has a deeper insight into these issues than might another priest.

Our active retired priests are a great help in their willingness to supply cover for holidays, illness etc.

Every year the Bishop meets with the retired priests to celebrate Mass together and then have lunch in a convivial and relaxed atmosphere. The chance to meet up and share stories and anecdotes is enjoyed although some of the stories are re-told from previous years.

The annual collection for the retired priests and generous bequests are vital to maintain them in a manner which offers them security after often more than fifty years of service to the people of the Diocese.

Recently, a seminar "Transitions" was held for priests who may be considering retirement within the next year or two. There was discussion around how priests might like to become involved in other activities such as U3A which offers a number of opportunities in various locations. Pensions, RPWF, accommodation in retirement, Wills and LPAs were also discussed. A lunch was also offered and the event was well attended and greatly appreciated.

Safeguarding

The Bishop and Trustee Board Directors are committed to safeguarding children, young people and adults who may be at risk or vulnerable and two of the Trustee Directors provide support to the Safeguarding Co-ordinator. In October 2021 our Safeguarding Co-ordinator left the employment of the Diocese to take up a post in the recently-formed CSSA and was replaced, in January 2022. The CSSA provided us with cover in the interim period. The CSSA (Catholic Safeguarding Standards Agency), chaired by Mr Nazir Afzal OBE, began operation in June 2021.

The Safeguarding Office works closely with parishes and provides training for Clergy and Parish Safeguarding Representatives.

As reported in our 2020 Accounts, the Chair of the independent Safeguarding Commission changed hands in 2021 when Mr Andrew McMillan replaced Dr Dianne Swiers. The last meeting of the Safeguarding Commission and the first of the Trustee's Safeguarding Sub-Committee were held on 16 March 2022. Mrs Jacqui Drysdale was appointed as Safeguarding Co-ordinator on 4 January 2022. Prior to employment with the Diocese, Mrs Drysdale had significant previous experience in the Scouting Association and in the Police Service in Cleveland and North Yorkshire.

Liturgy

We continue to place a great deal of emphasis on all our liturgies, as such we have a wonderful lay faithful who are involved in all aspects of the celebration of Mass. We have good teams of ushers, welcomers, Ministers of the Word and Ministers of Holy Communion. Every year we have training sessions and inspirational days for all our lay faithful; they are an integral part of our Church. Once again, we had a wonderful study day for Ministers of Word and Holy Communion from around our Diocese and our thanks go out to all who assist in organising this, and other events.

The annual pilgrimages to Lourdes and Walsingham continue and were, once again, led by the Bishop and provided opportunities for reflection and faith enhancement.

In each year we have some wonderful liturgies. Most notable of these continues to be the annual Chrism Mass, held at the Cathedral, which brings together the family of the Diocese. We aim to continue the high standards of liturgy throughout our Diocese for this coming year.

Trustee's Report for the Year Ended 31 December 2021

RISK ASSESSMENT

The Diocesan Trustee Board has assessed the major risks to which the Diocesan Trust is exposed, in particular, those related to the operation and finances of the Trust, and is satisfied that the systems in place to mitigate our exposure to the major risks are operating effectively. The most significant risks identified were Pastoral risks relating to parish life. The issue of the increasing burden on priests due to serving additional churches and communities was identified as significant. Other risks include declining Mass attendances, reducing numbers of priests in active ministry and the risk of failures in safeguarding matters. The Diocese addresses falling Mass attendance in a number of ways including Youth Mission. The Diocesan Vocations Director is active in seeking suitable candidates for Ordination. In terms of safeguarding, the Diocese has a policy and parishes are monitored for compliance.

STATEMENT OF RESERVES

Total reserves at 31 December 2021 amounted to £57,090,865 (2020: £51,364,769) and this is made up of:

Parochial reserves £35,750,024 (2020: £32,550,843) which relate, principally, to the assets and activities of individual parishes, and

Curial reserves £21,340,841 (2020: £18,813,926). Of this £3,823,772 represents the balance on restricted items which is not available for general purposes. Included in that restricted total is £1,585,597 being the amount held in the Retired Priests' Welfare Fund. Details of the restricted funds are included in Note 12 to the accounts. Unrestricted funds amount to £17,517,069 of which £696,237 is, in essence, a fixed asset fund. The balance of this is in excess of the £3,172,027 held on behalf of parishes and is sufficient to permit the Trustee to continue in operation and to fulfil its obligations.

This year saw an increase in the valuation of investment properties of £3,127,045 and an unrealised increase in listed investments of £855,550.

THE STATEMENT OF TRUSTEE'S RESPONSIBILITIES

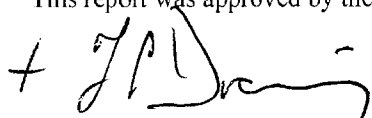
The Trustee Board is responsible for preparing the Trustee's Report and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements the Trustee is required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) observe the methods and principles in the Charities SORP;
- (c) make judgements and estimates that are reasonable and prudent;
- (d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- (e) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Diocese will continue in operation.

In accordance with charities legislation, the Trustee is responsible for keeping proper accounting records which disclose, with reasonable accuracy, at any time, the financial position of the Diocese and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed dated 2 January 1928. The Trustee is also responsible for safeguarding the assets of the Diocese and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustee on 13 December 2022 and signed on its behalf by:



Rt Rev Bishop T P Draney
Bishop of Middlesbrough
Diocese of Middlesbrough Trustee

Diocese of Middlesbrough
Independent Auditors' Report
to the Trustee of the Roman Catholic Diocese of Middlesbrough

Opinion

We have audited the financial statements of the Roman Catholic Diocese of Middlesbrough (the 'charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021, and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustee is responsible for the other information. The other information comprises the information included in the trustee's annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Diocese of Middlesbrough
Independent Auditors' Report
to the Trustee of the Roman Catholic Diocese of Middlesbrough

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustee's report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustee's responsibilities statement set out on page 10, the trustee is responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:-

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Challenging estimates and judgements made by management in their significant accounting estimates.
- Revenue recognition; agreeing a sample of revenue transactions to gain assurance over the occurrence and accuracy of revenue and also to ensure revenue has been recognised in the correct period.

Diocese of Middlesbrough
Independent Auditors' Report
to the Trustee of the Roman Catholic Diocese of Middlesbrough

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

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

Use of our report

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



ANDERSON BARROWCLIFF LLP
Statutory Auditor
Chartered Accountants
3 Kingfisher Court
Bowesfield Park
Stockton on Tees
TS18 3EX

Date: 13 December 2022

Diocese of Middlesbrough
Statement of Financial Activities for the Year Ended 31 December 2021

	Notes	Parochial		Curial		Total Funds 2021 £	Total Funds 2020 £
		Unrestricted Funds £	Restricted Funds £	Unrestricted Funds £	Restricted Funds £		
INCOME FROM							
Donations, offertory & Gift Aid		2,442,495	115,849	111,245	45,022	2,714,611	2,262,780
Legacies		697,681	225,476	124,178	397,294	1,444,629	359,361
Donations and legacies		3,140,176	341,325	235,423	442,316	4,159,240	2,622,141
Other trading activities							
Fundraising		77,408	-	-	2,869	80,277	101,688
Papers, candles & piety stalls		50,067	-	-	-	50,067	52,920
Investment Income							
Investment income	4	-	-	475,040	2,250	477,290	496,367
Rents & hire fees		555,027	-	466,060	9,000	1,030,087	941,656
Charitable activities							
School Service Contribution		-	-	236,344	-	236,344	221,917
Stipends		154,427	-	-	-	154,427	134,249
Other Incoming Resources							
Government grants		-	-	61,538	-	61,538	116,932
Other		21,852	-	143,139	40,000	204,991	107,905
TOTAL INCOME		3,998,957	341,325	1,617,544	496,435	6,454,261	4,795,775
EXPENDITURE ON							
Charitable activities		2,911,451	91,598	1,819,534	190,458	5,013,041	4,542,353
Raising funds	2	7,831	-	-	-	7,831	6,639
Net (gain)/loss on disposal of assets		(176,939)	-	19,578	-	(157,361)	(126,366)
TOTAL EXPENDITURE		2,742,343	91,598	1,839,112	190,458	4,863,511	4,422,626
Net gains/(losses) on investments - Realised		(14)	-	13,885	294	14,165	(781,575)
- Unrealised		1,892,356	-	2,211,837	16,988	4,121,181	2,078,643
Net Income/(Expenditure)		3,148,956	249,727	2,004,154	323,259	5,726,096	1,670,217
Transfers between funds							
	5	(169,039)	(30,463)	85,560	113,942	-	-
Net Movement in Funds		2,979,917	219,264	2,089,714	437,201	5,726,096	1,670,217
Reconciliation of Funds							
Fund balances brought forward at 1 January 2021		32,353,217	197,626	15,427,355	3,386,571	51,364,769	49,694,552
FUND BALANCES CARRIED FORWARD AT 31 December 2021		35,333,134	416,890	17,517,069	3,823,772	57,090,865	51,364,769

There were no recognised gains or losses for the year other than those included in the Statement of Financial Activities
The notes on pages 18 to 31 form part of these accounts

Diocese of Middlesbrough
Statement of Financial Activities for the Year Ended 31 December 2020

	Notes	Parochial		Curial		Total Funds 2020	Total Funds 2019
		Unrestricted Funds	Restricted Funds	Unrestricted Funds	Restricted Funds	£	£
INCOME FROM							
Donations, offertory & Gift Aid Legacies		2,148,101	108,048	541	6,090	2,262,780	3,118,597
		254,222	-	105,139	-	359,361	2,029,836
Donations and legacies		2,402,323	108,048	105,680	6,090	2,622,141	5,148,433
Other trading activities							
Fundraising		67,850	-	-	33,838	101,688	246,382
Papers, candles & piety stalls		52,920	-	-	-	52,920	167,587
Investment Income							
Investment income	4	25	-	493,039	3,303	496,367	405,252
Rents & hire fees		508,078	-	425,283	8,295	941,656	1,032,923
Charitable activities							
School Service Contribution		-	-	221,917	-	221,917	165,112
Stipends		134,249	-	-	-	134,249	202,519
Other Incoming Resources							
Government grants		-	-	116,932	-	116,932	-
Other		21,226	-	86,679	-	107,905	372,503
TOTAL INCOME		3,186,671	108,048	1,449,530	51,526	4,795,775	7,740,711
EXPENDITURE ON							
Charitable activities							
Raising funds	2	2,661,900	96,276	1,621,285	162,892	4,542,353	6,226,540
Net loss on disposal of assets		6,459	-	180	-	6,639	26,738
		(126,366)	-	-	-	(126,366)	(6,500)
TOTAL EXPENDITURE		2,541,993	96,276	1,621,465	162,892	4,422,626	6,246,778
Net gains/(losses) on investments		(621,983)	-	(157,577)	(2,015)	(781,575)	58,164
- Realised		1,374,391	-	713,165	(8,913)	2,078,643	1,468,065
- Unrealised							
Net Income/(Expenditure)		1,397,086	11,772	383,653	(122,294)	1,670,217	3,020,162
Transfers between funds	5	(299,412)	(18,130)	179,322	138,220	-	-
Net Movement in Funds		1,097,674	(6,358)	562,975	15,926	1,670,217	3,020,162
Reconciliation of Funds							
Fund balances brought forward at 1 January 2020		31,255,543	203,984	14,864,380	3,370,645	49,694,552	46,674,390
FUND BALANCES CARRIED FORWARD AT 31 December 2020		32,353,217	197,626	15,427,355	3,386,571	51,364,769	49,694,552

There were no recognised gains or losses for the year other than those included in the Statement of Financial Activities

Diocese of Middlesbrough

Balance Sheet as at 31 December 2021

		2021			<i>2020</i>
	Notes	<u>Parochial</u>	<u>Curial</u>	<u>Total</u>	<u>Total</u>
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	6	9,252,313	696,237	9,948,550	<i>10,034,768</i>
Investments	7	18,076,804	23,173,656	41,250,460	<i>36,971,493</i>
		<u>27,329,117</u>	<u>23,869,893</u>	<u>51,199,010</u>	<u><i>47,006,261</i></u>
CURRENT ASSETS					
Investments	8	-	5,272,014	5,272,014	<i>5,033,201</i>
Debtors	9	-	1,384,884	1,384,884	<i>1,497,511</i>
Cash at bank & in hand		5,297,677	5,370,186	10,667,863	<i>7,942,713</i>
		<u>5,297,677</u>	<u>12,027,084</u>	<u>17,324,761</u>	<u><i>14,473,425</i></u>
CREDITORS : Amounts Falling Due Within One Year	10	(48,797)	(11,384,109)	(11,432,906)	<i>(10,114,917)</i>
NET CURRENT ASSETS		<u>5,248,880</u>	<u>642,975</u>	<u>5,891,855</u>	<u><i>4,358,508</i></u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>32,577,997</u>	<u>24,512,868</u>	<u>57,090,865</u>	<u><i>51,364,769</i></u>
CREDITORS: Amounts Falling Due After One Year	11	-	-	-	-
		<u>32,577,997</u>	<u>24,512,868</u>	<u>57,090,865</u>	<u><i>51,364,769</i></u>
PARISH LOAN ACCOUNTS					
Due to Parishes		7,344,121	(7,344,121)	-	-
Due from Parishes		(4,172,094)	4,172,094	-	-
NET ASSETS		<u>35,750,024</u>	<u>21,340,841</u>	<u>57,090,865</u>	<u><i>51,364,769</i></u>
Financed By:					
Unrestricted funds - unrestricted		34,940,922	16,489,212	51,430,134	<i>46,719,051</i>
- designated		392,212	1,027,857	1,420,069	<i>1,061,521</i>
		<u>35,333,134</u>	<u>17,517,069</u>	<u>52,850,203</u>	<u><i>47,780,572</i></u>
Restricted funds	12	416,890	3,823,772	4,240,662	<i>3,584,197</i>
	13	<u>35,750,024</u>	<u>21,340,841</u>	<u>57,090,865</u>	<u><i>51,364,769</i></u>

Approved by the Trustee on 13 December 2022 and signed on its behalf.

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Rt Rev Bishop T P Draine

Bishop of Middlesbrough
Diocese of Middlesbrough Trustee

The notes on pages 18 to 31 form part of these accounts.

Diocese of Middlesbrough
Statement of Cash Flows
for the Year Ended 31 December 2021

	<u>2021</u>	<u>2020</u>
	£	£
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	355,535	(719,535)
Cash flows from investing activities:		
Dividends, interest and rents from investments	1,507,377	1,438,023
Proceeds from the sale of property, plant and equipment	7,500	182,297
Purchase of tangible fixed assets	(109,840)	(335,474)
Proceeds from sale of investments	1,303,259	1,019,844
Purchase of investments	(1,519,008)	(742,548)
Net cash provided by (used in) investing activities	1,189,288	1,562,142
Cashflows from financing activities		
Repayments of borrowings	-	-
Change in cash and cash equivalents in the reporting period	1,544,823	842,607
Cash and cash equivalents at the beginning of the reporting period	4,972,004	4,129,397
Cash and cash equivalents at the end of the reporting period	6,516,827	4,972,004
Reconciliation of net incoming resources to cash flow from operating activities		
Net income for the reporting period (as in SOFA)	5,726,096	1,670,218
Adjustments for:		
Depreciation	179,235	176,308
Non cash legacy received	-	(91,933)
(Gains)/losses on investments	(4,135,360)	(1,297,068)
Dividends, interest and rent from investments	(1,507,377)	(1,438,023)
(Decrease)/increase in creditors	137,661	(471,899)
Decrease/(increase) in debtors	112,627	859,228
Loss/(profit) on the sale of fixed assets	(157,347)	(126,366)
Net cash provided by/(used in) operating activities	355,535	(719,535)

1 ACCOUNTING POLICIES

1.1 General information and basis of preparation

The Roman Catholic Diocese of Middlesbrough is governed by a Trust Deed dated 2 January 1928 and is registered with the Charity Commission of England and Wales. (No. 233748) The sole Trustee of the charity is a Trust Corporation which was incorporated on 17 December 1997. The address of the registered office is given in the Report of the Trustees on page 1.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to the accounts. The Trustees consider that there are no material uncertainties about the entity's ability to continue as a going concern. The financial statements are prepared in sterling which is the functional currency of the entity and rounded to the nearest £.

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

1.2 Subsidiary company

All of the turnover of the Diocese's wholly owned subsidiary, Diocesan Property Management Limited, represents sales of building construction to the Diocese. The subsidiary has no material net assets or liabilities. There is no significant difference between the Statement of Financial Activities and the Balance Sheet of the Charity and its subsidiary, and accordingly the subsidiary has not been consolidated within these accounts.

1.3 Tangible Fixed Assets and Investment Properties

A Freehold Land and Buildings (Functional)

Churches, Presbyteries, Halls and Offices etc

Functional Land and Buildings, (i.e. land and buildings used for the prime purpose of the Charity), which are still in use by the Charity are included in the financial statements at original cost or where this is not available at an estimate of their Historic Cost, (or in the case of donated buildings, at an estimate of their fair value at the date of receipt). All new functional buildings, improvements and major renovations are capitalised at the cost of construction.

Buildings are depreciated at rates calculated to write off their estimated Historic Cost (less the estimated residual value) evenly over the whole of their useful life.

The estimate of the useful life of a building varies depending on the condition and future use of the building, however, in general it is expected that a building in a reasonable state of repair will continue in use without major renovations or improvements for the following period:-

(a)	Unlisted Churches	25 to 100 Years
(b)	Cathedral and Listed Churches	100 to 200 Years
(c)	Presbyteries	25 to 100 Years
(d)	Other Buildings	25 to 100 Years

Depreciation rates are calculated using the age of the building and its expected useful life.

1 ACCOUNTING POLICIES (continued)

1.3 Tangible Fixed Assets and Investment Properties (continued)

A Freehold Land and Buildings (Functional) (continued)

Churches, Presbyteries, Halls and Offices etc

Details and addresses of the Diocesan churches and other buildings, can be found in the Diocesan Year Book.

Voluntary Aided Schools and Academies

(i) Land

The Charity owns the land on which its Voluntary Aided Schools and Academies are built. The nature of the occupation of the land by these exempt and excepted charities means that the Diocesan Trustee does not have the power to dispose of the land, until the school ceases its occupation, which in turn would require the approval of the governors and the Secretary of State. The Diocesan Trustee considers its ownership to be in the nature of custodianship of the assets and these are therefore not capitalised in the financial statements. The cost of any land acquired for the purposes of a Voluntary Aided School or Academy is charged to the Statement of Financial Activities in the year of acquisition.

(ii) Buildings

The School buildings are occupied, improved, extended and repaired by the school governors. The nature of the occupation of these buildings by these exempt and excepted charities means that the Diocesan Trustee does not have the power to dispose of the buildings, until the school ceases its occupation, which in turn would require the approval of the governors and the Secretary of State. Any proceeds of sale would be subject to clawback by the Secretary of State of related grant aid provided. The Diocesan Trustee considers its ownership to be in the nature of custodianship of the assets and these are therefore not capitalised in the financial statements. The school governors account for the building, improvement and repair costs of the schools less any grants received in respect of these costs.

Details of the Diocesan Voluntary Aided Schools and Academies, (both freehold and leasehold) are given in the Diocesan Year Book. The insured value of these school buildings is given in note 8 to these financial statements.

B Freehold Land and Buildings (Investment Properties)

Investment properties are shown at the Trustee's best estimate of market value which reflects the annual movement on the house price index for the Diocesan geographical location and other known circumstances. All changes in value during the year are reported in the "Gains and Losses on Revaluation and Investment Asset Disposals" section of the Statement of Financial Activities. The Historical Cost of these assets is separately disclosed in note 7. As these assets are recorded at current market value no charge for depreciation is made in the financial statements.

C Fixtures, Fittings & Equipment

Fixtures, Fittings and Equipment which were in use at 31 December 1995 and which had a current replacement cost exceeding £1,000, have been capitalised and included in the financial statements at an estimate of their Historical Cost, (or in the case of donated assets, at an estimate of value at the date of acquisition). Subsequent acquisitions with a cost, (or in the case of donated assets, estimated value), of over £1,000, are capitalised on the same basis. They are depreciated at rates calculated to write off the cost or valuation, less the estimated residual value, of each asset evenly over its expected useful life as follows:-

Church Furniture	25 to 200 Years
Office Equipment	3 to 5 Years
Parish Hall Equipment	20 Years

Contents of presbyteries are not included in the accounts.

1 ACCOUNTING POLICIES (continued)

1.3 Tangible Fixed Assets and Investment Properties (continued)

D Works of Art & Historic Treasures

The Charity owns several individual Works of Art, Historic Treasures and Plate. The items have extraordinarily long lives and are worth preserving perpetually. The collection is not recognised in the Balance Sheet because details of the costs of these items are not available and the cost to the Charity of obtaining valuations would exceed the benefit arising from doing so.

E Motor Vehicles

Motor Vehicles have been capitalised and included in the financial statements at their Historical Cost, (or in the case of donated assets, at an estimate of value at the date of acquisition) and are depreciated at rates calculated to write off the cost or valuation, less the estimated residual value, of each asset over its expected useful life as follows:

Motor Cars 25% on Reducing Balance

1.4 Income Recognition

Donations, legacies and other voluntary income are recognised in the Statement of Financial Activities (SOFA) when the Diocese becomes legally entitled to them and they can be reasonably measured in financial terms. Where the income has been donated for a specific purpose then this has been disclosed separately within the restricted fund income.

The income from fundraising ventures is shown gross, with the associated costs included within fundraising costs.

Income

All income is included in the SOFA once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies apply to categories of income:

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

For legacies, entitlement is considered to be the earlier of when either:-

- notification has been received from the executor that probate has been granted and the Charity is expected to receive a distribution; or
- a distribution has been received from the estate.

Receipt of a legacy is only considered probable when the executors have indicated that there are sufficient assets in the estate to make a distribution. Where legacies have been notified to the Charity, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. Life interests are not recognised until the cessation of the life interest; they are then valued as for residuary legacies.

Income from charitable activities is recognised as earned as the related services are provided.

Investment income is credited to income when it is receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Details of trading activities that the Diocese undertakes in the furtherance of its charitable objectives are set out in the notes. Fees received and sales of goods are accounted for in the period in which the relevant services or goods are provided or supplied.

Notes to the Accounts for the Year Ended 31 December 2021 - continued

1 ACCOUNTING POLICIES - continued

1.5 Investments

Investments are stated at fair value. Realised and unrealised gains and losses on investments are dealt with in the Statement of Financial Activities. Investment income is credited to income on an accruals basis, using dates of payment for dividends, and daily accrual for interest.

Investment properties are valued by the trustee at the best estimate fair value.

Current investments are designated as such as they are highly liquid and the Charity has specified that they be made readily available to convert to cash within a short term notice period.

1.6 Grants Payable

Grants payable are recognised as expenditure when the commitment is entered into.

1.7 Government Grants

The charity received government grants in respect of the Coronavirus Job Retention Scheme. These grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the charity will comply with conditions attached to them. The grants were recognised using the accrual model.

1.8 Expenditure

Liabilities are recognised as expenditure as soon as there is legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Expenditure is recognised on an accruals basis as a liability is incurred, inclusive of VAT, which cannot be recovered.

Expenditure is categorised under the following headings:-

- Costs of raising funds includes all costs relating to attracting voluntary income, the cost of goods sold in fundraising and other related costs. They have been allocated to activities on a basis consistent with the use of resources.
- Expenditure on charitable activities (note 2)
- Other expenditure represents those items not falling into the categories above.

(i) Curial Office

Charitable activities, costs of generating funds and governance costs have been apportioned between restricted and unrestricted payments, and have been allocated to the specific funds and projects to which they relate.

The Charity operates a defined contribution pension scheme for its Curial Office lay staff. Contributions payable for the year are charged in the Statement of Financial Activities.

(ii) Parochial

Expenditure costs for each parish have been allocated to their respective overhead category, with the exception of the parish assessment charge from the Curial Office, which has been treated as a transfer between parochial and curial in the Statement of Financial Activities.

1.9 Value Added Tax

Value added tax is not recoverable by the Charity, and as such is included in the relevant cost, in the Statement of Financial Activities.

Notes to the Accounts for the Year Ended 31 December 2021 - continued

1 ACCOUNTING POLICIES - continued

1.10 Funds Structure

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

Designated funds comprise unrestricted funds that have been set aside by the Trustee for particular purposes. The aim and use of each designated fund are set out in the notes to the financial statements.

Restricted funds are funds that are used in accordance with specific restrictions imposed by donors or that have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund are set out in the notes to the financial statements.

1.11 Debtors

Debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 Creditors and Provisions

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

1.13 Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Notes to the Accounts for the Year Ended 31 December 2021 - continued

2 CHARITABLE ACTIVITIES EXPENDITURE

Curial

	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Schools Service	323,691	-	323,691	283,496
Academy formation & school costs	200,000	-	200,000	100,000
Youth Service	15,442	7,579	23,021	34,817
Bishop's & Clergy Support	207,441	22,582	230,023	286,815
Services to Parishes & Chaplaincies	316,660	-	316,660	310,342
Upkeep of properties	222,639	-	222,639	104,942
Justice & Peace	3,000	-	3,000	3,000
National assessments	27,572	-	27,572	36,795
Finance charges	23,709	-	23,709	35,421
Support costs	324,645	-	324,645	358,811
Governance costs				
- Legal & professional	84,150	-	84,150	29,764
- Accountancy & taxation advice	16,012	-	16,012	20,000
- Audit Fee	16,000	-	16,000	16,000
Retired Priests Welfare Fund	-	132,400	132,400	106,248
Priest training	-	3,657	3,657	5,409
Special collections	-	19,053	19,053	19,900
Lourdes Pilgrimage	-	5,187	5,187	1,232
Diocesan Events	1,273	-	1,273	300
Depreciation	17,241	-	17,241	16,636
Other	20,059	-	20,059	14,249
	<u>1,819,534</u>	<u>190,458</u>	<u>2,009,992</u>	<u>1,784,177</u>

Support costs are those costs (such as staff and office costs) that are incurred in running the Curial Office. These costs are an integral part of the furtherance of the Charity's objects.

Parochial

	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Repairs & maintenance	972,642	-	972,642	936,970
Establishment costs	705,725	-	705,725	505,507
Administration	236,275	-	236,275	242,012
Domestic	129,693	-	129,693	140,998
Motor & travel	62,927	-	62,927	56,765
General church expenses	123,744	-	123,744	138,067
Clergy support	488,253	-	488,253	427,628
Schools	3,104	-	3,104	2,994
Donations	20,681	-	20,681	10,155
Special collections	-	91,598	91,598	96,276
Depreciation	161,994	-	161,994	159,672
Other	6,413	-	6,413	41,132
	<u>2,911,451</u>	<u>91,598</u>	<u>3,003,049</u>	<u>2,758,176</u>

3 STAFF INFORMATION

Staff costs

	<u>2021</u>	<u>2020</u>
	£	£
Wages & salaries	763,459	736,369
Social Security costs	74,094	71,406
Pension contributions	71,202	64,488
	<u>908,755</u>	<u>872,263</u>

The average number of curial employees was 23 (2020: 23)

There was 1 employee (2020: nil) who earned between £60,000 and £70,000 in the year.

There was 1 employee (2020: 1) who earned between £80,000 and £90,000 in the year.

Key management personnel received salary and pension contributions of £229,443 (2020: £232,051).

None of the directors received any remuneration in the year in respect of their duties as directors. Certain directors received allowances as serving Clergy but not in their capacity as Director. Expenses of £nil (2020: £475) were reimbursed in the year to directors in respect of their duties as directors of the Corporate Trustee.

Pension payments

The Diocese contributes 6% of gross salary to a group personal pension scheme for staff who elect to join. The scheme is a defined contributions scheme for which the Diocese is neither liable to finance any funding shortfall nor entitled to benefit from any over funding. At the year end pension contributions outstanding were £4,179 (2020: £4,113).

Eligible teachers and former teachers subscribe to the Teachers' Pension Scheme (TPS) superannuation scheme which is a defined benefits scheme. The employer's contribution is set by the TPS. The TPS represents a collective scheme as it is not possible to separately identify the assets and liabilities attributable to a particular employer. Hence the employer has neither a commitment to make good any actuarial deficit nor an entitlement to benefit from any over funding. Under the provisions of Financial Reporting Standard 102 the accounting treatment for the TPS scheme is as if the scheme were a defined contributions scheme. The pension charge for the year includes contributions payable to the TPS of £20,879 and at the year end £1,767 was accrued in respect of contributions to this scheme.

4 INVESTMENT INCOME

	Parochial		Curial		2021	2020
	Unrestricted	Restricted	Unrestricted	Restricted	Total	Total
	£	£	£	£	£	£
UK listed investments	-	-	471,796	2,248	474,044	484,725
Bank interest	-	-	3,244	2	3,246	11,642
	<u>-</u>	<u>-</u>	<u>475,040</u>	<u>2,250</u>	<u>477,290</u>	<u>496,367</u>

5 TRANSFERS

	Parochial		Curial		Total £
	Unrestricted £	Restricted £	Unrestricted £	Restricted £	
Parish levy	(221,678)	-	221,678	-	-
Levy pension fund	(18,750)	-	-	18,750	-
Capital invested in the Diocese	67,478	-	(67,478)	-	-
Interest credited to restricted funds	-	-	(28,784)	28,784	-
Contributions to/from restricted funds	-	-	(35,945)	35,945	-
Second collections	-	(37,963)	-	37,963	-
Transfers to parishes	3,911	7,500	(3,911)	(7,500)	-
	<u>(169,039)</u>	<u>(30,463)</u>	<u>85,560</u>	<u>113,942</u>	<u>-</u>

Parish Levy: The Bishop is empowered to charge parishes a levy in proportion to their income. The main parish levy is a contribution towards the general running costs of the Diocese.

Levy Pension Fund: the transfer of the Parish Levy to the restricted pension fund for active priests.

Contributions to Restricted Funds: payments made by parishes or Curia to support various restricted funds (see note 12 also).

Second Collections: collections taken at Parish level with funds transferred to the Diocese before onward submission to the relevant cause.

6 TANGIBLE FIXED ASSETS FOR USE BY THE CHARITY

(a) Curial

	Freehold Land & Buildings £	Computer & Office Equipment £	Motor Vehicles £	Total £
COST OR VALUATION				
At 1 January 2021	1,017,534	74,085	32,194	1,123,813
Additions	-	-	22,281	22,281
Disposals	-	-	(19,199)	(19,199)
At 31 December 2021	1,017,534	74,085	35,276	1,126,895
ACCUMULATED DEPRECIATION				
At 1 January 2021	331,668	73,230	22,584	427,482
Charge for the year	12,856	286	4,099	17,241
Eliminated on disposal	-	-	(14,065)	(14,065)
At 31 December 2021	344,524	73,516	12,618	430,658
NET BOOK VALUES				
At 31 December 2021	673,010	569	22,658	696,237
At 31 December 2020	685,866	855	9,610	696,331

(b) Parochial

	Freehold Land & Buildings £	Fixtures & Fittings £	Total £
COST OR VALUATION			
At 1 January 2021	13,089,703	769,640	13,859,343
Additions	66,305	21,254	87,559
Disposals	-	-	-
Transfer to Investment Property	(40,000)	-	(40,000)
At 31 December 2021	13,116,008	790,894	13,906,902
ACCUMULATED DEPRECIATION			
At 1 January 2021	4,147,528	373,378	4,520,906
Charge for the year	152,358	9,636	161,994
Eliminated on Disposal	-	-	-
Transfer to Investment Property	(28,311)	-	(28,311)
At 31 December 2021	4,271,575	383,014	4,654,589
NET BOOK VALUES			
At 31 December 2021	8,844,433	407,880	9,252,313
At 31 December 2020	8,942,175	396,262	9,338,437

Voluntary aided schools and academies are not included within the accounts due to their inalienable nature.

As at 31 December 2021, these school buildings were insured for up to £45million any one loss.

Included within land and buildings are assets with a net book value of £342,524 which have been pledged as security for the bank loan.

Notes to the Accounts for the Year Ended 31 December 2021 - continued

7 FIXED ASSET INVESTMENTS

	2021	2020
	£	£
Curial	23,173,656	20,620,345
Parochial	18,076,804	16,351,148
	<u>41,250,460</u>	<u>36,971,493</u>

There were no holdings that represented more than 5% of the total value of investments.

Investment properties with a value of £6,495,270 have been pledged as security for the bank loan.

Fixed Asset Investments - Curial

	2021	2020
	£	£
Investment properties	15,665,257	14,587,242
Listed investments : at market value	7,508,396	6,033,100
Investment in subsidiary company	2	2
Investment in associated company	1	1
	<u>23,173,656</u>	<u>20,620,345</u>

The Historical Cost of listed investments on 31 December 2021 was £11,308,514 (2020: £10,543,900).

Summary of investments

	2021	2020
	£	£
Opening valuation 1 January 2021	20,620,345	19,738,446
Additions	1,475,627	707,310
Disposals	(913,470)	(219,517)
Impairment	-	3,539
Net gains/(losses) during the year	1,991,974	541,121
Cash transferred to/from Diocese net of broker fees and dividends		
Received	-	(270,262)
Included within current asset investments	-	119,708
	<u>23,174,476</u>	<u>20,620,345</u>

Subsidiary Company

The Diocese has one wholly owned trading subsidiary, Diocesan Property Management Limited, a company incorporated in the United Kingdom (Reg No: 02960826). Diocesan Property Management Limited's principal activity is that of building contractors and developers of Diocesan properties. Annual accounts of the subsidiary are filed with the Registrar of Companies.

A summary of the trading results of Diocesan Property Management Limited is given below:-

	2021	2020
	£	£
Turnover	-	-
Cost of sales	-	-
	<u>-</u>	<u>-</u>
Gross profit	-	-
Administrative expenses	848	803
	<u>-</u>	<u>-</u>
Operating (loss)/profit	<u>(848)</u>	<u>(803)</u>

At 31 December 2021 the called-up share capital of Diocesan Property Management Limited comprised 2 ordinary £1 shares and its liabilities exceeded its assets by £14,166

Diocese of Middlesbrough

Notes to the Accounts for the Year Ended 31 December 2021- continued

7 FIXED ASSET INVESTMENTS (continued)

Associated Company

The Diocese holds 11.1% of the ordinary shares of Inter-Diocesan Fuel Management Limited, a company incorporated on the United Kingdom. The principal activity of Inter-Diocesan Fuel Management Limited is that of fuel and power distribution to various Roman Catholic Dioceses throughout England.

A summary of the trading results of Inter-Diocesan Fuel Management Limited for the year ended 31 March 2021 is given below:-

	£'000
- Capital & reserves	36
- Turnover	11,813
- Net profit	2
	<u> </u>

Fixed Assets Investments - Parochial

	2021 £	2020 £
Investment properties	18,076,804	16,337,345
Listed investments	-	13,803
	<u>18,076,804</u>	<u>16,351,148</u>

The Historical Cost of listed investments on 31 December 2021 was £nil (2020: £12,620)

8 CURRENT ASSET INVESTMENTS

	2021 £	2020 £
Listed investments	5,272,014	5,033,201
	<u> </u>	<u> </u>

9 DEBTORS

	Parochial 2021 £	Curial 2021 £	Total 2021 £	Total 2020 £
Amounts due from subsidiary				
Undertakings	-	684,986	684,986	683,591
School loans	-	334,682	334,682	413,820
Trade debtors	-	18,267	18,267	27,654
Prepayments & accrued income	-	14,480	14,480	67,466
Other debtors	-	332,469	332,469	304,980
	<u>-</u>	<u>1,384,884</u>	<u>1,384,884</u>	<u>1,497,511</u>

The amount due from the wholly owned subsidiary, Diocesan Property Management Limited, is an interest free loan utilised for the building of new churches within the Diocese. The amount is repayable upon the completion of each church which in turn will be sold to the Diocese.

Diocese of Middlesbrough

Notes to the Accounts for the Year Ended 31 December 2021 - continued

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Parochial 2021 £	Curial 2021 £	Total 2021 £	Total 2020 £
Bank loans and overdrafts	-	4,754,037	4,754,037	3,573,559
Trade creditors	-	64,549	64,549	59,930
Accruals & deferred income	48,797	85,735	134,532	70,402
Other creditors	-	394,290	394,290	277,203
DFC School Accounts	-	76,486	76,486	51,611
Other loans	-	5,989,040	5,989,040	6,061,849
Taxation and Social Security	-	19,972	19,972	20,363
	<u>48,797</u>	<u>11,384,109</u>	<u>11,432,906</u>	<u>10,114,917</u>

11 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	Parochial 2021 £	Curial 2021 £	Total 2021 £	Total 2020 £
Bank loans	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The bank loan is secured on property owned by the Diocese. The interest rate is charged at 2.65% over LIBOR payable quarterly with the facility repayable in full at the maturity date of March 2022.

Diocese of Middlesbrough

Notes to the Accounts for the Year Ended 31 December 2021 - continued

12 RESTRICTED FUNDS

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

Curial

	Movement in Funds			
	Balance	Incoming		Balance
	31.12.2020	Resources	Expenditure	31.12.2021
	£	£	£	£
Priests' Training Fund	668,293	381,785	(3,657)	1,061,369
Church Extension Fund	44,360	-	-	44,360
Mensal Fund	26,872	-	(16,741)	30,400
Pickering Roman Catholic War Orphanage Fund	20,677	-	-	20,884
Lourdes Sick Fund	221,122	34,738	(5,187)	252,885
Lourdes Youth Pilgrimage	(11,848)	-	-	(11,848)
Catholic Child Care	117,859	470	-	119,608
Youth Sunday	17,889	-	-	20,851
Retired Priests' Welfare Fund	1,623,745	52,944	(132,400)	1,585,597
Common Stock	37,222	-	-	37,598
Lacy Fund	289,926	-	-	300,379
Vestment Guild	(1,927)	-	-	(1,927)
Nicholas Postgate	3,713	50	-	3,800
Mike McCullagh Memorial Trust Fund	60,154	3,057	-	63,812
Matthias Smyth Memorial Masses Fund	55,917	-	(5,450)	50,467
Youth Ministry – Expansion and Outreach	2,525	170	-	2,695
Levy Fund (Active Priests)	32,443	2	-	40,742
Cecil Walker Memorial Fund	98,321	-	-	99,305
Hedon New Church Fund	7,475	-	-	7,475
Papal Blessings/Papal Awards	(1,908)	-	-	(1,908)
Mass Stipends	2,460	500	(240)	2,720
Year of Faith	1,435	-	-	1,435
Education Resource Needs	6,760	-	-	6,760
Peter's Pence	694	-	(3,700)	367
Holy Places	632	-	(5,286)	488
Lenten Alms	6,368	-	-	7,580
Other Restricted Income	5,190	-	-	5,190
Home Mission Sunday	502	-	(3,890)	530
Day for Life	228	-	(3,604)	333
John Hinman Fund	391	-	-	391
Nicholas Postgate Relics	1,053	-	-	1,053
CES Collection	356	-	-	356
Ukraine Appeal	(0)	-	(311)	(0)
Walsingham Shrine Appeal	0	-	(265)	0
Wycliffe Children's Holiday Fund	2,000	-	-	2,039
Bishop's Annual Charity	5,462	-	(150)	5,312
Bishop's Foundation Masses	(9)	-	-	(9)
Young Musicians Fund	22,047	-	(2,630)	16,817
St Williams Community Home	428	-	-	432
Marriage Preparation Consultant	9,525	-	-	9,525
Memorial Masses – Fr M Murray	2,000	-	-	2,000
Catholic Education Council	824	-	-	824
World Communications	247	-	(1,896)	287
Poor Parishes	9,000	15,000	-	16,500
Missionary Work in Hull	323	-	-	323
Cathedral Silver Jubilee	744	-	-	744
Catholic Primary Schools Cup	5,178	-	-	5,178
Sundry Restricted Funds	626	-	-	626
World Youth Day	(4,804)	-	-	(4,804)
Racial Justice Sunday	0	-	(100)	55
Year of Consecrated Life	(7,097)	-	-	(7,097)
Women's Commission – now "National				
Board of Catholic Women Middlesbrough"	1,175	-	-	1,220
National Schools Singing Programme	0	25,000	(4,949)	20,051
	<u>3,386,570</u>	<u>513,717</u>	<u>(190,457)</u>	<u>3,823,771</u>

Notes to the Accounts for the Year Ended 31 December 2021 - continued

12 RESTRICTED FUNDS - continued

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

Priests' Training Fund - for training students for the priesthood for this Diocese.

Church Extension Fund - to assist the new churches and Mass centres of the Diocese.

Poor Parishes Fund - to assist those parishes which, because of their low level of income, are unable to support either the parish priest or the necessary repair work to the parish church or presbytery.

Mensal Fund - deals with the income and costs of the Bishop of Middlesbrough and his administration.

Lourdes Sick Fund - for pilgrimages to Lourdes.

Catholic Child Care - provides a fostering and adoption service.

Special Collections - collections taken throughout the year for charitable purposes within the United Kingdom and overseas and for specific parish projects.

Retired Priests' Welfare Fund - a fund set up in 1996 to provide support upon retirement for incardinated Diocesan priests.

Lacy Fund - to meet pension requirements of retired clergy.

Vestment Guild - provision of vestments within the Diocese.

Nicholas Postgate - the Canonisation cause of Blessed Nicholas Postgate.

Common Stock - to meet payments on behalf of retired clergy.

Mike McCullagh Memorial Trust Fund - supporting junior football, prison visiting and sick children in the Tees Valley

Matthias Smyth Memorial Masses Fund - masses for the repose of the souls of Matthias Smyth and his family.

Youth Ministry Expansion and Outreach - to provide funds to extend the work in Youth Ministry and to outreach to young people beyond school age.

Levy Fund (Active Priests) - to provide a pension for each active priest on their retirement.

Cecil Walker Memorial Fund - for the Support of retired Priests of the Diocese; in particular those who have spent part or all of their ministry in the Southern areas of the Diocese.

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Funds 2021 £
Tangible fixed assets	9,948,550	-	9,948,550
Investments	40,690,847	559,613	41,250,460
Net current assets	2,210,806	3,681,049	5,891,855
Creditors: amounts falling due after one year	-	-	-
	<u>52,850,203</u>	<u>4,240,662</u>	<u>57,090,865</u>

Net current assets include designated funds of £1,420,069 which are classified within unrestricted funds. These represent funds set aside at both Parish and Curia level of which Parish level is for building repairs.

14 RELATED PARTY TRANSACTIONS

No related party transactions occurred during the current or previous year.