

**SHREWSBURY ROMAN CATHOLIC
DIOCESAN TRUST**
Registered Charity No 234025



Consolidated Annual Report
For the Year Ended 31 March 2021

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

**Consolidated Annual Report
For the Year Ending 31st March 2021**

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Trustees and Professional Advisors:

Trustees:

Rt Rev Mark Davies, Bishop of Shrewsbury (Chair)

Canon Stephen Coonan

Canon Michael Gannon VG

Mr Simon Geary

Mr Noel Loughrey

Canon Jonathan Mitchell

Canon Philip Moor VG

Canon David Roberts

Mrs Karyn Johnston

Secretary to the Trustees:

Mrs Carol Lawrence, Financial Secretary

Registered Office:

Curial Offices, 2 Park Road South, Birkenhead, CH43 4UX

Board of Finance and Administration:

Canon Philip Moor VG (Chair)

Mr Terence Murphy

Canon David Roberts

Mr Colin Trigg

Fr Niall Mullaley

Mrs Carol Lawrence (Secretary)

Key Management Personnel:

Mrs Carol Lawrence (Financial Secretary)

Mr Damian Cunningham (Director of Schools)

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Trustees and Professional Advisors – Continued:

Professional Advisors:

Auditors:

Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

Bankers:

Lloyds Bank plc 1st Floor, 5 St Pauls Square, Old Hall Street, Liverpool L3 9SJ

The Royal Bank of Scotland Plc 10th Floor, The Plaza, 100 Old Hall Street, Liverpool, L3 9QJ

Insurance Brokers:

Catholic Insurance Service Oakley House, Mill Street, Aylesbury, Bucks HP20 1BN

Investment Managers:

Schroder & Co Limited (trading as Cazenove Capital Management)

3rd Floor, 100 Wood Street, London EC2V 7ER

Property Consultants:

Schools:

AHR Building Consultancy Limited 3 The Parsonage, Manchester M3 2HW

Atkins Limited, Chadwick House, Birchwood Park, Warrington, WA3 6AE

Investment properties and general advisors:

Fisher German LLP, Charles House, 2 Royal Court Knutsford, Cheshire WA16 6EN

Solicitors:

General matters:

Freeth Cartwright LLP, 3rd Floor, St James Building, 61-95 Oxford Street, Manchester M1 6FQ

Education:

Browne Jacobson LLP, Mowbray House Castle Meadow Road Nottingham NG2 1BJ

Property

Davitt Jones Bould, Floor2, 3 Hardman Square, Manchester M3 3EB

Specialist building contracts:

Trowers & Hamlins, Heron House, Albert Square, Manchester M2 5HD

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REPORT OF THE CHARITY TRUSTEES:

The Board of Trustees presents its report and audited accounts for the year ended 31 March 2020. The Statements appear in the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities SORP.

HISTORY AND ORGANISATION:

The Diocese of Shrewsbury is a registered charitable trust, established by a Trust Deed dated 19 September 1963, registration number 234025. In the context of the universal Church, the Diocese is a portion of the people of God gathered by the Bishop of Shrewsbury in the Holy Spirit through the Gospel and the Eucharist. It is a particular church in which the one, holy, catholic and apostolic church of Christ is truly present and operative and is more than an administrative division of the universal Church.

The Diocese serves 90 parishes (along with 11 other churches and chapels) and 106 Catholic Schools in Cheshire, Shropshire and parts of Derbyshire, Merseyside and Greater Manchester.

The Board of Trustees 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 Trust Deed established the aims and objectives of the Diocesan Trust to be the “advancement of the Roman Catholic religion in the Diocese”. The Trustees, under the Diocesan Bishop’s direction, continue to work to promote the charitable advancement of the Roman Catholic Religion and any lawful charitable purposes, including education, promoted or supported by the Church in the Diocese and beyond.

The primary objective of the advancement of the Roman Catholic religion is lived out in parishes principally through the worship of God and through prayer. Central to the Roman Catholic faith is the celebration of Mass, for which the churches of the Diocese are primarily used. Although Sunday is the principal day of worship, many Diocesan churches are open each day to celebrate Mass or just for a time of quiet prayer and reflection and are accessible to those of all faiths and none.

In terms of education, this is delivered through formation of the faithful as well as through Catholic schools in the Diocese. Formation of the faithful flows from worship in parishes through preparation for sacraments, to more formal initiatives taking place at parish, local pastoral area and Diocesan level. From this the faithful are encouraged to live out the mission of the Church. New Evangelisation, Catechesis and Youth Mission Teams offer opportunities for formation through various events held during the year.

The Diocesan Education Service supports the work of Voluntary Aided Catholic schools and Catholic Academies in the Diocese, through training, guidance and advice to head teachers, teachers and governors. This includes the development and monitoring of religious education, the Section 48 inspection of schools, advising on the appointment of senior staff and succession planning, and the maintenance and provision of school buildings. This Service works with the Regional Schools Commissioners, with the eleven local authorities that cover the Diocese, with the Governors of Voluntary Aided Schools, and the Directors of the Academy Trusts for the benefit of Diocesan schools. These Catholic Schools are open to those of all faiths and none providing a wider benefit.

For many years, the Trustees focused on the aims set out in the Bishop’s White Paper of 2000, setting these in the context of the issues and challenges the Diocese faces each year. In 2017 Bishop Davies asked the clergy to revisit these aims to provide a structure for delivery of the Diocesan objectives and aims for the coming years. The first stage of this is the proposal for Local Missionary Areas puts mission

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at the forefront at parish level and encourages the coming together of local parishes in mission. Roll out of this proposal is continuing, albeit that progress has been affected by the pandemic.

Volunteers:

The work of the parishes in the celebration of Mass, the delivery of catechesis and sacramental preparation programmes is dependent on volunteers. Some 9,500 people volunteer within Diocesan parishes providing services as Extra-ordinary Ministers of the Eucharist, Lectors (Ministers of the Word), altar servers, catechists, cleaners, choir members & musicians, parish committee members, counters and collectors, and representatives for Gift Aid, Safeguarding and Health & Safety. A debt of thanks is owed for the support of this enormous army of people giving willingly of their time, their talents and their faith as without their support parishes could not function.

IMPACTS OF GLOBAL PANDEMIC:

During the year under review, the impact of the coronavirus pandemic on the Diocese was significant. The full national lockdown which included the closure of churches came into effect on 23 March 2020. The closure of churches meant an immediate drop in income as offertory collections stopped, and across the year there was a drop of around 67% in giving. To support parishes a number of initiatives were quickly put in place such as accelerating 2019/2020 Gift Aid claims as well as quickly engaging and setting up an online giving platform within the first quarter of the new financial year. This allowed parishioners to continue donating some form of offertory should they wish. Financial support has been provided from the Diocese for poorer parishes where the effects of the reduction in offertory were felt the most keenly.

The mission of the Diocese has continued throughout periods of lockdown through moving to Mass online, using a variety of platforms. The numbers accessing Mass in this way have been significant, as well as those accessing other initiatives such as around Youth ministry.

Churches reopened initially for private prayer then for Mass during July 2020, which required a significant mobilisation exercise to recruit and train stewards, to source and deliver PPE to the parishes as well as putting in place risk assessment and approval procedures. A subsequent closure during the second national lockdown in November 2020 had another significant impact on income although it is hoped that the continuing operation of churches throughout the third national lockdown will help to stabilise the position.

Government intervention with the Coronavirus Job Retention Scheme (furlough) provided support to the charity, as the majority of staff were furloughed with immediate effect, reducing the staffing to a core minimum across its operations. With the introduction of flexible furloughing, the majority of staff returned to some pattern of working during the Summer of 2020 which enabled the charity to continue its operations albeit that these continue to be at a much-reduced level.

Turning to the investment portfolio, uncertainty within the markets significantly diminished the value of investments held by the Charity at 31 March 2020, so the current financial year opening amid much uncertainty. This was initially a significant concern to the Trustees as the fall in the value of the investments came at the same time that there were warnings that the income derived from this portfolio was also likely to shrink by as much as one third of previous years following dividend warnings by many organisations. This was a major concern as the investment income supports the activities of the Curia.

In view of both the change in the likely investment income and the furlough scheme the Board of Finance then Trustees reviewed and adapted the budget for the year to 31 March 2021, working on a 'worst case' scenario for the coming year. Optimising the Government support through the Coronavirus Job Retention Scheme and better than expected performance by the investment portfolio mean that the Diocese was

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able to provide over £250,000 in support to parishes at a time when no income was being received, as well as to continue to protect jobs.

Conscious that there could be short-term excess demands for cash support across the Diocese, a short-term overdraft facility was arranged with the bankers, Lloyds. This short-term pressure arose following the Government embargo on property sales for a period of time, as commitments had been entered into on the presumption of a property transaction taking place in April 2020. The overdraft was repaid after the property sale in July 2020 when the transaction was completed after the embargo was lifted.

The charity itself despite the significant diminishment of value in its investments holds steady with total reserves across all its funds of £49.9m. Fortunately the investment income has held up in the period since the year which, together with the extended furlough scheme, has meant that the Trust has been able to support parishes who need it as well as continue operations to date. The value of the investments as at the date of signing has recovered as markets have improved and, aside from monies drawn for major projects, the value is now close to 2019 values.

ACHIEVEMENTS AND PERFORMANCE:

Faith and life:

Mass attendance dropped significantly during the year, as social distancing provisions continues. However, the majority of parishes moved to online ministry with Mass being live streamed. Some parishes were able to live stream each day and others on a weekly or more periodic basis. The move to a digital ministry, particularly during the periods of complete closure, was in response to a desire by parishioners to be able to access Mass albeit not in person. This desire is witness to the faith and life being present in the Diocese even in times of extreme duress. Although social distancing measures were relaxed since the year end, Mass attendance is not as high as it had been prior to the pandemic. For the majority of the year, it was not possible to celebrate First Communion, Confirmation, baptisms or weddings, and funerals were subject to strict regulation which was frequently changed and updated. There has been a resumption of all of these since the year end and the vibrancy has returned to parish life, to the extent that continued social distancing advice permitted.

Although not the year Shrewsbury Youth Mission Team (SYMT) had hoped for, it has certainly been one of great learning and great digital development. Due to the pandemic, SYMT dramatically and quickly altered the way they are working. Almost 100% of engagement had to stop during the lockdowns and all delivery shifted to different online platforms. The SYMT in the early days of the pandemic put a lot of time and energy in to developing the three commons social media platforms and boosting the numbers of those that engaged through the various outlets. SYMT now has a YouTube channel and to date this has had well over 10,000 views. The most successful series has been the clergy Café which has gained thousands of views with some live streams having around 400 views just on one video. The team have also moved to zoom gatherings with 35 young people gathering for our annual alter server's day and a regular group of young adults meeting once a month. When restrictions allowed, SYMT got together in church and to hold explore evenings across the Diocese. Since the year end, the easing of restrictions has facilitated face to face events and retreat days have been held in schools across the Diocese, along with some evening events for young people in parishes. As social measures ease, it is hoped that more of this face-to-face engagement can continue, with digital ministry continuing to feature in how we reach out to young people.

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Education:

Some 42,818 children attended Diocesan schools and academies (2020 – 42,845). The work with schools on school improvement and maintenance of standards continues with specific focus on those schools in categories 3 or 4 following an Ofsted inspection. In addition, the Education Service also provided a full programme of training to head teachers, teachers and governors.

Fundraising Approach:

The Our Mission Together initiative proved to be both successful and popular. The three pillars of the campaign in strengthening parishes, caring for the clergy and mission and social outreach have been well supported with some £10.9m pledged by 4,097 people, after engaging with 81 parishes, to be collected over a five-year period. Undertaking Our Mission Together has enabled the establishment of Caritas Diocese of Shrewsbury, the recruitment of two clergy welfare officers as well as the formation of a Diocesan Youth Mission Team which began work in September 2017.

The initiative had staggered commencement dates across the parishes of the Trust, and we are entering the final collections of these initial pledges. As we receive the final donations the Trust is reaching out to these donors on a “light touch” basis through a letter outlining how their funds have helped support the Trust and its operations, but also to engage to see whether they would like to make a new pledge.

Fundraising within parishes outside of this campaign is overseen on a day-to-day basis by the parish priests. The Diocese also has a Planned Giving Department which supports clergy and parishes in their efforts and in compliance with Gift Aid legislation.

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FINANCIAL REVIEW:

During the year under review, the financial performance for the Trust as a whole, including its subsidiary companies, was greatly influenced by the impact of the coronavirus pandemic. A full national lockdown commenced on 23 March 2020 which included the closure of churches and the principal income generating activities of its subsidiaries. Throughout the financial period there were changes to the restrictions imposed by the national lockdown that allowed the opening of the churches with restrictions on attendance and the maintenance of social distancing and the safe entrance and exit of parishioners. Risk assessments were carried out for each Parish and the Health and Safety Officer to evaluate the impact of these restrictions and the ability to re-open the churches for Mass.

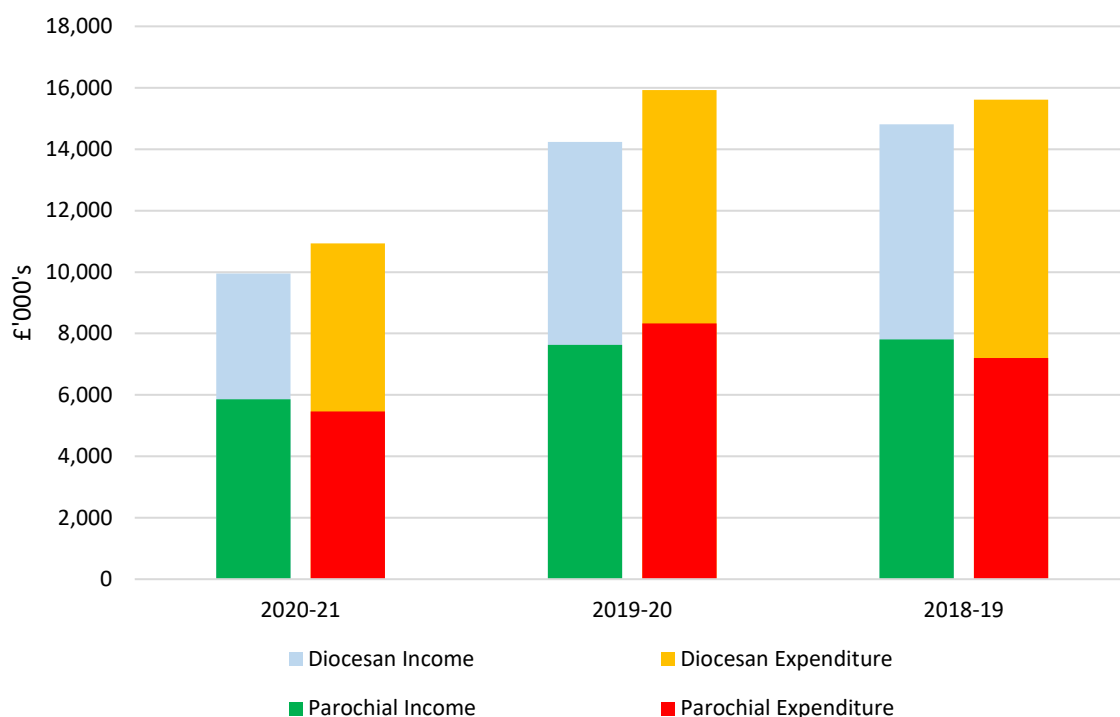
In Summary:

The impacts of these imposed measures clearly had a detrimental impact on the ability of the Trust and its subsidiary companies to generate/maintain income and cash donations, consequently the total income for the period has significantly reduced by 30% to £10m (2020: £14.3m).

The impact of the pandemic has not been one-sided, the expenditure of the Trust has been significantly reduced through the inability to deliver Mass and the operating costs of administration and the promotion of the Catholic Faith centrally. In line with the income of the Trust the cost of Raising Funds and its Charitable Activities have also significantly reduced by 31% to £10.9m (2020: £15.9m).

Chart of Total Income and Expenditure for the Trust:

(Figures are quoted in £'000's)



| | 2020-21 | 2019-20 | 2018-19 |
|-------------------|----------|----------|----------|
| | £000's | £000's | £000's |
| Total Income | 9,953 | 14,241 | 14,812 |
| Total Expenditure | (10,929) | (15,923) | (15,608) |

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Included within the income the Trust and its subsidiaries have utilised the Government Furlough Scheme and some Hospitality Support Grants where available to support the cost of staff and operations during the pandemic, this totalled £1.2m.

Table of Distribution of Government Covid-19 Support Received:

| | £'000's |
|-----------------------------------------|---------------------|
| Parochial Grants Received | 213 |
| Diocesan Grants Received | 376 |
| Diocesan Grants Received - Subsidiaries | 607 |
| Total Grants Received | <u>1,196</u> |

Parishes:

Most of the funds of the Trust are raised and expended within each individual parish or charitable trading company in support of its work. In addition to financing their own activities, parishes support the Diocese central operations through the transfer of funds to cover both general and specific activities.

Table of Net Movement in Parochial Funds:

| | 2020-21 £000's | 2019-20 £000's |
|--------------------------------------------|-------------------|-------------------|
| Parochial Income | 5,856 | 7,629 |
| Parochial Expenditure | (5,458) | (8,331) |
| Parochial Transfers | (628) | (1,232) |
| Net Operating Income/(Expenditure): | (230) | (1,934) |

Overall, the Parochial income was £5.9m, of which £106k arose from legacies (2020 – £7.6m and £118k). Offertory giving of £4.8m was significantly lower than the previous year by 22% from £6.1m. The change in offertory was principally driven by the forced closure of the churches in March 2020 due to the COVID-19 pandemic, and the reduced capacity of Mass attendance once the lockdown restrictions were eased.

The Furlough Grant Scheme was utilised across the Parishes to support the operating costs of administration locally and the parishes benefited by £213k of Government funding towards Parochial payroll, which is included with the income.

The impact of the forced closure also diminished the expenditure of the Parishes by 34% from £8.3m in 2020 to £5.4m. The largest contraction in cost over the financial period was through Repairs and Maintenance which stood at £1.7m down from £3m (42% reduction).

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Diocesan - Unrestricted Funds:

The principal income for the unrestricted fund is from assessments on offertory, gift aid, and the sale of property from the parishes, additional support for Mission and Supporting Clergy is generated through the Our Mission Together Fund. Further funding is generated from income generated through the listed investments (**See Investment Policy and Performance**).

Table of Net Movement of Curial Operations within the Unrestricted Fund (Excluding Subsidiaries):

| | 2020-21 £000's | 2019-20 £000's |
|--------------------------------------------|-------------------|-------------------|
| Diocesan Income | 1,088 | 1,147 |
| Diocesan Expenditure | (2,135) | (2,362) |
| Diocesan Operational Transfers | 991 | 1,357 |
| Net Operating Income/(Expenditure): | (56) | 142 |

The impact of COVID-19 pandemic created uncertainty on the realisation of the assessment funding due to the financial demands on local parishes over the financial period. The introduction of the Furlough Scheme allowed us to evaluate and assess the implications on the Diocese as a whole, the in-year budget was revised to mitigate the impact on the loss of income, and this was coupled with a short-term overdraft arrangement to help with the initial transition and reduced capacity of the Curial office. These quick changes allowed the Trust to balance the overall impact on the unrestricted funds.

Unrestricted income into the Trust excluding the government furlough scheme amounted to £712k (2020: £1,147k) a reduction of 38%, with furlough grants received of £376k the loss of income reduces to 5%. The charitable expenditure of the unrestricted funds amounted to £2,135k (2020: £2,362k) a saving of 10% principally driven by inactivity of operations. Transfers received by the unrestricted fund totalled £1,623k of which £991k represented operational activity and £632k towards the build costs of St Anthony's project, see **Note 10.3**.

Investment income from the managed portfolio was greatly affected by the pandemic, the income generated for the benefit of unrestricted funds was £316k (2020: £582k), a reduction of 46%. The Diocesan Central fund position was greatly impaired at the start of the pandemic due to uncertainty within the financial markets and the losses against investments was £1,554k for the previous financial period (2020). Since the development of a vaccine and its proposed rollout coupled with the restoration of market confidence these initial losses have been recuperated and the investments have been restored to the pre-pandemic values with a current gain of £2,394k. **See Investment Policy and Performance**.

Diocesan - Fund for Education and Training of Priests (Designated Fund):

Donations to support the education of clergy amounted to £87k (2020: £130k) a reduction of 33%.

The principal costs of the training of priests are currently being underwritten by the Our Mission Together (Restricted) Fund and transfers of £270k (2020: £286k) was received to support the cost of courses and grants paid to seminarians. Due to restrictions imposed by the pandemic, the seminaries offered partial reduction in their fees and costs incurred in the training of clergy reduced by 14% to £295k (2020: 343k).

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Diocesan - Fund for Sick and Retired Priests (Designated Fund):

Table of Fund Activity for the Clergy – Retired Priest Fund:

| | 2020-21 £000's | 2019-20 £000's |
|----------------------------------|-------------------|-------------------|
| Income | 157 | 152 |
| Expenditure | (665) | (520) |
| Gains/(Losses) on Revaluation | 177 | 134 |
| Our Mission Together – Transfers | 230 | 160 |
| Net Operating Deficit | (101) | (76) |

Donations to support priests in sickness and retirement remained consistent with a £5k increase (3%), although the expenditure has increased by 28% to £665k. The costs of this fund is partially supported through Our Mission Together (Restricted) Fund and transfers have also increased by 44% to £230k, as the number of priests eligible for the support of this funding increases.

The fund itself currently has £7.2m in reserve, however the property portfolio is currently £7.7m a shortfall of funding of £538k. There are empty properties within this portfolio currently for sale to address the current position.

Diocesan - Sherratt Fund (Designated):

This Fund was created following the receipt of a legacy and has been designated by the Trustees to support projects with lasting benefits. In this year the Fund was utilised to rebuild the presbytery and parish centre at St Anthony's in Wythenshawe, with the total spend of £1,007k.

Diocesan - Our Mission Together Fund (Restricted):

The purpose of Our Mission Together is the strengthening and advancing our parishes by responding to local needs; supporting a new generation of priests in their discernment and training and providing for our faithful priests through their years of service and for those moving into retirement; and developing our mission and social outreach.

Income received through donations and investment income totalled £1,153k (2020: £1,377k). During the year the first tranche of pledges reached their five-year anniversary and so came to the end of the pledge period. The reduction was entirely expected part of the cycle of giving. Direct expenditure of the fund equated to £334k (2020: £662k), which included £250k to support Caritas – Diocese of Shrewsbury (2020: £250k) and transfers on activity was £686k (2020: £683k), the fund received transfers on pledges from parishes of £275k (2020: £265k).

The closing funds associated with Our Mission Together was £4m (2020: £3.1m).

Diocesan - School Building Fund (Restricted):

Income received from the Diocese, parents and schools totalled £559k (2020: £724k). Expenditure from this was £478k (2020: £486k) leaving £898k carried forward on 31 March 2021. This expenditure is used to support the 10% contribution needed to match Government funding received by the Diocese under LCVAP for existing projects and the new School Condition Allocations (SCA) scheme which commenced April 2020.

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Diocesan - Subsidiaries:

The Diocese has several subsidiaries, and their results can be seen in Note 2. All the subsidiary results have shown a deficit due to the impact of the pandemic.

Salop Service Company Ltd operates a car park in Crewe for the benefit of the parish, and the losses incurred are anticipated to be short term.

Shrewsbury Diocese Commercial Co Ltd operates social clubs and a cafe through the parish centres at sites across the diocese. As the company operates within the hospitality sector it was forced to close its sites as part of the government response to the COVID-19 pandemic. During the financial year there was some relaxation of the restrictions for some sites for a limited period, however after a surge in case numbers all clubs were again placed into forced closure by the end of October. As the social club buildings form part of a charitable Place of Worship site, all the property except for the café are exempt from business rates. This exemption means that SDCC was unable to apply for any of the support offered to the hospitality sector, as these grants were for those organisations paying business rates. Therefore, the support available was limited to the government furlough scheme to protect jobs and a hospitality grant for the Orchard Café at Shrewsbury Cathedral.

Due to the high operating cost of property and the lack of government support the losses incurred have accelerated to £513k (2020: £225k deficit). The costs of maintaining the property was around £410k for the year. It is recognised that the cost of property in the event of the closure of the clubs would become the responsibility of the Charity and the current cost of maintaining those properties is circa £410k.

Alongside the commercial activity there are a number of parish and pastoral activities which take place, for example Fare Share café, food banks, and other social outreach work. SDCC supports this important work through managers/staff time to open the site plus the property costs of heat, light, and water, which come to around £75k each year. Work is ongoing to find funding to support these charitable activities, as these are important activities and a good use of the premises.

Since the year end trading has recommenced across the sites. The restrictions for hospitality began to be lifted in May 2021, from this date only a small number of clubs were open with restricted hours aligned to principal trading times. All restrictions were lifted during July 2021 and all available clubs were fully open by the second week in August, it is too early to tell but initial trading is comforting.

Hale Barns Events Ltd holds an annual festival in July. This is the subsidiary's third year of trading and has been greatly affected by the COVID-19 pandemic and due to the forced postponement of the festival from July 2020 to July 2021 has returned a deficit of £12k. In part this was due to advanced costs being incurred for the 2021 event prior to the year end. To mitigate some of the losses and maintain a presence in the community there was an event held for a small audience under strict social distancing rules during the first period of easement of full lockdown restrictions. The event was well received although only generated £5k of income but gave invaluable information on how to run an event under restrictions.

Whilst the original 2020 event had seen a good uptake in ticket sales, many of these were refunded when the event was cancelled. The postponed event held in July 2021 suffered due to line-up changes and the event being held under some government covid restriction guidelines which ultimately reduced the overall capacity and potential income. Planning for the July 2022 event is currently underway with a big-ticket act originally secured for the 2021 finally performing.

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Any surplus generated by the festival is for the benefit of the local parish to build a parish hall for the community, and because of the events' held the Charity is receiving donations directly to support this project; therefore, the financial performance of the commercial activity alone cannot be the sole measure of success.

Risk Assessment and Risk Management:

The Trustees have in place a risk management process to assess risks to which the Charity is exposed, in particular those relating to the operational areas, finances and investment assets. This involves assessing the likelihood and potential impact of occurrence and identifying means of mitigation. Whilst this has worked successfully, the Trustees have identified the benefits of undertaking an in-depth review of the risk policy and procedures to ensure that they are fit for purpose and all significant or material risks are identified.

The main areas of risk identified prior to the pandemic are the falling Mass attendance, reducing numbers of priests available to serve in parishes and the risk of safeguarding failures in relation to children and vulnerable adults. An additional risk is the inclination of parishioners to return to Mass in churches following the pandemic, as there is a mixed picture across both the Diocese and nationally. The decline in Mass attendance prior to the pandemic was lessening although it remains a risk. Some areas have benefitted from immigrant Catholics compensating for the loss of indigenous Catholics. As part of the future plans, the fundraising campaign has achieved significant funds to continue to support the Diocesan Youth Ministry team to, amongst other things, address the rate of decline in youth attendance at Mass. The work of the Director of Vocations is to help men to decide whether to embark on formation to the priesthood. The creation of the gap year facilities at the Cathedral is one of the measures being taken to promote vocations to the priesthood through offering a period of discernment before formal formation begins. The Trust has a rigorous safeguarding policy and parishes, and Diocesan activities are monitored for compliance. The Safeguarding team offers training to all clergy and safeguarding representatives including on-line training through Educare, the work of the Safeguarding Team is overseen by the Trustees through its Safeguarding Sub-Committee.

The impact of the Covid-19 pandemic has placed increased risks to health and safety across all our sites, during the initial phase of the pandemic all sites that allowed public gathering were closed in line with the government requirement for lockdown. As the restrictions were slowly eased, each site carried out a health and safety assessment to determine the capacity and the additional requirements to fulfil a safe environment for the parishioners. These included volunteer safety stewards, cleaning regimes, how to manage the flow of people to take communion, and for busy services ticket allocation to prevent too many parishioners turning up at the church.

Investment Policy and Performance:

The Trust Deed authorises the Trustees to make and hold investments using the general funds of the Diocese, without any restrictions. The investment objective of the Trustees changed with effect from 1 April 2012 to one of income maximisation whilst protecting capital growth if possible. The overall risk is assessed as medium.

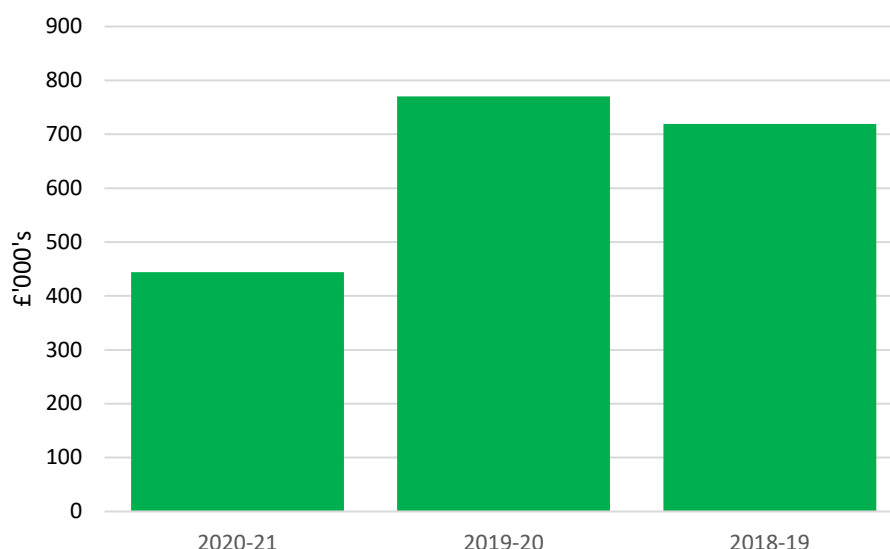
Schroder & Co Limited manages the investment portfolio on a discretionary basis within the parameters of the investment policy which restricts the investment managers from investing in any area that would be incompatible with the objectives of the Trust. The Trustees set performance targets and assesses the actual performance of the investment managers.

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Chart of Income from Listed Investments Held by the Trust:

(Figures are quoted in £'000's)



The total income from listed investments held by the Trust fell 42% to £444k (2020: £770k) from a consistent pre-pandemic performance. The financial performance of the investments for the financial year have been greatly affected by the global pandemic as the uncertainty had driven the market into a freefall during March 2020. The markets initially remained dampened as the uncertainty of the removal of restrictions remained in place. During the last quarter with the announcements of vaccines, the valuations began to recover to pre-pandemic valuations.

The value at 31 March 2021 held by Schroders was £19.3m (2020: £18.4m), during the year £1.9m was drawn from investments to support capital projects including that at St Anthony's, Wythenshawe. The investment properties held had increased through professional valuation by £320k.

Reserves Policy:

At 31 March 2021 the Trust had a total of £49.9m in reserves (2020: £47.5m), being restricted, designated and unrestricted funds.

The restricted funds total some £5,411k (2020 - £4,595k) including £180k Parochial restricted reserves. The Diocesan restricted funds are the accumulated surpluses created on Our Mission Together, the Pilgrimage Fund and School Building Fund as well as other funds and collections received for restricted purposes. Further details are set out in Note 11 to the accounts.

The designated funds of the Diocese comprise of £43.9m (2020 - £43.2m) made up of Parochial funds of £31.6m (2020 - £30.7m) and Diocesan designated funds of £12.3m (2020 - £12.5m). In Canon Law the parishes have the right to acquire, retain, administer and alienate temporal goods. While the funds of individual parishes could be regarded as restricted at Diocesan level, the Charity Commission has indicated that in civil law it considers that parish funds remain unrestricted at the Diocesan level. The Trustees have, however, designated these unrestricted funds as relating to the individual parishes from which they are derived.

The designated fund for retired clergy is used to support Diocesan retired and sick clergy. Transfers into the fund is made from parish collections, donations and, from time to time, from Diocesan unrestricted funds. The assets of the fund comprise £7.7m of residential property in which the retired clergy are housed.

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

Consolidated Annual Report For the Year Ending 31st March 2021

Each year the fund assets are depleted as the costs of the provision of retirement allowances/grants and other costs is in excess of the income from investments and collections. There are also approximately a further twenty priests due to retire within the next five years and the Trustees have identified that there are insufficient liquid assets held to meet the costs of those currently provided for by the fund as well as those due to retire. The fundraising campaign, now completed, will address the shortfall for the next five years and provide the appropriate level of liquid assets.

The Clergy Education and Training Fund is used for education and training purposes within the Diocese and for ongoing ministry. The fund stands at £2.7m (2020 - £2.3m) and is held in listed investments. Whilst the annual costs exceed the funds raised from collections, the balance of the fund is sufficient for the costs of seminarians currently in training to the end of their studies. One of the aims of the Bishop and Trustees is to increase vocations and again additional funds for promotion of vocations and training will be generated from the completion of the fundraising campaign.

The Sherratt Fund was established following the receipt of a legacy of £3.6m. Whilst there are no restrictions on the use of the funds under the terms of the legacy, the Trustees have decided that the funds should be used to support projects which would provide a lasting benefit to the Diocese. The first such project to be considered is the redevelopment of the presbytery and parish/social centre facilities at St Anthony in Wythenshawe at an indicative cost of £1.5m, works on this property are due to complete in June 2021. This important church is at the heart of the parish of Our Lady Queen of Peace and the LPA in Wythenshawe and by investing in one of the poorest areas of the Diocese the Trustees are committing to the mission in the greatest area of need. The current reserves held are £2.4m.

Parochial funds, treated as designated funds of the Diocese need to be held by each parish to provide working funds, to meet future expenditure (particularly on property maintenance) that will not be met by future income and, in some cases, accumulate funds for a building programme. The properties held by parishes comprise the parish church or churches and, in most cases, a hall and presbytery. The maintenance costs of these can be substantial and frequently unpredictable. Excluding tangible fixed assets, the average reserves held by each parish is £150k, although the actual amounts held can be significantly above or below this average. Parishes with surplus funds are able to provide support to parishes in need either directly or through the Diocese.

The funds that can be realised only by disposal of fixed assets are £27m, comprising £17m for parishes and £9.7m for Diocese.

The remaining charity reserves after making allowances for any restricted funds and the amount of designations, commitments (not provided for as a liability in the accounts) or the carrying value of functional assets totalled £669k, all relating to the Diocese. The reserves held by charitable trading operations are nil as all surplus funds are remitted to the Trust. The Trustees are satisfied that this is appropriate as the operations are cash-based businesses with significant weekly turnover. The companies are closely monitored and managed to ensure that there is sufficient working capital to ensure that the businesses can meet their liabilities as they fall due.

The net costs of central operations are substantially covered by levies on parishes and anticipated income from other sources. The parish assessments are calculated on the basis of offertory income from two years prior to the year of assessment e.g. for the year to 31 March 2021 the offertory income from year to 31 March 2019 is used.

A consistent formula is used, and parishes are able to predict the assessment in advance of its collection to assist parish budgeting. Other anticipated sources of income such as collections and legacies are unpredictable and subject to unforeseen changes. Accordingly, reserves are required in order to meet possible shortfalls in income needed to meet current levels of expenditure.

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The Trustees have not determined a fixed amount of general reserves that is needed but consider that the reserves need to be maintained to at least the current level in order to meet possible shortfalls in income.

FUTURE PLANS

Looking to the coming year, the major challenge is to maintain the faith and life of the Diocese in the face of a global pandemic. The key elements include being able to resume parish activities in a Covid safe way, encouraging parishioners to return to attending Mass in church rather than online, and to begin to restart in person meeting of many of the groups and activities which form part of parish life. The Bishop and Trustees are aware of the pastoral and practical challenges that this entails and are pleased to report that plans are in motion in a number of areas:

- Maintaining COVID security in churches – this is constantly under review as life in the Diocese opens up.
- The newly-formed team of the Diocesan Department for Catechesis and the Promotion of the Vocation of Marriage will begin its work in January 2022 to support catechists.
- SYMT will continue its blended delivery of in person and digital ministry to engage with young people across the Diocese
- Caritas Diocese of Shrewsbury will see the opening of its new centre in Crewe in the coming year, and will continue its work with refugees across the Diocese.

Carbon neutrality is also high a key focus and the coming year will see much work in establishing the current carbon footprint of the Diocese, and identifying ways in which we can move to carbon neutrality.

Pope Francis has commenced a two-year 'synodal' process in the Catholic Church from October 2021 that culminates in the final Synod Gathering of Bishops in Rome in October 2023. The overall theme is "For a Synodal Church: Communion, Participation, Mission". This is invitation for us, as Catholics, to 'walk together' and every member of the Church has the right to speak, and the obligation to allow those charged with the work of discernment the freedom to do so. The Synod Office in Rome has produced a comprehensive process which encompasses the stated aim of the Holy Father that the Church in today's world should have a vision of missionary communion orientated to evangelisation. The first phase of listening commenced in the Diocese in October 2021 and will continue into Spring 2022. Details of the synodal process are on the Diocesan website at <http://www.dioceseofshrewsbury.org/news/latest-news/synod/>

There are continuing pressures on schools in terms of academic standards and also school finances, particularly during the pandemic. The Diocesan Education Service continues to support schools and work with those who require assistance.

The Trustees are still working towards operating through a corporate structure rather than as an unincorporated trust, albeit that this work was paused during the pandemic.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The fixed assets and investments of the charity are vested in a trust with the Diocesan Trustees as the managing Trustees, of which there are eight.

Trustees:

The affairs of the Charity are governed by the Trustees under the chairmanship of the Bishop. All Trustees are appointed and removed by the Bishop who is empowered to do so by the Trust Deed. The Board consists of six clergy and three laity of the faithful. The clergy Trustees are appointed for their expertise in parochial, spiritual and pastoral matters. The lay Trustees are selected for their skills and experience in charities, business, management and property. Further lay trustees would be chosen to match any

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perceived skill requirement. New Trustees are provided with the terms of reference and a pack of information relating to the constitution, governance and operation of the Trust. In order to ensure that the Trustees have the necessary up to date knowledge to govern the Charity, the Chair of Trustees has instigated a programme of trustee training, delivered by suitably qualified and experienced individuals. The Board has established various sub-committees to advise it on aspects of the Trust's activities. The Bishop has also established certain commissions and councils to provide advice in other areas.

Board of Finance and Administration:

Trustees obtain advice from the Board, to whom they delegate relevant matters of finance, administration, HR, legal, insurance and property. This Board is chaired by the Episcopal Vicar for Administration, a Trustee, and comprises senior clergy and lay professional people experienced in commerce, finance, education, personnel and property matters. The Board meets four times a year.

Health and Safety Sub-Committee:

This is a recently established sub-committee chaired by a lay Trustee, responsible for oversight of matters of Health and Safety. It will oversee the implementation of the handbook and training as well as supporting the enhancement of the network of parish volunteer health and safety representatives. This sub-committee meets four times a year.

Academy and Standards Sub-Committee:

The Committee has oversight of applications for academy conversions as well as oversight of standards in schools. It is chaired by a Vicar General as well as the Episcopal Vicar for Education. This sub-committee meets as required, although currently meetings are monthly.

Bishop's Council:

The Council comprises two Vicars General, Episcopal Vicars, other clergy and advisors and meets with the Bishop weekly.

Council of Priests and College of Consultors:

The priests in these two bodies advise the Bishop on strategic issues affecting the parishes and Diocese.

Bishop's Commissions and Committees:

There are Bishops Commissions for Youth, New Evangelisation, Liturgy, Marriage & Family Life, Education, Boundaries, Justice Peace & Social Responsibility, and Christian Unity. There are Committees for Heritage, Arts & Architecture and Cemeteries. Each Committee and Commission advises the Bishop on its area of responsibility and each is chaired by the Bishop or by an Episcopal Vicar.

Parishes:

The day-to-day administration of parishes is delegated to the parish clergy who are advised by their parish finance committee. Significant matters are approved by the Board of Finance and Administration and/or Trustees, such as the employment of staff or the approval of major repairs or large items of expenditure.

Remuneration Policy:

Annual pay changes are approved by the Trustees. Periodically pay rates, including those for key management personnel, are benchmarked against market rates, particularly when recruiting or if staff move into significant roles. Recruitment is approved and monitored by the Board of Finance and Administration and/or Trustees in accordance with budgeted expenditure.

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

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For the Year Ending 31st March 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES:

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

The law applicable to charities in England and Wales requires the trustees 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 trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, and the provisions of the trust deed. They are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection fraud and other irregularities.

Approved by the Trustees at a meeting held on 8th December 2021 and signed as authorised on their behalf by:



Canon Philip Moor VG

Trustee

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

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Independent auditor's report to the trustees of Shrewsbury Roman Catholic Diocesan Trust

Opinion:

We have audited the financial statements of Shrewsbury Roman Catholic Diocesan Trust for the year ended 31 March 2021 which comprise Consolidated Statement of Financial Activities, the charity and group Balance Sheets, the consolidated 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 group's and of the parent charity's affairs as at 31 March 2021 and of the group's net movement in funds for the year then ended;

have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion:

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern:

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

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

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

Other information:

The trustees are responsible for the other information. The other information comprises the information included in the Consolidated Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

Consolidated Annual Report For the Year Ending 31st March 2021

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.

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:

adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or

sufficient accounting records have not been kept; or

the parent charity financial statements are not in agreement with the accounting records and returns; or we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements:

As explained more fully in the trustees' responsibilities statement set out on Page 17, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements:

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

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

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

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

Consolidated Annual Report For the Year Ending 31st March 2021

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

Review of minutes of trustees' meetings;
Inspecting correspondence with regulators and tax authorities;
Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
Evaluating management's controls designed to prevent and detect irregularities;
Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
Challenging assumptions and judgements made by management in their critical accounting estimates. These related to depreciation, investment property valuations and accrued legacies.

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 trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date:

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

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

Consolidated Statement of Financial Activities
For the Financial Year Ending 31st March 2021

| | Note: | Parochial Funds | | | Diocesan Funds | | | | Total Funds | |
|--------------------------------------------------------------------------|-------|------------------------------------|--------------------|----------------|----------------------|------------------------------------|--------------------|----------------|-----------------|---------------------------|
| | | Unrestricted Designated £000 | Restricted £000 | Total £000 | Unrestricted £000 | Unrestricted Designated £000 | Restricted £000 | Total £000 | 2021 £000 | 2020 (Note 17) £000 |
| <u>Income from:</u> | | | | | | | | | | |
| Donations & Legacies | 3.1 | 5,337 | 112 | 5,449 | 643 | 180 | 1,689 | 2,512 | 7,961 | 10,098 |
| Other Trading Activities | 3.2 | 237 | - | 237 | 1,006 | - | - | 1,006 | 1,243 | 2,937 |
| Investments | 3.3 | 127 | - | 127 | 445 | 64 | 70 | 579 | 706 | 1,194 |
| Other Income | 3.4 | 43 | - | 43 | - | - | - | - | 43 | 12 |
| Total Income: | | 5,744 | 112 | 5,856 | 2,094 | 244 | 1,759 | 4,097 | 9,953 | 14,241 |
| <u>Expenditure on:</u> | | | | | | | | | | |
| Raising Funds | 4 | (66) | - | (66) | (1,731) | (15) | (20) | (1,766) | (1,832) | (3,280) |
| Charitable Activities | 5 | (5,263) | (129) | (5,392) | (1,936) | (961) | (808) | (3,705) | (9,097) | (12,643) |
| Total Expenditure: | | (5,329) | (129) | (5,458) | (3,667) | (976) | (828) | (5,471) | (10,929) | (15,923) |
| Net Income/(Expenditure) before Net Gains/(Losses) on Investments | | 415 | (17) | 398 | (1,573) | (732) | 931 | (1,374) | (976) | (1,682) |
| <u>Net Gains/(Losses) on Investments:</u> | | | | | | | | | | |
| Listed Investments | | 881 | - | 881 | 858 | 811 | 509 | 2,178 | 3,059 | (2,399) |
| Property (Unrealised) | | 104 | - | 104 | 45 | 171 | - | 216 | 320 | 211 |
| Property (Realised) | | 1 | - | 1 | - | - | - | - | 1 | 92 |
| Net Income/(Expenditure) | | 1,401 | (17) | 1,384 | (670) | 250 | 1,440 | 1,020 | 2,404 | (3,778) |
| Transfer Between Funds | | (509) | (119) | (628) | 1,623 | (507) | (488) | 628 | - | - |
| Net Movement in Funds | | 892 | (136) | 756 | 953 | (257) | 952 | 1,648 | 2,404 | (3,778) |
| Total Funds Brought Forward: | | 30,719 | 316 | 31,035 | (284) | 12,518 | 4,279 | 16,513 | 47,548 | 51,326 |
| Total Funds Carried Forward: | | 31,611 | 180 | 31,791 | 669 | 12,261 | 5,231 | 18,161 | 49,952 | 47,548 |

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

Consolidated Statement of Financial Activities
For the Financial Year Ending 31 March 2021 - Continued

| | Parochial Funds | | | Diocesan Funds | | | | Total Funds | |
|----------------------------------------------------------------------------------------------------------------|------------------------------------|--------------------|---------------|----------------------|------------------------------------|--------------------|---------------|--------------|---------------------------|
| | Unrestricted Designated £000 | Restricted £000 | Total £000 | Unrestricted £000 | Unrestricted Designated £000 | Restricted £000 | Total £000 | 2021 £000 | 2020 (Note 17) £000 |
| <u>Schedule of Transfers:</u> | | | | | | | | | |
| <i>Assessments:</i> | | | | | | | | | |
| Offertory Assessments paid to Diocesan Unrestricted | (688) | - | (688) | 688 | - | - | 688 | - | - |
| Gift Aid Assessments paid to Diocesan Unrestricted | (81) | - | (81) | 83 | (2) | - | 81 | - | - |
| Property Sales Assessments paid to Diocesan Unrestricted | - | - | - | - | - | - | - | - | - |
| <i>Our Mission Together:</i> | | | | | | | | | |
| Mission & Outreach paid to Diocesan Unrestricted - Supporting Clergy in Education and Retirement | - | - | - | 121 | - | (121) | - | - | - |
| Mission & Outreach paid to Diocesan Unrestricted Designated - Supporting Clergy in Education and Retirement | - | - | - | 31 | 502 | (533) | - | - | - |
| Parish Pledges to Our Mission Together | (275) | - | (275) | - | - | 275 | 275 | - | - |
| Parish Projects | 29 | - | 29 | 3 | - | (32) | (29) | - | - |
| <i>School Building Fund:</i> | | | | | | | | | |
| Contribution Paid to School Building Fund | - | - | - | (130) | - | 130 | - | - | - |
| Management Charge Paid by School Building Fund | - | - | - | 130 | - | (130) | - | - | - |
| LCVAP 1.5% to cover Diocesan Administrative Property Costs | - | - | - | 77 | - | (77) | - | - | - |
| <i>Other Transfers:</i> | | | | | | | | | |
| Sharatt Diocesan Unrestricted Designated - Redevelopment of St Anthony's Parish Hall & Presbytery | 375 | - | 375 | 632 | (1,007) | - | (375) | - | - |
| Parish School Project (Nantwich) | (88) | 88 | - | - | - | - | - | - | - |
| Distribution of Grant for Online Streaming (Covid-19 Support) | 10 | - | 10 | (10) | - | - | (10) | - | - |
| Reconciliation of WW2 Funds to Cathedral Development | 207 | (207) | - | - | - | - | - | - | - |
| Transfer of Salop Reserves to St Mary's Crewe | 2 | - | 2 | (2) | - | - | (2) | - | - |
| Total Transfers: | (509) | (119) | (628) | 1,623 | (507) | (488) | 628 | = | = |

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

GROUP BALANCE SHEET
AT 31st MARCH 2021

| | Note: | Parochial 2021 £000 | Diocesan 2021 £000 | Total 2021 £000 | Parochial 2020 £000 | Diocesan 2020 £000 | Total 2020 £000 |
|----------------------------|-------|---------------------------|--------------------------|-----------------------|---------------------------|--------------------------|-----------------------|
| Fixed Assets: | | | | | | | |
| Tangible Assets | 6.1 | 12,395 | 1,435 | 13,830 | 12,404 | 894 | 13,298 |
| Investment Properties | 6.3 | 4,570 | 8,644 | 13,214 | 4,855 | 7,956 | 12,811 |
| | | <u>16,965</u> | <u>10,079</u> | <u>27,044</u> | <u>17,259</u> | <u>8,850</u> | <u>26,109</u> |
| Investments | 7 | 3,686 | 15,659 | 19,345 | 5,248 | 13,188 | 18,436 |
| | | <u>20,651</u> | <u>25,738</u> | <u>46,389</u> | <u>22,507</u> | <u>22,038</u> | <u>44,545</u> |
| Current Assets: | | | | | | | |
| Stock | | - | 41 | 41 | - | 61 | 61 |
| Debtors | 8.1 | 14 | 517 | 531 | - | 558 | 558 |
| Cash at Bank | | 2,779 | 6,126 | 8,905 | 2,516 | 3,544 | 6,060 |
| | | <u>2,793</u> | <u>6,684</u> | <u>9,477</u> | <u>2,516</u> | <u>4,163</u> | <u>6,679</u> |
| Creditors: | | | | | | | |
| Less: Current Liabilities | 9.1 | (186) | (5,728) | (5,914) | (101) | (3,575) | (3,676) |
| Parish Loans | | 8,533 | (8,533) | - | 6,113 | (6,113) | - |
| Net Current Assets: | | <u>11,140</u> | <u>(7,577)</u> | <u>3,563</u> | <u>8,528</u> | <u>(5,525)</u> | <u>3,003</u> |
| Total Net Assets: | | <u>31,791</u> | <u>18,161</u> | <u>49,952</u> | <u>31,035</u> | <u>16,513</u> | <u>47,548</u> |
| Financed By: | | | | | | | |
| Restricted Funds | 11 | 180 | 5,231 | 5,411 | 316 | 4,279 | 4,595 |
| Designated Funds | 10.1 | 31,611 | 12,261 | 43,872 | 30,719 | 12,518 | 43,237 |
| Unrestricted Funds | 10.2 | - | 669 | 669 | - | (284) | (284) |
| | | <u>31,791</u> | <u>18,161</u> | <u>49,952</u> | <u>31,035</u> | <u>16,513</u> | <u>47,548</u> |

The Net Movement in Funds for the year from Diocesan and Parish sources (excluding subsidiary companies) was £2,930k (2020 - £3,558k deficit)

Approved by the Board of Trustees at their meeting on 8th December 2021 and signed on their behalf by:

+ Mark Davies

Rt Rev Mark Davies, Bishop of Shrewsbury

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

CHARITY BALANCE SHEET
AT 31st MARCH 2021

| | Note: | Parochial 2021 £000 | Diocesan 2021 £000 | Total 2021 £000 | Parochial 2020 £000 | Diocesan 2020 £000 | Total 2020 £000 |
|----------------------------|-------|---------------------------|--------------------------|-----------------------|---------------------------|--------------------------|-----------------------|
| Fixed Assets: | | | | | | | |
| Tangible Assets | 6.2 | 12,395 | 1,074 | 13,469 | 12,404 | 474 | 12,878 |
| Investment Properties | 6.3 | 4,570 | 8,644 | 13,214 | 4,855 | 7,956 | 12,811 |
| | | <u>16,965</u> | <u>9,718</u> | <u>26,683</u> | <u>17,259</u> | <u>8,430</u> | <u>25,689</u> |
| Investments | 7 | 3,686 | 16,110 | 19,796 | 5,248 | 13,639 | 18,887 |
| | | <u>20,651</u> | <u>25,828</u> | <u>46,479</u> | <u>22,507</u> | <u>22,069</u> | <u>44,576</u> |
| Current Assets: | | | | | | | |
| Stock | | - | - | - | - | - | - |
| Debtors | 8.2 | 14 | 1,553 | 1,567 | - | 1,055 | 1,055 |
| Cash at Bank | | 2,779 | 6,112 | 8,891 | 2,516 | 3,527 | 6,043 |
| | | <u>2,793</u> | <u>7,665</u> | <u>10,458</u> | <u>2,516</u> | <u>4,582</u> | <u>7,098</u> |
| Creditors: | | | | | | | |
| Less: Current Liabilities | 9.2 | (186) | (5,530) | (5,716) | (101) | (3,284) | (3,385) |
| Parish Loans | | 8,533 | (8,533) | - | 6,113 | (6,113) | - |
| | | <u>11,140</u> | <u>(6,398)</u> | <u>4,742</u> | <u>8,528</u> | <u>(4,815)</u> | <u>3,713</u> |
| Net Current Assets: | | | | | | | |
| | | <u>31,791</u> | <u>19,430</u> | <u>51,221</u> | <u>31,035</u> | <u>17,254</u> | <u>48,289</u> |
| Total Net Assets: | | | | | | | |
| | | <u>31,791</u> | <u>19,430</u> | <u>51,221</u> | <u>31,035</u> | <u>17,254</u> | <u>48,289</u> |
| Financed By: | | | | | | | |
| Restricted Funds | 11 | 180 | 5,231 | 5,411 | 316 | 4,279 | 4,595 |
| Designated Funds | 10.1 | 31,611 | 12,261 | 43,872 | 30,719 | 12,518 | 43,237 |
| Unrestricted Funds | 10.3 | - | 1,938 | 1,938 | - | 457 | 457 |
| | | <u>31,791</u> | <u>19,430</u> | <u>51,221</u> | <u>31,035</u> | <u>17,254</u> | <u>48,289</u> |

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31st MARCH 2021

| | 2021 £000 | £000 | 2020 £000 | £000 |
|-----------------------------------------------------------------------------|---------------------|---------------------|-----------------------|---------------------|
| Cashflow from Operating Activities: | | | | |
| Net Cash Provided by/(Used in) Operating Activities (Note (i) below) | | 1,067 | | (2,713) |
| Cashflow from Investing Activities | | | | |
| Investment Income | 706 | | 1,194 | |
| Purchase of Tangible Fixed Assets | (1,040) | | (307) | |
| Purchase of Investment Properties | (472) | | (1,743) | |
| Purchase of Investments | (8,488) | | (11,244) | |
| Proceeds from Sale of Investments | 11,017 | | 12,358 | |
| Proceeds from Sale of Investment Properties | 390 | | 877 | |
| Proceeds from Sale of Fixed Assets | 44 | | 19 | |
| Net Cash Provided by/(Used In) Investing Activities: | | 2,157 | | 1,154 |
| | | 3,224 | | (1,559) |
| Change in Cash and Cash Equivalents in Reporting Period: | | | | |
| Cash at 01 April | | 6,408 | | 7,967 |
| Cash and Cash Equivalents at 31 March (Note (ii)) | | <u>9,632</u> | | <u>6,408</u> |
| Note (i): Reconciliation of NET Cashflow from Operating Activities: | | | | |
| Net Income | 2,404 | | (3,778) | |
| Depreciation | 507 | | 515 | |
| Revaluation of Investments | (3,380) | | 2,096 | |
| Net (Gain)/Loss on Sale of Fixed Assets | (43) | | (12) | |
| Investment Income | (706) | | (1,194) | |
| (Increase)/Decrease in Stock | 20 | | 8 | |
| (Increase)/Decrease in Debtors | 27 | | (55) | |
| Increase/(Decrease) in Creditors | 2,238 | | (293) | |
| | <u>1,067</u> | | <u>(2,713)</u> | |
| Note (ii): Bank and Cash Balances: | | | | |
| Cash at Bank | 8,905 | | 6,060 | |
| Schroders Current Accounts held as Part of Investment Portfolio Note 7 | 727 | | 348 | |
| | <u>9,632</u> | | <u>6,408</u> | |

SHREWBURY ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021

1 Principle Accounting Policies:

1.1 **Basis of Preparation:**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Statement of Recommended Practice for Charities (SORP 2015)(Second Edition, effective 1st January 2019), applicable accounting standards and the Charities Act 2011. The Charity's operations which are all continuing are as follows:

- Parochial
- Consolidation of Diocesan Parish Accounts
- Diocesan
- Consolidation of Central Funds and 3 (three) Subsidiary Company Accounts

The statement of financial activities ("the SOFA") and balance sheet consolidate the financial statements of the charity and its subsidiary companies, Shrewsbury Diocese Commercial Co Ltd, Salop Service Company Limited, and Hale Barns Events Limited. The results of the subsidiary companies are consolidated on a line by line basis. The charity is a Public Benefit Entity as defined by FRS 102.

1.2 **Preparation of the Accounts on a Going Concern Basis:**

In light of the advent of the Covid-19, the board of trustees have examined in detail the impact the pandemic has inflicted upon the charity. Which include a detailed analysis of budgets, cash flow forecasts, and analysis of available grants to support the required staffing levels across the organisation.

In addition to the analysis the charity holds significant investments in property as well as equity investments it can draw upon in the event of impairment in cash flows, that cover more than 12 months costs.

In consideration of all the above the trustees confirm that they have no material uncertainties about the entity's ability to continue as a going concern for the foreseeable future.

1.3 **Income:**

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

Donations are recognised when the Diocese receives written confirmation of the amount, it is probable that the income will be received and it can be reasonably be measured in financial terms. Legacies are recognised as an entitlement at the earlier of either notification from the executor that a grant of probate has been received and the charity is expected to receive a distribution which can be measured reliably, or a distribution has been made from the estate.

Where legacies have been notified to the Charity but the criteria for income recognition has not been met, the legacy is treated as a contingent asset and disclosed if material.

Income from fundraising trading is included in the period that the relevant services are provided or goods supplied. This includes income from subsidiary companies, further details of which can be found in NOTE 2.

Investment income is credited to income when it is receivable and the amount can be measured reliably by the Charity, This is normally on notification of interest paid by the bank or in the case of listed investments on notification of the amount paid directly to the brokers, Schroders.

The Diocese receives substantial help from volunteers. It is not possible to place a financial value on this work and no amounts are therefore included in the financial statements for the value of services donated by volunteers. Gifts of fixed assets are included at valuation and recorded as donation income.

1.4 **Expenditure:**

Expenditure is recognised as a liability 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 the obligation can be reasonably measured.

Expenditure is recognised on an accruals basis as a liability incurred, inclusive of irrecoverable VAT.

Costs of raising funds comprises all costs relating to attracting voluntary income, the costs of goods sold in fundraising trading and other related costs. They have been allocated to activities on a basis consistent with the use of resources.

Charitable activities expenditure comprises of those costs associated with the objects of the Diocese.

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021

1 Principle Accounting Policies (continued)

1.5 **Commitments:**

Commitments that have been made by the Trustees and that are legally binding have been accrued. Those that are not legally binding have not been charged in the accounts but are disclosed in NOTE 14.

1.6 **Tangible Fixed Assets - Other than Property:**

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

| | % of cost per annum |
|-------------------------------------------|---------------------|
| - Motor Vehicles | 25 |
| - Office Equipment, Fixtures and Fittings | 10/20 |
| - Computer Equipment | 33 |

1.7 **Tangible Fixed Assets - Functional Church Property:**

Prior to 31st March 1996 capital expenditure on functional church property was written off in full as incurred.

At 31st March 1996 the Trustees considered that a reasonable approximation of the net book value of the functional church property would be established through discounting the insurance replacement values of these assets by 90%. This is the policy employed to include these assets on the balance sheet at estimated historic cost net of accumulated depreciation.

The Trustees estimated that the average useful life for functional church property held at 31st March 1996 was eighty years. On the basis of an estimated average remaining useful life of forty years from 1st April 1996, this property is depreciated at 2.5% p.a.

From 1st April 1996 the cost of new functional church property, namely Cathedral, churches, presbyteries, halls and other church properties is depreciated at the following rates:

| | % of cost per annum |
|----------------------------------|---------------------|
| - Land Element | Nil |
| - Building Element | 1.25 |
| - Church and Presbytery Contents | 10 |

Where church buildings are disposed of and the original cost cannot be established, the Trustees consider that a reasonable approximation of costs is 10% of the sales price.

Works of art, treasures and plate are not capitalised in these accounts as they are historic, have extraordinarily long lives and are worth preserving in perpetuity. The Trustees consider that it would be prejudicial to the safe custody of these assets to disclose details of their values and usage in the accounts.

1.8 **Tangible Fixed Assets - School Property:**

The freehold of the land and buildings is legally owned by the Diocese and occupied rent free by the governing bodies of Catholic voluntary-aided schools and voluntary academies, which are separate charities and publicly funded. The schools occupy the land and buildings under licence and termination of the occupation and therefore closure of the school would be dependent upon agreement with others such as the school governors, local authorities and the Secretary of State. In some circumstances, where a disposal occurs, the Secretary of State or the local authority may be entitled to recoup any grant. The Trustees therefore consider that the value to the Diocese of this land and building is impaired and therefore these properties have not been capitalised in the financial statements.

The number of schools occupying such land and buildings is:

| | Number |
|----------------------|--------|
| - Primary Schools | 86 |
| - High Schools | 19 |
| - Sixth Form College | 1 |
| | 106 |

The insurance replacement value of the school properties at 31st March 2021 amounted to £536m. (2020 - £536m)

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021

1 Principle Accounting Policies (continued)

1.9 **Investments and Investment Properties:**

Investments and investment properties are included in the balance sheet at their market value at the balance sheet date. Investment properties are re-valued by an independent valuer on an open market basis and on a rolling programme of revaluation.

Unrealised gains and losses represent the movement in market value during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

1.10 **Stock:**

Stock is valued at the lower of cost and net realisable value.

1.11 **Financial Instruments - Assets and Liabilities:**

Debtors are recognised at the settlement amount due.

Cash at bank and cash in hand includes cash held in short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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.

1.12 **Taxation:**

The Charity considers that it satisfies the exemptions from taxation set out in the Income and Corporation Taxes Act 1988 and the Taxations of Chargeable Gains Act 1992 and thus no provision is made for taxation.

1.13 **Pensions:**

Teaching staff employed by the Charity are eligible for membership of the Teachers Pension Scheme, which is a national, statutory contributory, unfunded defined benefit scheme administered by the Teachers Pension Agency, and executive agency of the Department of Education and Employment Pension costs are assessed in accordance with the advice of the Government Actuary.

The Charity operates a group personal pension scheme and a NEST pension scheme for other members of staff. The defined contribution scheme is administered by an Insurance Company with the assets held separately from those of the Charity. The NEST scheme is a scheme for those employees falling within the provisions of Autoenrollment. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the Charity in the year.

1.14 **Recognised Gains or Losses:**

All recognised gains or losses for the year ended 31st March 2021 and 31st March 2020 are derived from continuing activities and are included in the Statement of Financial Activities.

1.15 **Areas of Judgement or Estimation:**

The preparation of financial statements in line with FRS102 and the Charities' SORP requires the Trustees to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. The Trustees recognise that actual results may differ from estimates used. Areas where such judgements and estimates have been applied are within the calculation of Depreciation and the Valuation of Investments.

1.16 **Fund Accounting:**

The Diocese has the following funds which are shown separately in the accounts:

Unrestricted Funds - General

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the objectives of the Charity and which have not been designated for other purposes (NOTE 10.2).

Unrestricted Funds - Designated

Designated funds are unrestricted funds that have been set aside by the Trustees for a specific purpose (NOTE 10.1).

Restricted Funds

Restricted funds are funds that are used in accordance with specific restrictions imposed by donors or that have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements (NOTE 11).

1.17 **General Information:**

The Diocese is an unincorporated charity that is registered in England and Wales (charity number 234025). Its address is 2 Park Road South, Birkenhead. CH43 4UX.

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021

2 Subsidiary/Associated Bodies:

2.1 Interests & Holdings:

The Charity has interests in the following undertakings:

| | Company Number | Share Holding | % Shares Held | Holding Class |
|----------------------------------------------------------------------------|----------------|----------------------|---------------|---------------|
| Shrewsbury Diocese Commercial Company <i>Management of Parish Clubs</i> | 02848927 | £450,000 | 100% | Subsidiary |
| Salop Service Company Ltd <i>Provision of Parking</i> | 08019951 | £500 | 100% | Subsidiary |
| Hale Barns Events Ltd <i>Annual Music Festival</i> | 11069532 | £100 | 100% | Subsidiary |
| Inter-Diocese Fuel Management Ltd <i>Fuel & Power Distributor</i> | 02891029 | £1 | 11% | Associate |
| Diocese of Shrewsbury Education Trust <i>Academy Sponsor</i> | 09263878 | Limited by Guarantee | | Associate |

2.2 Subsidiary Company Operations:

| Shrewsbury Diocese | | | | |
|-----------------------------------------------------|------------------------|---------------------------|-----------------------|--------------|
| | Commercial Company Ltd | Salop Service Company Ltd | Hale Barns Events Ltd | Total |
| | £000 | £000 | £000 | £000 |
| Financial Year Ended 31 March 2021 | | | | |
| Sales | 190 | 1 | 5 | 196 |
| Other Incomes | 203 | - | - | 203 |
| Government Covid Support Grants | 584 | - | 23 | 607 |
| Total Trading Income | 977 | 1 | 28 | 1,006 |
| Cost of Sales | 103 | 2 | 1 | 106 |
| Staff Costs | 866 | - | 35 | 901 |
| Repair & Maintenance Costs | 53 | - | - | 53 |
| Depreciation & Other Costs | 468 | - | 4 | 472 |
| Total Trading Expenditure: | 1,490 | 2 | 40 | 1,532 |
| Net Profit/(Loss) before Gift Aid to Diocese | (513) | (1) | (12) | (526) |
| Net Assets at 31 March 2021 | (798) | = | (21) | (819) |
| Shrewsbury Diocese | | | | |
| | Commercial Company Ltd | Salop Service Company Ltd | Hale Barns Events Ltd | Total |
| | £000 | £000 | £000 | £000 |
| Financial Year Ended 31 March 2020 | | | | |
| Sales | 2,454 | 4 | 83 | 2,541 |
| Other Incomes | 97 | - | - | 97 |
| Government Covid Support Grants | - | - | - | - |
| Total Trading Income | 2,551 | 4 | 83 | 2,638 |
| Cost of Sales | 1,190 | 2 | 34 | 1,226 |
| Staff Costs | 950 | - | 35 | 985 |
| Repair & Maintenance Costs | 83 | - | - | 83 |
| Depreciation & Other Costs | 553 | - | 11 | 564 |
| Total Trading Expenditure: | 2,776 | 2 | 80 | 2,858 |
| Net Profit/(Loss) before Gift Aid to Diocese | (225) | 2 | 3 | (220) |
| Net Assets at 31 March 2020 | (285) | 2 | (9) | (292) |

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021

3 Income:

| 3.1 Donations & Legacies: | Parochial | Diocesan | Total Income | Parochial | Diocesan | Total Income |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|---------------|
| | 2021 | 2021 | 2021 | 2020 | 2020 | 2020 |
| | £000 | £000 | £000 | £000 | £000 | £000 |
| Parish Offertory (inc. Rebate) | 4,812 | 4 | 4,816 | 6,143 | 3 | 6,146 |
| Legacies | 106 | 37 | 143 | 118 | 110 | 228 |
| Collections | 112 | 173 | 285 | 362 | 150 | 512 |
| School Building Fund | - | 559 | 559 | - | 724 | 724 |
| Pilgrimage & Other Income | 206 | 280 | 486 | 486 | 720 | 1,206 |
| Government Covid Support Grants | 213 | 376 | 589 | - | - | - |
| Our Mission Together | - | 1,083 | 1,083 | - | 1,282 | 1,282 |
| | <u>5,449</u> | <u>2,512</u> | <u>7,961</u> | <u>7,109</u> | <u>2,989</u> | <u>10,098</u> |

| 3.2 Other Trading Activity: | Parochial | Diocesan | Total Income | Parochial | Diocesan | Total Income |
|------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Unrestricted | Unrestricted | 2021 | Unrestricted | Unrestricted | 2020 |
| | Designated | 2021 | £000 | Designated | 2020 | £000 |
| Parishes Social & Fundraising Activities | 237 | - | 237 | 299 | - | 299 |
| Subsidiary Company Income (NOTE 2.2) | - | 1,006 | 1,006 | - | 2,638 | 2,638 |
| | <u>237</u> | <u>1,006</u> | <u>1,243</u> | <u>299</u> | <u>2,638</u> | <u>2,937</u> |

3.3 Investment Income:

| Financial Year Ended 31 March 2021 | Parochial | Diocesan | Diocesan | Diocesan | Total Income |
|------------------------------------|--------------|--------------|--------------|------------|--------------|
| | Unrestricted | Unrestricted | Unrestricted | Restricted | £000 |
| | Designated | £000 | Designated | £000 | |
| Property Income | 123 | 119 | 10 | - | 252 |
| Listed Investments | 4 | 316 | 54 | 70 | 444 |
| Other Investment Incomes | - | - | - | - | - |
| Bank Interest | - | 10 | - | - | 10 |
| | <u>127</u> | <u>445</u> | <u>64</u> | <u>70</u> | <u>706</u> |

| Financial Year Ended 31 March 2020 | Parochial | Diocesan | Diocesan | Diocesan | Total Income |
|------------------------------------|--------------|--------------|--------------|------------|--------------|
| | Unrestricted | Unrestricted | Unrestricted | Restricted | £000 |
| | Designated | £000 | Designated | £000 | |
| Property Income | 215 | 96 | 18 | - | 329 |
| Listed Investments | 4 | 582 | 89 | 95 | 770 |
| Other Investment Incomes | - | 8 | - | - | 8 |
| Bank Interest | 2 | 85 | - | - | 87 |
| | <u>221</u> | <u>771</u> | <u>107</u> | <u>95</u> | <u>1,194</u> |

3.4 Other Income:

| Financial Year Ended 31 March 2021 | Parochial | Diocesan | Diocesan | Total Income |
|------------------------------------|--------------|--------------|--------------|--------------|
| | Unrestricted | Unrestricted | Unrestricted | £000 |
| | Designated | £000 | Designated | |
| Sale of Fixed Assets | 43 | - | - | 43 |
| | <u>43</u> | <u>-</u> | <u>-</u> | <u>43</u> |

| Financial Year Ended 31 March 2020 | Parochial | Diocesan | Diocesan | Total Income |
|------------------------------------|--------------|--------------|--------------|--------------|
| | Unrestricted | Unrestricted | Unrestricted | £000 |
| | Designated | £000 | Designated | |
| Sale of Fixed Assets | - | 12 | - | 12 |
| | <u>-</u> | <u>12</u> | <u>-</u> | <u>12</u> |

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021

| | Personnel | | | Personnel | | |
|----------------------------------------------|--------------|--------------|--------------|--------------|--------------|---------------|
| | Costs | Other Costs | Total Costs | Costs | Other Costs | Total Costs |
| | 2021 | 2021 | 2021 | 2020 | 2020 | 2020 |
| | £000 | £000 | £000 | £000 | £000 | £000 |
| 4 Expenditure on Raising Funds: | | | | | | |
| Parishes social and fundraising activities | - | 66 | 66 | - | 171 | 171 |
| Subsidiary Company Costs (note 2.2) | 901 | 631 | 1,532 | 985 | 1,873 | 2,858 |
| Planned Giving Costs | 64 | 10 | 74 | 63 | 10 | 73 |
| Bid Writing Costs | 40 | 1 | 41 | 39 | 5 | 44 |
| Investment Management Fees | - | 119 | 119 | - | 134 | 134 |
| | <u>1,005</u> | <u>827</u> | <u>1,832</u> | <u>1,087</u> | <u>2,193</u> | <u>3,280</u> |
| 5 Charitable Expenditure: | | | | | | |
| 5.1 Parochial: | | | | | | |
| Clergy Allowances | 627 | - | 627 | 839 | - | 839 |
| Housekeeping & Related Costs | - | 352 | 352 | - | 368 | 368 |
| Employed Parochial Support Staff | 613 | - | 613 | 617 | - | 617 |
| Repair & Maintenance | 6 | 1,707 | 1,713 | 17 | 2,938 | 2,955 |
| Utilities & Insurance | - | 853 | 853 | - | 963 | 963 |
| Church & Other Expenses | - | 245 | 245 | - | 407 | 407 |
| School Expenses | - | 51 | 51 | - | 350 | 350 |
| Diocesan & Other Collections | - | 129 | 129 | - | 415 | 415 |
| Stationery, travel & Sundries | - | 426 | 426 | - | 863 | 863 |
| Depreciation | - | 383 | 383 | - | 383 | 383 |
| | <u>1,246</u> | <u>4,146</u> | <u>5,392</u> | <u>1,473</u> | <u>6,687</u> | <u>8,160</u> |
| 5.2 Diocesan: | | | | | | |
| Education Services | 331 | 57 | 388 | 317 | 152 | 469 |
| Youth | 111 | 5 | 116 | 90 | 35 | 125 |
| Liturgy | - | 4 | 4 | - | 7 | 7 |
| Tribunal | 22 | 8 | 30 | 21 | 9 | 30 |
| Ecumenism | - | 13 | 13 | - | 13 | 13 |
| Property Costs | 220 | 113 | 333 | 199 | 138 | 337 |
| National Levies | - | 66 | 66 | - | 75 | 75 |
| Bishop's Office | 45 | 35 | 80 | 45 | 74 | 119 |
| Curial Office | 22 | 141 | 163 | 22 | 127 | 149 |
| Finance & Legal | 264 | 48 | 312 | 260 | 61 | 321 |
| Bank Charges | - | 50 | 50 | - | 63 | 63 |
| Depreciation | - | 36 | 36 | - | 42 | 42 |
| Governance Costs | - | 36 | 36 | - | 27 | 27 |
| Mission & Evangelisation | 105 | 12 | 117 | 93 | 16 | 109 |
| Safeguarding | 109 | 14 | 123 | 108 | 23 | 131 |
| Pastoral & Other Costs | 1 | 46 | 47 | - | 381 | 381 |
| Our Mission Together | 55 | 260 | 315 | 45 | 600 | 645 |
| School Building Fund | - | 478 | 478 | - | 486 | 486 |
| | <u>1,285</u> | <u>1,422</u> | <u>2,707</u> | <u>1,200</u> | <u>2,329</u> | <u>3,529</u> |
| Clergy: | | | | | | |
| Education & Training | 50 | 245 | 295 | 69 | 274 | 343 |
| Sick & Retired Priests | 317 | 349 | 666 | 284 | 236 | 520 |
| Other Clergy Costs | 19 | 18 | 37 | 32 | 59 | 91 |
| | <u>386</u> | <u>612</u> | <u>998</u> | <u>385</u> | <u>569</u> | <u>954</u> |
| Total Diocesan Charitable Expenditure | <u>1,671</u> | <u>2,034</u> | <u>3,705</u> | <u>1,585</u> | <u>2,898</u> | <u>4,483</u> |
| Total Charitable Expenditure | <u>2,917</u> | <u>6,180</u> | <u>9,097</u> | <u>3,058</u> | <u>9,585</u> | <u>12,643</u> |

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021

6 Tangible Fixed Assets:

6.1 Tangible Fixed Assets - Group:

Tangible Fixed Assets, at Cost

| | Diocesan | | | Parochial | | |
|------------------------|---------------------------|--------------------------------------------------------|------------------------------|---------------------------|----------------------------------------------|---------------|
| | Motor Vehicles £000 | Office Equipment, Fixtures & Fittings £000 | Diocesan Property £000 | Motor Vehicles £000 | Parochial Property & Equipment £000 | Total £000 |
| Cost: | | | | | | |
| At 1 April 2020 | 87 | 1,861 | 930 | 22 | 19,903 | 22,803 |
| Additions | - | 33 | 632 | - | 375 | 1,040 |
| Transfers | - | - | - | - | - | - |
| Disposals | - | - | (9) | - | (4) | (13) |
| At 31 March 2021 | 87 | 1,894 | 1,553 | 22 | 20,274 | 23,830 |
| Depreciation: | | | | | | |
| At 1 April 2020 | 39 | 1,403 | 542 | 6 | 7,515 | 9,505 |
| Charge for Period | 13 | 94 | 17 | 6 | 377 | 507 |
| Transfers | - | - | - | - | - | - |
| Disposals | - | - | (9) | - | (3) | (12) |
| At 31 March 2021 | 52 | 1,497 | 550 | 12 | 7,889 | 10,000 |
| Net Book Value: | | | | | | |
| At 31 March 2021 | <u>35</u> | <u>397</u> | <u>1,003</u> | <u>10</u> | <u>12,385</u> | <u>13,830</u> |
| At 31 March 2020 | 48 | 458 | 388 | 16 | 12,388 | 13,298 |

6.2 Tangible Fixed Assets - Charity:

Tangible Fixed Assets, at Cost

| | Diocesan | | | Parochial | | |
|------------------------|---------------------------|--------------------------------------------------------|------------------------------|---------------------------|----------------------------------------------|---------------|
| | Motor Vehicles £000 | Office Equipment, Fixtures & Fittings £000 | Diocesan Property £000 | Motor Vehicles £000 | Parochial Property & Equipment £000 | Total £000 |
| Cost: | | | | | | |
| At 1 April 2020 | 58 | 122 | 822 | 22 | 19,903 | 20,927 |
| Additions | - | 3 | 632 | - | 375 | 1,010 |
| Transfers | - | - | - | - | - | - |
| Disposals | - | - | - | - | (4) | (4) |
| At 31 March 2021 | 58 | 125 | 1,454 | 22 | 20,274 | 21,933 |
| Depreciation: | | | | | | |
| At 1 April 2020 | 27 | 68 | 433 | 6 | 7,515 | 8,049 |
| Charge for Period | 9 | 9 | 17 | 6 | 377 | 418 |
| Transfers | - | - | - | - | - | - |
| Disposals | - | - | - | - | (3) | (3) |
| At 31 March 2021 | 36 | 77 | 450 | 12 | 7,889 | 8,464 |
| Net Book Value: | | | | | | |
| At 31 March 2021 | <u>22</u> | <u>48</u> | <u>1,004</u> | <u>10</u> | <u>12,385</u> | <u>13,469</u> |
| At 31 March 2020 | 31 | 54 | 389 | 16 | 12,388 | 12,878 |

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

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6.3 Investment Property, at Valuation - Group & Charity:

| | Retired Clergy Pension Fund £000 | General Fund £000 | Parochial Fund £000 | Total £000 |
|----------------------------|----------------------------------------------|-------------------------|---------------------------|----------------------|
| At 1 April 2020 | 7,191 | 765 | 4,855 | 12,811 |
| Additions | 472 | - | - | 472 |
| Transfers | (120) | 120 | - | - |
| Disposals | - | - | (389) | (389) |
| Gain/(Loss) on Revaluation | 171 | 45 | 104 | 320 |
| At 31 March 2021 | <u>7,714</u> | <u>930</u> | <u>4,570</u> | <u>13,214</u> |

7 Listed Investments, at Market Value - Group & Charity:

| | General Fund £000 | Parochial Fund £000 | Retired Clergy Pension Fund £000 | Education & Training Fund £000 | Sherratt Fund £000 | Our Mission Together £000 | Total £000 |
|---------------------------------------------------------|-------------------------|---------------------------|----------------------------------------------|-----------------------------------------|--------------------------|------------------------------------|----------------------|
| At 1 April 2020 | 5,097 | 5,248 | 76 | 2,259 | 2,903 | 2,849 | 18,432 |
| Additions at Cost | 2,410 | 2,486 | 11 | 1,096 | 1,042 | 1,443 | 8,488 |
| Proceeds of Sales | (2,791) | (2,671) | (92) | (1,179) | (2,732) | (1,552) | (11,017) |
| Realised & Unrealised Losses | 858 | 881 | 6 | 388 | 417 | 509 | 3,059 |
| (Decrease)/Increase in Cash Balances - Fund Managers | 113 | 119 | (1) | 53 | 24 | 71 | 379 |
| Transfer between funds | 1,363 | (2,377) | | 75 | 716 | 223 | |
| At 31 March 2021 | <u>7,050</u> | <u>3,686</u> | | <u>2,692</u> | <u>2,370</u> | <u>3,543</u> | <u>19,341</u> |

Listed Investments Comprised:

| | | | | | | | |
|----------------------------|---------------------|---------------------|--|---------------------|---------------------|---------------------|----------------------|
| Schroders Current Accounts | 265 | 139 | | 101 | 89 | 133 | 727 |
| UK Equities | 1,798 | 940 | | 687 | 605 | 904 | 4,934 |
| Overseas Equities | 3,077 | 1,609 | | 1,175 | 1,034 | 1,546 | 8,441 |
| UK Fixed Interest | 309 | 162 | | 118 | 104 | 155 | 848 |
| Multi-Asset Funds | 110 | 58 | | 42 | 37 | 56 | 303 |
| Property | 538 | 281 | | 206 | 181 | 271 | 1,477 |
| Private Equity | 345 | 180 | | 132 | 116 | 173 | 946 |
| Other | 608 | 317 | | 231 | 204 | 305 | 1,665 |
| | <u>7,050</u> | <u>3,686</u> | | <u>2,692</u> | <u>2,370</u> | <u>3,543</u> | <u>19,341</u> |

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS

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7 Listed Investments (Continued):

The portfolio included the following investment:

| | Value 2021 £000 | % of Total Value | Value 2020 £000 | % of Total Value |
|----------------------------------|-----------------------|---------------------|-----------------------|---------------------|
| Vanguard FTSE All-World | 2,292 | 11.7 | 3,383 | 18.5 |
| Fidelity Global Dividend Fund | 1,642 | 8.2 | 1,341 | 7.4 |
| Trojan Income Fund | 1,458 | 7.3 | 1,897 | 10.3 |
| Vanguard FTSE UK All Share | 1,413 | 7.1 | 1,988 | 10.8 |
| Schroder Charity Equity Fund | 1,025 | 5.1 | 910 | 4.9 |
| Schroder Private Equity Funds IV | 946 | 4.9 | 947 | 5.1 |
| Schroder Diversified Alternative | 654 | 3.3 | 556 | 3.0 |
| Charities Property Fund | 591 | 2.9 | 907 | 4.9 |
| iShares Physical Metals PLC | 528 | 2.7 | | |
| Wellington Global Health Car | 510 | 2.6 | | |
| Schroder UK Real Estate | 484 | 2.4 | | |
| Trojan Investment Fund | 304 | 1.6 | 576 | 3.1 |
| Schroder Income Maximiser Fund | | | 1,450 | 8.1 |
| BMO Pyrford Global Total Return | | | 617 | 3.3 |
| Vontobel Fund SICAV | | | 601 | 3.3 |

The historic cost of investments held at 31 March 2021 was £16,284k (2020 - £18,548k)

A separate investment of £4k is held in the Catholic National Mutual (2020 - £4k)

Within the Charity Balance Sheet Investments include share holdings of £450k in Shrewsbury Diocese Commercial Company Limited (2020 - £450K), £500 in Salop Service Company Limited (2020 - £500), £100 in Hale Barns Events Limited (2020 - £100), and £1 in Inter-Diocesan Fuel Management Limited (2020 - £1)

8 Debtors:

8.1 Group

Due Within One Year:

School Expenditure Recoverable
from Governors
Loans
Other Debtors & Prepayments

| | 2021 Parochial £000 | 2021 Diocesan £000 | 2021 Total £000 | 2020 Parochial £000 | 2020 Diocesan £000 | 2020 Total £000 |
|--------------------------------------------------|---------------------------|--------------------------|-----------------------|---------------------------|--------------------------|-----------------------|
| School Expenditure Recoverable from Governors | - | 35 | 35 | - | 22 | 22 |
| Loans | - | 120 | 120 | - | 127 | 127 |
| Other Debtors & Prepayments | 14 | 362 | 376 | - | 409 | 409 |
| | <u>14</u> | <u>517</u> | <u>531</u> | = | <u>558</u> | <u>558</u> |

8.2 Charity

Due Within One Year:

School Expenditure Recoverable
from Governors
Loans
Other Debtors & Prepayments

| | 2021 Parochial £000 | 2021 Diocesan £000 | 2021 Total £000 | 2020 Parochial £000 | 2020 Diocesan £000 | 2020 Total £000 |
|--------------------------------------------------|---------------------------|--------------------------|-----------------------|---------------------------|--------------------------|-----------------------|
| School Expenditure Recoverable from Governors | - | 35 | 35 | - | 22 | 22 |
| Loans | - | 1,195 | 1,195 | - | 716 | 716 |
| Other Debtors & Prepayments | 14 | 323 | 337 | - | 317 | 317 |
| | <u>14</u> | <u>1,553</u> | <u>1,567</u> | = | <u>1,055</u> | <u>1,055</u> |

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021

9 Creditors:

| 9.1 Group | Parochial | Diocesan | Total | Parochial | Diocesan | Total |
|----------------------------------------|------------|--------------|--------------|------------|--------------|--------------|
| Due Within One Year: | 2021 | 2021 | 2021 | 2020 | 2020 | 2020 |
| | £000 | £000 | £000 | £000 | £000 | £000 |
| School Expenditure | - | 4,723 | 4,723 | - | 2,544 | 2,544 |
| Collections & Other Creditors | 186 | 1,005 | 1,191 | 101 | 1,031 | 1,132 |
| Other Taxation & Social Security Costs | - | - | - | - | - | - |
| | <u>186</u> | <u>5,728</u> | <u>5,914</u> | <u>101</u> | <u>3,575</u> | <u>3,676</u> |

| 9.2 Charity | Parochial | Diocesan | Total | Parochial | Diocesan | Total |
|----------------------------------------|------------|--------------|--------------|------------|--------------|--------------|
| Due Within One Year: | 2021 | 2021 | 2021 | 2020 | 2020 | 2020 |
| | £000 | £000 | £000 | £000 | £000 | £000 |
| School Expenditure | - | 4,723 | 4,723 | - | 2,544 | 2,544 |
| Collections & Other Creditors | 186 | 807 | 993 | 101 | 740 | 841 |
| Other Taxation & Social Security Costs | - | - | - | - | - | - |
| | <u>186</u> | <u>5,530</u> | <u>5,716</u> | <u>101</u> | <u>3,284</u> | <u>3,385</u> |

School expenditure creditors include Government Devolved Formula Capital Grants of £1,625k (2020 - £1,625k)

10 Unrestricted Funds:

10.1 Unrestricted Designated - Group & Charity Financial Year Ended 31st March 2021

| | Retired Clergy Pension Fund £000 | Education & Training Fund £000 | Sherratt Fund £000 | Total Diocesan £000 | Total Parochial £000 |
|------------------------------------|----------------------------------------------|-----------------------------------------|--------------------------|---------------------------|----------------------------|
| Balance at 1st April 2020: | 7,277 | 2,257 | 2,984 | 12,518 | 30,719 |
| Net Income/Expenditure in Year | (508) | (223) | (1) | (732) | 415 |
| Net Transfers: Sofa - Page 18 | 230 | 270 | (1,007) | (507) | (509) |
| Net Gains/(Losses) on Assets: | | | | | |
| - Investments | 6 | 388 | 417 | 811 | 881 |
| - Properties | 171 | - | - | 171 | 105 |
| Balance at 31st March 2021: | <u>7,176</u> | <u>2,692</u> | <u>2,393</u> | <u>12,261</u> | <u>31,611</u> |

Financial Year Ended 31st March 2020

| | Retired Clergy Pension Fund £000 | Education & Training Fund £000 | Sherratt Fund £000 | Total Diocesan £000 | Total Parochial £000 |
|------------------------------------|----------------------------------------------|-----------------------------------------|--------------------------|---------------------------|----------------------------|
| Balance at 1st April 2019: | 7,353 | 2,460 | 3,493 | 13,306 | 33,234 |
| Net Income/Expenditure in Year | (370) | (228) | 80 | (518) | (649) |
| Net Transfers: Sofa - Note 17 | 160 | 311 | (209) | 262 | (1,324) |
| Net Gains/(Losses) on Assets: | | | | | |
| - Investments | 11 | (286) | (380) | (655) | (722) |
| - Properties | 123 | - | - | 123 | 180 |
| Balance at 31st March 2020: | <u>7,277</u> | <u>2,257</u> | <u>2,984</u> | <u>12,518</u> | <u>30,719</u> |

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS
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10 Unrestricted Funds (Continued):

| | |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Retired Clergy Fund: | This fund is used to support retired and sick clergy within the Diocese. Transfers into the fund are made from parish collections, donations and from Diocesan Unrestricted Funds |
| The Education and Training Fund: | This fund is used for education and training purposes within the Diocese and for ongoing ministry |
| Sherratt Fund: | This legacy fund has been designated by the Diocese to support projects that provide lasting benefit. |

10.2 Unrestricted - Group

| | Total Diocesan 2021 £000 | Total Diocesan 2020 £000 |
|--------------------------------|-----------------------------------|-----------------------------------|
| Balance at 1st April: | (284) | 405 |
| Net Income/Expenditure in Year | (1,573) | (1,435) |
| Net Transfers: Sofa - Page 21 | 1,623 | 1,426 |
| Net Gains/(Losses) on Assets: | | |
| - Investments | 858 | (680) |
| - Properties | 45 | - |
| Balance at 31st March: | <u>669</u> | <u>(284)</u> |

10.3 Unrestricted - Charity

| | Total Diocesan 2021 £000 | Total Diocesan 2020 £000 |
|--------------------------------|-----------------------------------|-----------------------------------|
| Balance at 1st April: | 457 | 926 |
| Net Income/Expenditure in Year | (1,047) | (1,215) |
| Net Transfers: | 1,625 | 1,426 |
| Net Gains/(Losses) on Assets: | | |
| - Investments | 858 | (680) |
| - Properties | 45 | - |
| Balance at 31st March: | <u>1,938</u> | <u>457</u> |

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS
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11 Restricted Funds - Group & Charity:

Financial Year Ended 31/03/2021

| | Other Funds & Collections £000 | Our Mission Together £000 | School Building Fund £000 | Pilgrimage £000 | Total Diocesan £000 | Total Parochial £000 |
|------------------------------------|-----------------------------------------|------------------------------------|------------------------------------|--------------------|---------------------------|----------------------------|
| Balance at 1st April 2020: | 265 | 3,089 | 895 | 30 | 4,279 | 316 |
| Income | 46 | 1,153 | 559 | 1 | 1,759 | 112 |
| Expenditure | (7) | (334) | (478) | (9) | (828) | (129) |
| Net Transfers: Sofa - Page 18 | - | (411) | (77) | - | (488) | (119) |
| Net Gains/(Losses) on Assets: | | | | | | |
| - Investments | - | 509 | - | - | 509 | - |
| Balance at 31st March 2021: | <u>304</u> | <u>4,006</u> | <u>899</u> | <u>22</u> | <u>5,231</u> | <u>180</u> |

Financial Year Ended 31/03/2020

| | Other Funds & Collections £000 | Our Mission Together £000 | School Building Fund £000 | Pilgrimage £000 | Total Diocesan £000 | Total Parochial £000 |
|------------------------------------|-----------------------------------------|---------------------------------|------------------------------------|--------------------|---------------------------|----------------------------|
| Balance at 1st April 2019: | 265 | 3,134 | 695 | 10 | 4,104 | 277 |
| Income | 5 | 1,377 | 724 | 359 | 2,465 | 362 |
| Expenditure | (5) | (662) | (486) | (339) | (1,492) | (415) |
| Net Transfers: Sofa - Note 17 | - | (418) | (38) | - | (456) | 92 |
| Net Gains/(Losses) on Assets: | | | | | | |
| - Investments | - | -342 | - | - | -342 | - |
| Balance at 31st March 2020: | <u>265</u> | <u>3,089</u> | <u>895</u> | <u>30</u> | <u>4,279</u> | <u>316</u> |

Other Funds & Collections Fund:

This fund is used to gather special collections made within the Diocese and to distribute the funds to the nominated external charities

Our Mission Together:

This fund is the campaign undertaken in the year to strengthen parishes, for support of the clergy and mission and social outreach.

School Buildings Fund:

This fund receive donations from parents, schools and the Diocese to meet governor's liabilities arising on school repairs and capital works.

Pilgrimage:

This fund co-ordinates the finances and arranges Diocesan Pilgrimages

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

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FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021

| | | | |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| 12 | Net Income/(Expenditure): | 2021 | 2020 |
| | | £000 | £000 |
| | Net income is stated after charging: | | |
| | Depreciation of tangible fixed assets | 507 | 515 |
| | Payments to auditors: | | |
| | Statutory audit fee | 28 | 21 |
| | Accounting & taxation services | 3 | 3 |
| | Internal auditors: | | |
| | Other services | 3 | 3 |
| 13 | Trustees and Employees: | | |
| 13.1 | None of the Trustees received remuneration or expenses in the current or prior year in respect of their duties as Trustees. The Trust received donations totalling £5,280 (2020: £4,510) from the Trustees. Trustee indemnity insurance cost £1,874 (2020 £1,874) | | |
| 13.2 | Clergy allowances comprised (Note 5.1): | 2021 | 2020 |
| | | £000 | £000 |
| | Clergy allowances | 460 | 539 |
| | Travel expenses | 88 | 144 |
| | Mass stipends | 18 | 34 |
| | Supply priests | 32 | 90 |
| | Parish Sisters | 29 | 32 |
| | | 627 | 839 |
| 13.3 | Staff employment costs of Charity comprised (Notes 4 & 5): | | |
| | Salaries and wages | 1,813 | 1,768 |
| | Social security costs | 124 | 122 |
| | Pension costs | 90 | 78 |
| | | 2,027 | 1,968 |
| 13.4 | Staff employment costs of Subsidiaries comprised (Note 4): | | |
| | Salaries and wages | 839 | 912 |
| | Social security costs | 40 | 49 |
| | Pension costs | 22 | 24 |
| | | 901 | 985 |
| 13.5 | Grants paid comprised (Note 5.2): | | |
| | Clergy in retirement | 317 | 284 |
| | Students in seminary/training | 50 | 69 |
| | | 367 | 353 |
| | Total personnel costs (NOTES 4 & 5) | 3,922 | 4,145 |
| | Redundancy costs: | | |
| | of Charity | 20 | 7 |
| | of Subsidiaries | 10 | 1 |
| | | 30 | 8 |

The average number of employees in the year was 259 (2020: 260). The total remuneration paid to key management personnel, including clergy, who hold a central Diocesan role was £237,828 (2020 - £227,257).

| | | | | |
|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-----------------------------|-----------------------------|
| | 2021 | 2020 | 2021 | 2020 |
| | Number | Number | Pension Contribution | Pension Contribution |
| | | | £ | £ |
| Employee emoluments: | | | | |
| Between £70,001 and £80,000 | 1 | 1 | 5,579 | 5,469 |
| Between £90,001 and £100,000 | 1 | 1 | 21,693 | 18,561 |
| 13.6 | The Diocese contributes to a group personal pension scheme managed by Prudential for those eligible staff members who elected to join before 2014. The Diocese contributes to NEST pension scheme for all staff joining since 2014. The Diocese is neither liable to finance any funding shortfall nor entitled to benefit from any overfunding in either scheme. Contributions are also paid to the Teachers Pension Agency superannuation scheme (a defined benefits scheme) for eligible staff. The employers' contribution rate is set by the TPA and, as the scheme is a collective scheme, it is not possible to separately identify the assets and liabilities attributable to a particular employer. Hence the employers have neither a commitment to make good any actuarial deficit nor an entitlement to benefit from any over funding. | | | |
| 14 | Commitments - Group and Charity: | 2021 | 2020 | |
| | | Gross | Gross | |
| | | £000 | £000 | |
| | Commitments to future expenditure comprised: | | | |
| | Schools | 4,690 | 4,949 | 495 |
| | Parishes | 3,001 | 1,924 | 1,924 |
| | | 7,691 | 6,873 | 2,419 |

SHREWSBURY ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS
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15 Analysis of Net Assets Between Funds:

Group

| Financial Year Ended 31/03/2021 | Parochial Designated £000 | Parochial Restricted £000 | Diocesan Unrestricted £000 | Diocesan Designated £000 | Diocesan Restricted £000 | Total £000 |
|------------------------------------|---------------------------------|---------------------------------|----------------------------------|--------------------------------|--------------------------------|----------------------|
| Tangible Fixed Assets | 12,395 | - | 1,435 | - | - | 13,830 |
| Investments | 8,256 | - | 7,984 | 12,776 | 3,543 | 32,559 |
| Net Current Assets/(Liabilities) | | | | | | |
| Parish Loans | 8,352 | 181 | (8,133) | (521) | 121 | - |
| Other | 2,608 | (1) | (617) | 6 | 1,567 | 3,563 |
| Balance at 31st March 2021: | <u>31,611</u> | <u>180</u> | <u>669</u> | <u>12,261</u> | <u>5,231</u> | <u>49,952</u> |

| Financial Year Ended 31/03/2020 | Parochial Designated £000 | Parochial Restricted £000 | Diocesan Unrestricted £000 | Diocesan Designated £000 | Diocesan Restricted £000 | Total £000 |
|------------------------------------|---------------------------------|---------------------------------|----------------------------------|--------------------------------|--------------------------------|----------------------|
| Tangible Fixed Assets | 12,404 | - | 894 | - | - | 13,298 |
| Investments | 10,103 | - | 5,866 | 12,429 | 2,849 | 31,247 |
| Net Current Assets/(Liabilities) | | | | | | |
| Parish Loans | 6,021 | 92 | (6,113) | - | - | - |
| Other | 2,191 | 224 | (931) | 89 | 1,430 | 3,003 |
| Balance at 31st March 2020: | <u>30,719</u> | <u>316</u> | <u>(284)</u> | <u>12,518</u> | <u>4,279</u> | <u>47,548</u> |

Charity

| Financial Year Ended 31/03/2021 | Parochial Designated £000 | Parochial Restricted £000 | Diocesan Unrestricted £000 | Diocesan Designated £000 | Diocesan Restricted £000 | Total £000 |
|------------------------------------|---------------------------------|---------------------------------|----------------------------------|--------------------------------|--------------------------------|----------------------|
| Tangible Fixed Assets | 12,395 | - | 1,074 | - | - | 13,469 |
| Investments | 8,256 | - | 8,435 | 12,776 | 3,543 | 33,010 |
| Net Current Assets/(Liabilities) | | | | | | |
| Parish Loans | 8,352 | 181 | (8,133) | (521) | 121 | - |
| Other | 2,608 | (1) | 563 | 6 | 1,567 | 4,743 |
| Balance at 31st March 2021: | <u>31,611</u> | <u>180</u> | <u>1,939</u> | <u>12,261</u> | <u>5,231</u> | <u>51,222</u> |

| Financial Year Ended 31/03/2020 | Parochial Designated £000 | Parochial Restricted £000 | Diocesan Unrestricted £000 | Diocesan Designated £000 | Diocesan Restricted £000 | Total £000 |
|------------------------------------|---------------------------------|---------------------------------|----------------------------------|--------------------------------|--------------------------------|----------------------|
| Tangible Fixed Assets | 12,404 | - | 474 | - | - | 12,878 |
| Investments | 10,103 | - | 6,317 | 12,429 | 2,849 | 31,698 |
| Net Current Assets/(Liabilities) | | | | | | |
| Parish Loans | 6,021 | 92 | (6,113) | - | - | - |
| Other | 2,191 | 224 | (221) | 89 | 1,430 | 3,713 |
| Balance at 31st March 2020: | <u>30,719</u> | <u>316</u> | <u>457</u> | <u>12,518</u> | <u>4,279</u> | <u>48,289</u> |

16 Related Charity:

The Bishop of the Diocese is Chair of the Council of Management of The Catholic Children's Society (Shrewsbury Diocese) Incorporated, charity number 509793, company number 01400367. The Bishop is also Chair of Caritas (Diocese of Shrewsbury) charity number 1169317. Both charities have the use of property belonging to the Diocese for which no charge is made. The Diocese provided no financial support to the Catholic Children's Society in the year (2020 - £NIL). Grant funding of £250,000 was provided to Caritas (Diocese of Shrewsbury) for the year to 31st March 2021 from the **Our Mission Together** funds (2020 - £250,000). At the 31st March 2021 the Diocese provided accounting software and was owed £1,872 from Caritas (Diocese of Shrewsbury)(2020 - (£50,000)).

SHREWSBURY ROMAN CATHOLIC DIOCSAN TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

17 Statement of Financial Activities for the Year Ended 31 March 2020

| | Parochial Funds | | | Diocesan Funds | | | | Total Funds 2020 |
|--------------------------------------------------------------------------|---------------------------------|---------------------|-----------------------|-----------------------|---------------------------------|-----------------------|-----------------------|------------------------|
| | Unrestricted Designated £000 | Restricted £000 | Total £000 | Unrestricted £000 | Unrestricted Designated £000 | Restricted £000 | Total £000 | £000 |
| <u>Income from:</u> | | | | | | | | |
| Donations & Legacies | 6,747 | 362 | 7,109 | 364 | 255 | 2,370 | 2,989 | 10,098 |
| Other Trading Activities | 299 | - | 299 | 2,638 | - | - | 2,638 | 2,937 |
| Investments | 221 | - | 221 | 771 | 107 | 95 | 973 | 1,194 |
| Other Income | - | - | - | 12 | - | - | 12 | 12 |
| Total Income: | <u>7,267</u> | <u>362</u> | <u>7,629</u> | <u>3,785</u> | <u>362</u> | <u>2,465</u> | <u>6,612</u> | <u>14,241</u> |
| <u>Expenditure on:</u> | | | | | | | | |
| Raising Funds | (171) | - | (171) | (3,075) | (17) | (17) | (3,109) | (3,280) |
| Charitable Activities | (7,745) | (415) | (8,160) | (2,145) | (863) | (1,475) | (4,483) | (12,643) |
| Total Expenditure: | <u>(7,916)</u> | <u>(415)</u> | <u>(8,331)</u> | <u>(5,220)</u> | <u>(880)</u> | <u>(1,492)</u> | <u>(7,592)</u> | <u>(15,923)</u> |
| Net Income/(Expenditure) before Net Gains/(Losses) on Investments | <u>(649)</u> | <u>(53)</u> | <u>(702)</u> | <u>(1,435)</u> | <u>(518)</u> | <u>973</u> | <u>(980)</u> | <u>(1,682)</u> |
| <u>Net Gains/(Losses) on Investments:</u> | | | | | | | | |
| Listed Investments | (722) | - | (722) | (680) | (655) | (342) | (1,677) | (2,399) |
| Property (Unrealised) | 150 | - | 150 | - | 61 | - | 61 | 211 |
| Property (Realised) | 30 | - | 30 | - | 62 | - | 62 | 92 |
| Net Income/(Expenditure) | <u>(1,191)</u> | <u>(53)</u> | <u>(1,244)</u> | <u>(2,115)</u> | <u>(1,050)</u> | <u>631</u> | <u>(2,534)</u> | <u>(3,778)</u> |
| Transfer Between Funds | (1,324) | 92 | (1,232) | 1,426 | 262 | (456) | 1,232 | - |
| Net Movement in Funds | <u>(2,515)</u> | <u>39</u> | <u>(2,476)</u> | <u>(689)</u> | <u>(788)</u> | <u>175</u> | <u>(1,302)</u> | <u>(3,778)</u> |
| Total Funds Brought Forward: | 33,234 | 277 | 33,511 | 405 | 13,306 | 4,104 | 17,815 | 51,326 |
| Total Funds Carried Forward: | <u>30,719</u> | <u>316</u> | <u>31,035</u> | <u>(284)</u> | <u>12,518</u> | <u>4,279</u> | <u>16,513</u> | <u>47,548</u> |

SHREWSBURY ROMAN CATHOLIC DIOCSAN TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

17 Statement of Financial Activities for the Year Ended 31 March 2020 - Continued

| | Parochial Funds | | | Diocesan Funds | | | | Total Funds 2020 |
|----------------------------------------------------------------------------------------|------------------------------------|--------------------|----------------|----------------------|------------------------------------|--------------------|---------------|---------------------|
| | Unrestricted Designated £000 | Restricted £000 | Total £000 | Unrestricted £000 | Unrestricted Designated £000 | Restricted £000 | Total £000 | £000 |
| <u>Schedule of Transfers:</u> | | | | | | | | |
| <i>Assessments:</i> | | | | | | | | - |
| Offerory Assessments paid to Diocesan Unrestricted | (976) | - | (976) | 976 | - | - | 976 | - |
| Gift Aid Assessments paid to Diocesan Unrestricted | (79) | - | (79) | 81 | (2) | - | 79 | - |
| Property Sales Assessments paid to Diocesan Unrestricted | (59) | - | (59) | 59 | - | - | 59 | - |
| <i>Our Mission Together:</i> | | | | | | | | |
| Mission & Outreach paid to Diocesan Unrestricted | - | - | - | 203 | - | (203) | - | - |
| Mission & Outreach paid to Diocesan Unrestricted Designated | - | - | - | - | 448 | (448) | - | - |
| Parish Pledges to Our Mission Together | (265) | - | (265) | - | - | 265 | 265 | - |
| Parish Projects | 7 | - | 7 | - | 25 | (32) | (7) | - |
| <i>School Building Fund:</i> | | | | | | | | |
| Contribution Paid to School Building Fund | - | - | - | (133) | - | 133 | - | - |
| Management Charge Paid by School Building Fund | - | - | - | 130 | - | (130) | - | - |
| Prior Year Adjustment to Reserves | - | - | - | 41 | - | (41) | - | - |
| <i>Other Transfers:</i> | | | | | | | | |
| Sharatt Diocesan Unrestricted Designated - Redevelopment of St Anthony's | 125 | - | 125 | 69 | (194) | - | (125) | - |
| Sharatt Diocesan Unrestricted Designated - Supporting Poor Parishes - Asbestos Removal | 15 | - | 15 | - | (15) | - | (15) | - |
| Parish School Project (Nantwich) | (92) | 92 | - | - | - | - | - | - |
| Parish Youth Contribution | (1) | - | (1) | 1 | - | - | 1 | - |
| Transfer of Salop Reserves to St Mary's Crewe | 1 | - | 1 | (1) | - | - | (1) | - |
| Total Transfers: | (1,324) | 92 | (1,232) | 1,426 | 262 | (456) | 1,232 | = |