



DIOCESE OF BRENTWOOD

The Brentwood Roman Catholic Diocesan Trust

Registered Charity 234092

Annual Report

2022/23



Contents

Diocesan Vision	3
Strand One: Charity, Justice and Social Action	5
Strand Two: Christian Life and Worship	6
Strand Three: Education	7
Strand Four: Family	8
Strand Five: Formation	8
Strand Six: Integration	9
Strand Seven: Leaders	9
Strand Eight: Material Assets	9
Strand Nine: Prayer and Spirituality	11
Strand Ten: Priests and People	11
Strand Eleven: Vocations to the Priesthood	11
Strand Twelve: Young People	11
Reports	
Report of the Directors of the Corporate Trustee	13
Independent Auditor's Report	20
Accounts	
Statement of Financial Activities	23
Balance Sheet	24
Cash Flow Statement	25
Statement of Accounting Policies	26
Notes to the Accounts	31



Diocesan Vision: Building On Our Past

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

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

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



Diocesan Vision: Shaping Our Future

The Stewards of the Gospel initiative has been a period of discernment for us as we seek the best response we can give to God's love for us in an ever-changing society. Following the publication of our Diocesan Vision: Shaping Our Future, parishes and parish partnerships took time to interpret it in their local context and submit their plans for Bishop Alan's consideration. After an initial delay due to the COVID-19 pandemic, plans had been put in place during 2021/22 in order to relaunch the process in 2022/23. Unfortunately the relaunch was further delayed until January 2024 when all parishes received a pastoral letter from Bishop Alan Williams SM announcing the re-launch of the partnership process with combined parish partnership pastoral council meetings to be held across the Diocese as a matter of urgency.

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

OUR VISION

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

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

OUR OBJECTIVES

Maximise the opportunities for evangelisation

Maximise sacramental provision

Maximise the opportunities for putting faith into action through charitable works

OUR STRATEGY

Renewal and Restructuring

IMPLEMENTATION

Renewal: A 12-Strand Plan

Restructuring: Parish Partnerships

Diocesan Vision: Our Legal Objects

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

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

Restructuring

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

The work of the parishes and the parish partnerships has been supported during the year by the Director of Development, and all the other vicariates and their respective executive departments.

Renewal

Our work and our achievements are reported in the context of our Diocesan Vision Document: Shaping Our Future, so that for this year and moving forward we can report against the 12 Strands of Renewal. The relaunch of the Parish

Partnership process in January 2024 has also seen the appointment of Fr Dan Mason as the Episcopal Vicar for Parish Renewal.

Strand One: Charity, Justice and Social Action

CARITAS

“Social Justice demands that we fight against the causes of poverty: inequality and the lack of labour, land, and lodging; against those who deny social and labour rights; and against the culture that leads to taking away the dignity of others” Pope Francis Feb 2023

Caritas Diocese of Brentwood was launched on “World Day of the Poor” in November 2018, and a full time Diocesan Caritas Co-Ordinator was in post by April 21.

Our now Director of Caritas Diocese of Brentwood has championed our response to Pope Francis’ call to care for our common home, working alongside other Dioceses in the Environmental Leads Group.

After launching our ‘Laudato Si’ invitations, Commitments and Actions document in October 2022, we engaged with 21 parishes and many schools in order to establish an ever growing Laudato Si network.

Communication is key and we maintain our strong social and digital media presence to publicise the many Social Action projects we support. Our Director of Caritas was interviewed by BBC Essex, where they were able to raise awareness about what is done to help the homeless, support foodbanks and provide support to refugees across the Diocese.

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



- We now have three Community Sponsorship projects in Essex supporting the settlement of refugees in our communities.

Strand Two: Christian Life and Worship

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

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

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

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



Each Sunday an average of 32,333 people (26,117 last year), attended services. Attendance has continued to recover from the impact of the COVID-19 restrictions in 2020/2021 but has still not recovered to pre-pandemic levels- a decline of over 20%. Similarly the number of people who were either baptised or received into the church also increased to 2,247 from 1,894 in the previous year.

With our Liturgy Office, our Chancery Office is involved with the administration side of the Rite of Christian Initiation of Adults programme, the reception of hundreds of people, from across the Diocese, who have followed the "Journey

of Faith", and wish to be received into the Catholic Church.

During the year, our parishes raised over £104,000 (2022: £78,000) to support international causes, including natural disasters and overseas mission work, a significant increase when compared to the previous year.

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

Strand Three: Education

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

Our online training programme is now well established and during the year we were once again able to deliver more face to face training. Our training opportunities are diverse, ranging from more practical themes such as premises and site maintenance and health and safety, to Governance and Safeguarding. Training is also available from a Catholic context-including music from a Catholic perspective.

Our newly Racial Justice Working Group for schools continued to meet.

Our school visits are now back to pre-pandemic levels.

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

Governance, Admissions, Reserved posts, RE and Collective Worship.

Appointments to reserved posts formed a significant part of our work during the period with at least 14 appointments being made.

We've established a regular communications link with schools and Advisers to ensure that all relevant information received from the CES and other sources is disseminated on a timely basis. We now distribute relevant information on a weekly basis to schools, which includes prayer and Catholic life materials.

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

Six Catholic Multi Academy Trusts (MATs) now exist in our Diocese. They operate under distinctly Catholic names (Rosary Trust, Assisi Catholic Trust, Christus Catholic Trust, Good Shepherd Catholic Trust, Our Lady of Grace Catholic Trust and Our Lady of Fatima Trust). This approach remains the preferred structure for Catholic schools within the Diocese of Brentwood, and we hope to establish a seventh MAT in the near future. The majority of our schools have now been academized. We have seven independent schools.

Our vision is that our schools will work together collaboratively in a formal structure which works for them, and benefits both pupils and staff.

SCHOOL GOVERNANCE

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

We ensure that training opportunities are increasingly accessible for governors via on-line provision in order to ensure Governors develop and maintain the required skillsets to both challenge and support the school leadership.

Strand Four: Family

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

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

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

Our Chancery Office processes marriage papers for marriages taking place inside and outside the Diocese, and supported another significant increase in the process of marriage papers when compared to the previous year:

- **81 (last year 45)** sets of marriage papers for marriages taking place outside the Diocese, mostly overseas.
- **59 (last year 66)** sets of marriage papers where one party belonged to another religion.
- **43 (last year 56)** sets of papers, where one party had not been baptized;
- **119 (last year 95)** sets of marriage papers for Catholics wishing to convalidate their civil marriage in the Catholic Church.

The increase in activity was anticipated due to the number of postponements in 2020 and 2021.

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

Strand Five: Formation

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

In order too support our catechists, we continue to offer The Bishop's Certificate in Catechesis and Youth Ministry is a yearlong course of 12 modules, covering different aspects of faith and Church teaching, as well as practical skills in Youth Ministry. It is an entry-level qualification to help in the ongoing formation of adults who are involved in sacramental

preparation or youth ministry in our Diocese. It includes development of practical skills and the deepening of theological knowledge

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

A dedicated website was launched in June 21.

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

Strand Six: Integration

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

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

INTERNATIONAL TWINNING

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

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

During the year parishes raised over £10,000 for the Twinning Project- an increase of over 100% on the previous year.

Strand Seven: Leaders

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

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

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

Also, in education leaders have been appointed to be Trustees of our Catholic Multi Academy Trusts. This is a key role for people to play in the future of our children and of catholic education.

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

Could you be a deacon in our diocese? – Brentwood Diocese (dioceseofbrentwood.net)

Strand Eight: Material Assets

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

Parishes and Parish Partnerships have been looking at their material assets as a whole to see how they can be best used

to fulfil our objectives and our Vision in their local context.

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

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

Following the easing of restrictions, the Finance Team were able to visit parish offices and deliver 1.1 training to new employees when required. The Team also provide online training on a regular basis. In March 23 we held our first central training session since March 20 for Finance and Gift Aid parish representatives. Training covered GDPR, Cyber Security, as well as General Finance and Gift Aid.

Approximately 70% of our parish representatives are volunteers and we offer our thanks to them for their time and commitment.

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

Property Team: The Property Sub-Committee has delegated responsibility

for both advising and making recommendations to the Board of the Corporate Trustee on strategic property matters across the Diocese and, under devolved powers, approval of property related parish expenditure in line with financial policy.

The responsibility for managing the maintenance of parish buildings rests with the parishes under Canon Law although it is the responsibility of our diocese as a registered charity to ensure that assets are kept in a reasonably good condition. To support parishes, the Property Office has developed a Condition Survey programme which has been trialled in a number of parishes and will be made available across the Diocese during subsequent years.

Health & Safety

The Health and Safety Sub-Committee assists and advises the Board of the Corporate Trustee in the discharge of its health and safety responsibilities. The Diocese appoints external consultants, SafetyToolbox Ltd, as the diocesan health and safety consultant and competent person to provide competent advice and support on the management and implementation of health and safety, fire safety and other related matters across the Diocese. During the year a series of online health and safety training modules were delivered for all clergy, parish staff and health and safety volunteers. The diocese recognises that fire has a unique capacity to threaten life, damage property, harm the environment and compromise our mission. Accordingly, the diocese is committed to taking reasonable and necessary measures to prevent fire

and protect life safety in the event of fire in the context of the activities of the Diocese. The Board of the Corporate Trustee as well as those in control of our premises have legal obligations under the Regulatory Reform (Fire Safety) Order 2005 (the FSO) and other relevant legislation. The updated Fire Safety Policy provides detail of a strengthened fire risk assessment programme which follows a five year cycle beginning with the delivery of fire risk assessment completed by an authorised diocesan fire risk assessor.

Strand Nine: Prayer and Spirituality

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

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

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

Strand Ten: Priests and People

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

We are thankful for the priests serving our Diocese. During the year, as congregations returned to our churches, many clergy continued to utilise the new ways that had been found to keep in contact with our parish communities during the pandemic. More masses continued to be live streamed, and where possible, social media and online facilities helped maintain contact and provide support for the local parish communities.

Compulsory Safeguarding training now takes place for all clergy.

Days of Recollection during Advent and Lent are also offered to our clergy.

Strand Eleven: Vocations to the Priesthood

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

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

The stories are also available via @BrentwoodVocs

During the year, we held vocation days in schools in order to raise awareness of vocations.

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

Strand Twelve: Young People

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

The Brentwood Catholic Youth Service (BCYS) had a strong programme of events from June 22, with retreats for schools and parishes at Walsingham House (our retreat centre) and Outreach being fully

booked in the summer. In June, Walsingham House hosted over 500 Year 6 students for 'Primary Schools Festivals' whereby schools belonging to the same MAT attended together.

Just over 2000 young people from 4 parishes and 30 schools (including the Primary School Festivals group) were welcomed by the Walsingham House team.

Confirmation retreat days were run for several parishes.

We were pleased that Walsingham House was awarded the LOTc Quality Badge (Learning Outside the Classroom), a national award which assesses both risk management and educational provision.

In March 2023 over 1000 young people from the Diocese of Brentwood gathered at Wembley Arena for the Flame Congress, the largest Catholic Youth Conference attended by over 8000 young people for a day of prayer, worship, music, the opportunity to listen to inspirational speakers and learn about faith.

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

Structure, Governance and Management

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

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

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

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

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

Directors of the Corporate Trustee

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

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

Governance of the Charity

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

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

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

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

Sub-Committees of the Board

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

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

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

Key Management Personnel

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

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

Financial Review

Investment policy The Diocese follows a total return investment policy, to achieve long term capital and income growth, to provide sufficient income to support today’s beneficiaries whilst still seeking ‘real’ growth in capital over rolling 5 year periods to meet the future needs of the Charity.

The 5 year annualised performance of the portfolio was 6.2% as at 31 March 23 in comparison to the 5 year annualised CPI of 4%.

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

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

Under section 26 of the Charities Act 1993, an Order was made by the Charity Commission on 5 December 1999 granting the Trustee power to appoint an investment manager, and to appoint a

corporate body as the Trustee's nominee to hold the investments of the Charity. The General Power of Investment in the Trustee Act 2000 allows 'Trustees to invest trust funds in any kind of investment, excluding land [except under certain provisions], in which they could invest if they were the absolute owner of those funds'.

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

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

- Alcohol Manufacture
- Armaments
- Gambling
- Pornography

Sarasin & Partners has continued to actively engage with companies and regulators in order to uphold high standards relating to environmental, social and governance matters on behalf of the Trustee.

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

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

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

During 2022/23, we reviewed the support we provide to parishes, and our associated controls and procedures continue to be reviewed on an ongoing basis.

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

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

- We will commit to high standards, adhering to the Fundraising Code of Practice at all times, monitoring any person that raises funds on our behalf, and complying with the law as it applies to charities and fundraising.
- We will be clear, honest and open, in respect of what we will do with donations, how gifts can be made or amended, and the purpose of our Charity.
- We will be respectful of the rights and privacy of any donor.
- We will treat donors and the public fairly and reasonably, and not accept donations from those individuals who we believe may lack the capacity to make an informed decision
- We will hold ourselves accountable and responsible, ensuring that our resources are managed responsibly and that we have a complaints procedure in place. No complaints about fundraising activities were received during the year.

Reserves Policy: Unrestricted reserves, including parochial funds, totalled £50m. Restricted and endowment funds totalled £8.5m.

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

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

The policy of the Diocese is to maintain its reserves at a level that will provide the income necessary to assist it in implementing its future objectives, including but not limited to the increased cost of caring for the Sick and Retired Clergy of the Diocese. The Diocese aims to hold cash reserves of £10m. Cash reserves as at 5/4/23 stood at £11.6m. Due to the size of the Diocese and the number of parishes within the Diocese, the Directors feel that this is a reasonable amount to cover expenditure for the period of one year. Should cash reserves fall below this, depending on the projected cash flow, investments may be liquidated.

Funds invested, and how they will be applied

Restricted funds £7.5m The two largest funds are as follows:

- The Brentwood Ecclesiastical Education Fund (BEEF), a fund for the support and training of seminarians, was valued at £3.8m as at 5 April 2023. As at April 2023 there were six seminarians, each normally costing just under £50,000 p.a. During 2022-2023, losses in investments led to a deficit for the period.
- The second largest restricted fund is the Sick and Retired Clergy Fund standing at £1.75m. The Diocese is planning how best to finance the support of priests due to retire over the next 10-15 years.

Designated funds £2.5m

- The largest designated fund is the General Education Fund which stands at £2.18m. With the development of a new diocesan vision and strategy for Education, the Trustee will be considering how best to utilise these funds.

Permanent Endowment funds £1m

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

Unrestricted funds held by the centre £8.4m

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

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

At the end of the financial year 2022-23 diocesan funds as a whole totalled £58.5m (2022: £58.9m). Income has decreased from £13m in the prior year to £12.5m. A continued gradual recovery in donations income and other income streams such as hall rental has been more than offset by a decrease in legacy and the value of asset sales.

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

Expenditure increased from £11.2m in the previous year to £12.4m, the most significant driver being an increase in utility costs and premises maintenance.

Parish Reserves As at 5 April 2023, parish fixed assets totalled £16.6m (2022: £16.6m) and free Parochial reserves £22.5m (2022: £21.2m).

Plans for the Future

Our Diocesan Vision (on pages 3-12) details our plans for the future, the renewal process being relaunched in January 2024.

Disclosure of information to auditors

The Members of the Board of the Trustee who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the charity's auditors are unaware; and:

- each member has taken all the steps that he or she ought to have taken to be aware of any relevant audit information and to establish that the Charity's auditors are aware of that information

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Approved by the Board of the Corporate Trustee on 21 March 2024 and signed on its behalf by:

Director



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

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

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

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

Opinion

We have audited the financial statements of The Brentwood Roman Catholic Diocesan Trust (the 'charity') for the year ended 5 April 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

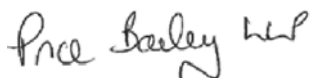
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed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

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

This description forms part of our auditor's report.

Use of our report

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



PRICE BAILEY LLP

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

Price Bailey LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Date: 27 March 2024

,

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2023

	Notes	Unrestricted Funds £	Parochial Funds £	Restricted Funds £	Endowment Funds £	2023 Total £	2022 Total £
Income from:							
Donations and legacies	1	36,504	8,354,313	1,393,625	-	9,784,442	9,412,603
Other trading activities	2	91,758	1,235,557	-	-	1,327,315	1,177,384
Investment income	3	359,627	264,288	190,835	-	814,750	750,694
Charitable Activities	4	42,126	585,181	83,510	-	710,817	573,226
Other income							
Surplus on sale of fixed assets			4,705	-	-	4,705	976,388
Coronavirus Job Retention Scheme Grant				-	-	-	104,892
Total Income		530,015	10,444,044	1,667,970	-	12,642,029	12,995,187
Expenditure on:							
Raising funds		105,492	124,473	-	-	229,965	137,644
Charitable activities		2,311,371	7,983,171	1,861,911	-	12,156,453	11,050,914
Total Expenditure	5	2,416,863	8,107,644	1,861,911	-	12,386,418	11,188,558
Net (expenditure) / income before other gains and losses		(1,886,848)	2,336,400	(193,941)	-	255,611	1,806,629
Investment Gains/(Losses)							
Unrealised	8	(538,497)	302,032	(445,216)	37,321	(644,360)	3,611,708
Net (expenditure)/income before transfers		(2,425,345)	2,638,432	(639,157)	37,321	(388,749)	5,418,337
Transfers:							
From Parochial Funds	15	1,237,526	(1,237,526)	-	-	-	-
To/from Restricted Funds	15	(69,613)	(135,862)	205,475	-	-	-
Net Movements on Funds		(1,257,432)	1,265,044	(433,682)	37,321	(388,749)	5,418,337
Reconciliation of funds							
Funds brought forward		12,211,060	37,809,124	7,942,738	958,657	58,921,579	53,503,242
Funds Carried Forward		£10,953,628	39,074,168	£7,509,056	£995,978	£58,532,830	£58,921,579

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

The notes form part of these accounts.

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

BALANCE SHEET

AS AT 5 APRIL 2023

		2023	2022
	Notes	£	£
FIXED ASSETS			
Tangible fixed assets	7	19,248,922	19,335,560
Investments	8	28,253,761	28,898,121
		<u>47,502,683</u>	<u>48,233,681</u>
CURRENT ASSETS			
Debtors	9	1,888,898	2,908,518
Cash at bank and in hand		11,612,327	10,642,014
		<u>13,501,225</u>	<u>13,550,532</u>
CREDITORS: Amounts falling due			
Within one year	10	(2,471,078)	(2,862,634)
		<u>11,030,147</u>	<u>10,687,898</u>
NET CURRENT ASSETS			
		<u>£58,532,830</u>	<u>£58,921,579</u>
FUNDS			
Unrestricted – General	12	8,430,727	9,606,453
- Designated	12	2,522,901	2,604,607
- Parochial	12	39,074,168	37,809,124
		<u>50,027,796</u>	<u>50,020,184</u>
Restricted	13	7,509,056	7,942,738
Permanent Endowment	13	995,978	958,657
		<u>£58,532,830</u>	<u>£58,921,579</u>

The financial statements were approved and authorised for issue by the Trustee on 21 March 2024 and were signed below on its behalf by:



Director of the Brentwood Roman Catholic Diocese Trustee

The notes form part of these accounts.

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

CASH FLOW STATEMENT

FOR THE YEAR ENDED 5 APRIL 2023

	2023		2022	
	£	£	£	£
Net Cash flow from Operating Activities				
Net Income/(expenditure)		255,611		1,806,629
Depreciation		418,465		415,376
Investment income and interest received		(585,799)		(527,382))
Loss(surplus) on sale of fixed assets		-		-
Decrease/(increase) in debtors		1,019,620		(828,666)
(Decrease)/Increase in creditors		(391,306)		(175,583)
		<u>716,591</u>		<u>690,374</u>
Cash flows from investing activities				
Investment income and interest received	585,799		527,382	
Proceeds from sale of investments	-		-	
Purchase of tangible fixed assets	(331,827)		(53,360)	
Proceeds from sale of tangible fixed assets	-		-	
	<u></u>	<u>253,972</u>	<u></u>	<u>474,022</u>
		<u>970,563</u>		<u>1,164,396</u>
Cash flows from financing activities				
Movements on loans to parishes from third Parties		(250)		-
		<u></u>		<u></u>
Change in cash and cash equivalents in the year		970,313		1,164,396
Cash and cash equivalents at the beginning of the Year		10,642,014		9,477,618
		<u></u>		<u></u>
Cash and cash equivalents at the end of the year		<u>£11,612,327</u>		<u>£10,642,014</u>
Analysis of changes in net debt				
	As at 6/4/22	Cash flows	Fair Value Movements	As at 5/4/23
Cash	10,642,014	970,313		11,612,327
Cash Equivalents	19,269,320		(1,267,561)	18,001,759
		970,313		
Loans falling due within one year	(2,862,634)	391,556		(2,471,078)
	<u></u>	<u></u>	<u></u>	<u></u>
Total	<u>£27,048,700</u>	<u>£1,361,869</u>	<u>£(1,267,561)</u>	<u>£27,143,008</u>

The notes form part of these accounts

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 5 APRIL 2023

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

The Brentwood Roman Catholic Diocesan Trust meets the definition of a public benefit entity under FRS102 and was constituted by Trust Deed in 1947. The Brentwood Ecclesiastical Education Funds (BEEF) is separately constituted under Trust Deed dated 11 July 1922 and registered with the Charity Commission under number 1067745. The Brentwood Diocesan Investment Pooled Fund is separately registered with the Charity Commission under number 1067742. Under S26 (6) of the Charities Act 1993, these three charities which have the Same Trustee are permitted to be treated as a single entity for accounting purposes. The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective from 1 January 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

a) Preparation of accounts on a going concern basis

Having considered the cash reserves as at February 2024, future budgets and cash flows, the Trustee confirms that there are no material uncertainties about the entity's ability to continue as a going concern for the foreseeable future.

The Directors of the Corporate Trustee have reviewed the cash reserves as February 2024 and the projected cash outflow over the next twelve months. In light of these considerations, the Trustees continue to adopt the going concern basis in preparing these financial statements.

b) Legacies, Donations and Grants

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

c) Investment Income

Investment income is accounted for as it accrues.

d) Expenditure

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

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

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

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

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

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

STATEMENT OF ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 5 APRIL 2023

e) Tangible Fixed Assets

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

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

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

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

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

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

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

STATEMENT OF ACCOUNTING POLICIES (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

f) School Building Programme

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

g) Financial Instruments

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

Investments

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

Debtors

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

Cash and cash equivalents

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

Creditors

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

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

STATEMENT OF ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 5 APRIL 2023

h) Fund accounting

General funds

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

Designated Funds

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

Restricted Funds

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

Parochial Funds

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

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

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

STATEMENT OF ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 5 APRIL 2023

i) Pensions

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

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

j) Significant judgements and estimation uncertainty

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

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

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

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 5 APRIL 2023

1. DONATIONS AND LEGACIES	2023	2022
	£	£
Legacies	493,946	956,113
Donations including plate collections	9,290,496	8,431,490
Grants	-	25,000
	<u>£9,784,442</u>	<u>£9,412,603</u>
2. INCOME FROM TRADING ACTIVITIES		
Parish hall and other rents received	909,596	805,623
Fundraising events	410,462	366,503
Other	7,257	5,258
	<u>£1,327,315</u>	<u>£1,177,384</u>
3. INVESTMENT INCOME		
Arising on quoted investments	583,289	527,382
Income from investment properties	229,608	222,875
Bank interest	1,853	437
	<u>£814,750</u>	<u>£750,694</u>
4. INCOME FROM CHARITABLE ACTIVITIES		
Altar society and repository sales	572,552	439,875
Chaplaincies	12,629	13,963
Retreat and course contributions	83,510	111,163
Educational courses & fees	42,126	8,225
	<u>£710,817</u>	<u>£573,226</u>

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

5.

	Unrestricted Funds £	Parochial Funds £	Restricted Funds £	2023 Total £	2022 Total £
Raising Funds					
Fundraising and social	-	124,473	-	124,473	58,353
Investment property repairs	105,492	-	-	105,492	79,291
	<u>105,492</u>	<u>124,473</u>	<u>-</u>	<u>229,965</u>	<u>137,644</u>
Charitable Activities					
Provision of worship					
Upkeep of buildings	89,494	3,500,717	1,550	3,591,761	2,949,955
Depreciation		278,361	-	278,361	281,971
Support costs allocated	206,729	-	28,454	235,183	213,652
	<u>296,223</u>	<u>3,779,078</u>	<u>30,004</u>	<u>4,105,305</u>	<u>3,445,578</u>
Clergy and parish support					
Sick and retired clergy	-	-	271,043	271,043	319,348
Clergy and church costs	185,174	3,165,879	720,462	4,071,515	3,819,961
Education and training	9,490	-	102,240	111,730	191,463
Parish administration	-	693,485	-	693,485	605,729
Support costs allocated	361,775	-	49,796	411,571	373,891
	<u>556,439</u>	<u>3,859,364</u>	<u>1,143,541</u>	<u>5,559,344</u>	<u>5,310,392</u>
Pastoral Care and Community Support					
Pastoral support	-	-	811	811	11,523
Other vicariates	339,605	-	9,891	349,496	340,080
Retreat centres	155,148	-	94,666	249,814	242,483
Local community centre	64,952	-	-	64,952	55,145
Cathedral music	33,386	-	-	33,386	24,750
Donations paid	157,101	250,037	8,272	415,410	390,518
Support costs allocated	361,776	-	49,795	411,571	373,891
	<u>1,111,968</u>	<u>250,037</u>	<u>163,435</u>	<u>1,525,440</u>	<u>1,438,390</u>
Schools programme					
Building programme	7,500	94,692	-	102,192	26,163
Vicariate for education	235,878	-	510,705	746,583	723,565
Support costs allocated	103,363	-	14,226	117,589	106,826
	<u>346,741</u>	<u>94,692</u>	<u>524,931</u>	<u>966,364</u>	<u>856,554</u>
	<u>2,311,371</u>	<u>7,983,171</u>	<u>1,861,911</u>	<u>12,156,453</u>	<u>11,050,914</u>
Total Expenditure	<u><u>£2,416,863</u></u>	<u><u>£8,107,644</u></u>	<u><u>£1,861,911</u></u>	<u><u>£12,386,418</u></u>	<u><u>£11,188,558</u></u>

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

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

	Unrestricted Funds £	Parochial Funds £	Restricted Funds £	2022 Total £
Raising Funds				
Fundraising and social	-	58,353	-	58,353
Investment property repairs	79,291	-	-	79,291
	<u>79,291</u>	<u>58,353</u>	<u>-</u>	<u>137,644</u>
Charitable Activities				
Provision of worship				
Upkeep of buildings	122,880	2,793,595	33,480	2,949,955
Depreciation	-	281,971	-	281,971
Support costs allocated	184,037	-	29,615	213,652
	<u>306,917</u>	<u>3,075,566</u>	<u>63,095</u>	<u>3,445,578</u>
Clergy and parish support				
Sick and retired clergy	-	-	319,348	319,348
Clergy and church costs	213,750	3,071,674	534,537	3,819,961
Education and training	-	-	191,463	191,463
Parish administration	-	605,729	-	605,729
Support costs allocated	322,065	-	51,826	373,891
	<u>535,815</u>	<u>3,677,403</u>	<u>1,097,174</u>	<u>5,310,392</u>
Pastoral Care and Community Support				
Pastoral support	-	-	11,523	11,523
Other vicariates	342,946	-	(2,866)	340,080
Retreat centres	136,583	-	105,900	242,483
Local community centre	55,145	-	-	55,145
Cathedral music	24,750	-	-	24,750
Donations paid	142,588	241,104	6,826	390,518
Support costs allocated	322,065	-	51,826	373,891
	<u>1,024,077</u>	<u>241,104</u>	<u>173,209</u>	<u>1,438,390</u>
Schools programme				
Building programme	(5,212)	31,375	-	26,163
Vicariate for education	199,118	-	524,447	723,565
Support costs allocated	92,019	-	14,807	106,826
	<u>285,925</u>	<u>31,375</u>	<u>539,254</u>	<u>856,554</u>
	<u>2,152,734</u>	<u>7,025,448</u>	<u>1,872,732</u>	<u>11,050,914</u>
Total Expenditure	<u><u>£2,232,025</u></u>	<u><u>£7,083,801</u></u>	<u><u>£1,872,732</u></u>	<u><u>£11,188,558</u></u>

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

5. EXPENDITURE (continued)					2023	2022
					£	£
Governance expenditure includes:						
Current Auditors' remuneration					45,700	42,000
Auditors'- Other services included in professional fees					-	-
Governance costs below include audit fees and legal advice received in respect of governance						
Analysis and allocation of support costs:						
	Provision of Worship	Support of Clergy	Pastoral Care & Community Support	Schools Programme	2023 Total	2022 Total
	£	£	£	£	£	£
Finance Office	47,146	82,506	82,506	23,573	235,731	258,057
Human Resources	17,591	30,785	30,785	8,796	87,957	49,494
Curial Administration	22,043	38,575	38,575	11,021	110,214	144,237
Chancery & Tribunal	18,397	32,195	32,195	9,198	91,985	90,195
Mensal	13,848	24,235	24,235	6,924	69,242	63,434
Rates, insurance and utilities	15,504	27,131	27,131	7,752	77,518	66,243
Maintenance and repairs	9,174	16,055	16,055	4,587	45,871	19,320
Professional fees	26,855	46,995	46,995	13,427	134,272	127,456
Governance	24,725	43,269	43,269	12,362	123,625	76,468
Bank Interest	3,126	5,471	5,471	1,563	15,631	5,277
Depreciation	26,841	46,971	46,971	13,420	134,203	131,004
Other	9,933	17,383	17,383	4,966	49,665	37,075
	<u>£235,183</u>	<u>£411,571</u>	<u>£411,571</u>	<u>£117,589</u>	<u>£1,175,914</u>	<u>£1,068,260</u>
Analysis and allocation of support costs for the previous year:						
	Provision of Worship	Support of Clergy	Pastoral Care & Community Support	Schools Programme	2022 Total	
	£	£	£	£	£	
Finance Office	51,611	90,320	90,320	25,806	258,057	
Human Resources	9,899	17,323	17,323	4,949	49,494	
Curial Administration	28,847	50,483	50,483	14,424	144,237	
Chancery & Tribunal	18,039	31,568	31,568	9,020	90,195	
Mensal	12,687	22,202	22,202	6,343	63,434	
Rates, insurance and utilities	13,249	23,185	23,185	6,624	66,243	
Maintenance and repairs	3,864	6,762	6,762	1,932	19,320	
Professional fees	25,491	44,610	44,610	12,745	127,456	
Governance	15,294	26,764	26,764	7,646	76,468	
Bank Interest	1,055	1,847	1,847	528	5,277	
Depreciation	26,201	45,851	45,851	13,101	131,004	
Other	7,415	12,976	12,976	3,708	37,075	
	<u>£213,652</u>	<u>£373,891</u>	<u>£373,891</u>	<u>£106,826</u>	<u>£1,068,260</u>	

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

6. STAFF

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

	2023	2022
	£	£
Staff Costs:		
Wages and salaries	2,471,970	2,412,296
Social security	176,335	161,699
Pension costs	252,419	251,879
Redundancy costs	1,000	1,003
	<u>£2,901,724</u>	<u>£2,826,877</u>
	2023	2022
	No	No
Average Number of Employees:		
Administration	41	43
Parish employees	139	145
	<u>180</u>	<u>188</u>
Number of employees who earned £60,000 or more during the year were:		
£60,000 - £70,000	3	3
£100,000 - £110,000	1	1

Employer contributions totalling £44,572 (2022 £ 42,642) were made to personal pension schemes on behalf of the above employees.

Key management personnel received salary, benefits and pension contributions of £463,513 (2022, £422,582) during the year.

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

7. TANGIBLE FIXED ASSETS	Freehold	Fixtures &	Furniture &	Auto-	
	Buildings	Fittings	Equipment	mobiles	Total
VALUATION AND COST	£	£	£		£
At 6 April 2022	27,055,825	744,668	1,205,184		29,005,677
Additions	259,351	20,334	38,142	14,000	331,827
Disposals	-	-			
At 5 April 2023	27,315,176	765,002	1,243,326	14,000	29,337,504
DEPRECIATION					
At 6 April 2022	8,186,995	297,215	1,185,907		9,670,117
Charge for year	317,777	76,500	20,688	3,500	418,465
At 5 April 2023	8,504,772	373,715	1,206,595	3,500	10,088,582
NET BOOK VALUE					
At 5 April 2023	£18,810,404	£391,287	£36,731	10,500	£19,248,922
At 5 April 2022	£18,868,830	£447,453	£19,277	-	£19,335,560

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

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

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

8. INVESTMENTS	2023	2022
	£	£
Investment properties	10,252,000	9,628,799
Stocks, shares and unit trusts (see below)	18,001,759	19,269,320
Subsidiary company (See note 16)	2	2
	<u>£28,253,761</u>	<u>£28,898,121</u>
Analysis of stocks, shares and unit trusts		
Income Units in Sarasin Alpha CIF	17,777,743	19,065,487
Cash awaiting investment	36,744	13,682
COIF Charities Investment Fund Accumulation Units	187,272	190,151
	<u>£18,001,759</u>	<u>£19,269,320</u>
Analysis of Investment Properties		
Opening Balance	9,628,799	8,091,096
Additions	-	-
Transfers to fixed assets	-	(1,532,718)
Property revaluations carried out by Chartered Surveyors	623,201	3,070,421
Closing Balance	<u>£10,252,000</u>	<u>£9,628,799</u>
Total investments at market value:		
Opening Balance	28,898,121	26,819,131
Additions	-	-
Transfers to fixed assets	-	(1,532,718)
Unrealised (losses)/gains during the year	(644,360)	3,611,708
Closing Balance	<u>£28,253,761</u>	<u>£28,898,121</u>

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

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

9. DEBTORS	2023	2022
	£	£
School related receivables	238,430	175,951
Gift Aid receivable	1,286,042	1,037,384
Parish receivables including legacy income and income from land sales	278,383	1,567,696
Other debtors and prepayments	86,043	127,487
	<u>£1,888,898</u>	<u>£2,908,518</u>
	<u><u>£1,888,898</u></u>	<u><u>£2,908,518</u></u>
10 CREDITORS	2023	2022
.	£	£
Amounts falling due within one year:		
Bank overdraft and other loans	-	-
Loans to parishes from third parties	6,750	7,000
Trust funds to be paid out	10,980	10,906
Other creditors and accruals	2,453,348	2,844,728
	<u>£2,471,078</u>	<u>£2,862,634</u>
	<u><u>£2,471,078</u></u>	<u><u>£2,862,634</u></u>

Creditors include VASCA funds being held as at 5/4/23 in the amount of £1,837,913 (2022 £2,038,000). These funds had been received from the DfE and were awaiting distribution to schools to fund capital projects.

The Diocese has a loan from the Cathedral and Choral Trust Fund (a separate charity), which is interest free, and is repayable on a change of use of the Choir School (whether it is sold or not), and the repayment is inflation linked. The likelihood of a change of use of the Choir School is considered to be remote, therefore the loan has a fair value of £Nil. If the loan had become repayable at 5 April 2023, it would have had a value of £333,303 (2022 £302,791)

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

11. FINANCIAL INSTRUMENTS	2023 £	2022 £
Financial assets measured at fair value	18,001,759	19,269,320
Financial assets measured by amortised cost	1,888,898	2,908,517
	<u>2,471,078</u>	<u>2,862,634</u>
Financial liabilities measured by amortised cost	2,471,078	2,862,634
	<u>2,471,078</u>	<u>2,862,634</u>

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

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

12. UNRESTRICTED FUNDS	Balance at 6 April 2022 £	Net (Exp)/Income Before Gains £	Transfers £	Gains/ (Losses) on Investments £	Balance at 5 April 2023 £
General Fund	9,606,453	(1,930,357)	1,167,913	(413,282)	8,430,727
General Education Fund	2,255,683	35,775	-	(106,230)	2,185,228
Parishes in Need Fund	348,924	7,734	-	(18,985)	337,673
Total Designated Funds	2,604,607	43,509	-	(125,215)	2,522,901
Parochial Funds	37,809,124	2,336,400	(1,373,388)	302,032	39,074,168
	<u>£50,020,184</u>	<u>£449,552</u>	<u>£(205,475)</u>	<u>£(236,465)</u>	<u>£50,027,796</u>
For the comparative year:					
	Balance at 6 April 2021 £	Net (Exp)/Income Before Gains £	Transfers £	Gain (Losses) on Investments £	Balance at 5 April 2022 £
General Fund	7,343,542	(1,677,127)	1,502,890	2,437,148	9,606,453
General Education Fund	2,163,595	48,386	-	43,702	2,255,683
Parishes in Need Fund	333,398	7,716	-	7,810	348,924
Total Designated Funds	2,496,993	56,102	-	51,512	2,604,607
Parochial Funds	34,482,236	3,928,275	(1,764,434)	1,163,047	37,809,124
	<u>£44,322,771</u>	<u>£2,307,250</u>	<u>£(261,544)</u>	<u>£3,651,707</u>	<u>£50,020,184</u>

General Education Fund

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

Parishes in Need Fund

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

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

13. RESTRICTED FUNDS	Balance at 6 April 2022	Net (Exp)/Income Before Gains	Transfers	Gains/(losses) On Investments	Balance at 5 April 2023
Walsingham House	5,264	(11,156)	-	-	(5,892)
Sick and Retired Clergy Fund	1,875,393	(206,755)	148,100	(66,145)	1,750,593
Mensal Fund	655,294	(49,579)	54,607	(48,273)	612,049
BEEF	4,098,939	25,568	(4,200)	(281,193)	3,839,114
Vocations	83,004	9,421	-	-	92,425
Mass Fund	224,454	(9,210)	-	(16,753)	198,491
Parish Restricted Funds	239,400	(5,973)	-	-	233,427
Caritas (merged with Social Welfare Fund previously in Other Restricted)	255,549	(30,947)	-	(19,019)	205,583
BRC DT Education Fund	54,814	82,900	-	-	137,714
Other Restricted Funds	450,627	1,790	6,968	(13,833)	445,552
	<u>£7,942,738</u>	<u>£(193,941)</u>	<u>£205,475</u>	<u>£(445,216)</u>	<u>£7,509,056</u>
Permanent Endowment Fund					
Crowhurst Legacy	502,918	-	-	18,060	520,978
Sullivan Special Trust	455,739	-	-	19,261	475,000
	<u>£958,657</u>	<u>£-</u>	<u>£-</u>	<u>£37,321</u>	<u>£995,978</u>

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

Restricted Funds for the comparative year:

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

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

13. RESTRICTED FUND (continued)

Walsingham House

This house is used for the provision of youth retreats.

Sick and Retired Clergy Fund

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

Mensal Fund

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

BEEF (Brentwood Ecclesiastical Education Fund)

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

Mass Fund

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

Parish Restricted Funds

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

BRCDT Education Fund

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

Caritas

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

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

13. RESTRICTED FUND (continued)

Other Restricted Funds

Other restricted funds consist of donations for specific purposes.

Permanent Endowment Funds

Crowhurst Legacy

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

Sullivan Special Trust

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

14. ALLOCATION OF THE CHARITY NET ASSETS

	Fixed Assets £	Investments £	Net Current Assets/ (Liabilities) £	Total £
Unrestricted funds	2,604,310	14,146,116	(5,796,798)	10,953,628
Parish funds	16,642,212	6,869,201	15,562,755	39,074,168
Restricted funds	2,400	6,318,066	1,188,590	7,509,056
Permanent Endowment fund	-	920,378	75,600	995,978
Total Net Assets	£19,248,922	£28,253,761	£11,030,147	£58,532,830
For the comparative year				
	Fixed Assets £	Investments £	Net Current Assets/ (Liabilities) £	Total £
Unrestricted funds	2,722,515	14,691,238	(5,202,693)	12,211,060
Parish funds	16,608,245	6,567,170	14,633,709	37,809,124
Restricted funds	4,800	6,756,656	1,181,282	7,942,738
Permanent Endowment fund	-	883,057	75,600	958,657
Total Net Assets	£19,335,560	£28,898,121	£10,687,898	£58,921,579

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

15. TRANSFERS			2023 £	2022 £
From/(To) Parochial Funds				
Diocesan Quota			1,182,021	1,572,707
Other			55,505	52,972
			<u>£1,237,526</u>	<u>£1,625,679</u>
To/(From) Restricted Funds				
	Restricted £	General £	Permanent Endowment £	Parochial £
Sick and Retired Clergy	140,800	-	-	(140,800)
Mensal	-	-	-	-
Restricted funds spent on				
Other	64,675	(69,613)	-	4,938
	<u>£205,475</u>	<u>£(69,613)</u>	<u>£-</u>	<u>£(135,862)</u>
For the comparative year:				
	Restricted £	General £	Permanent Endowment £	Parochial £
Sick and Retired Clergy	140,800	-		(140,800) -
Mensal	-	-		-
Restricted funds spent on				
Other	120,744	(122,789)		2,045
	<u>£261,544</u>	<u>£(122,789)</u>	<u>£-</u>	<u>£(138,755)</u>

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

16. RELATED PARTY (TRADING COMPANY)

The Charity beneficially owns 100% of the share capital of Brentwood Diocese (Trading) Limited, company number 2571381, which manages building contracts for the Diocese on a no profit/no loss basis. Consolidated accounts have not been prepared because the figures shown would not in the opinion of the Trustee, be materially different from those shown in the charity's accounts. Its trading results for the year ended 31 March 2023 were as follows:

	2023 £	2022 £
Turnover	-	-
Cost of Sales	-	-
	<u>£-</u>	<u>£-</u>
Profit on ordinary activities	<u>£-</u>	<u>£-</u>
Interest in Brentwood Diocese (Trading) Ltd	<u>£2</u>	<u>£2</u>
Aggregate capital and reserves	<u>£2</u>	<u>£2</u>

17. BRENTWOOD ROMAN CATHOLIC DIOCESE TRUSTEE

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

18. TRANSACTIONS WITH DIRECTORS OF THE CORPORATE TRUSTEE

A majority of the Directors of the Corporate Trustee are also parish priests in the Diocese. As priests they receive income from their parishes together with living accommodation, living expenses and reimbursement of costs incurred on behalf of their parish on the same basis as other priests within the Diocese. They do not receive any remuneration or benefits from their trusteeship other than the purchase by the Diocese of trustees' indemnity insurance providing cover of up to £5,000,000 during the year (the premium is paid as part of public liability insurance). Travel costs totalling £NIL (2022: £NIL) and consultancy costs in respect of courses arranged by the Vicariate for Education in the amount of £1,200 (2022 £1,200) were reimbursed to one (2022: one) Director during the year. During the year, Directors of the Corporate Trustee donated £3,375 (2022 £5,130) in aggregate, to the Diocese.

19. COMMITMENTS

	2023 £	2022 £
Authorised and contracted for	<u>8,747</u>	<u>-</u>

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

20. THIRD PARTY COLLECTIONS

Parishes hold collections on behalf of third party charities. Because the Diocese is acting as agent for these charities, these collections have been excluded from these financial statements. During the year £1,029,571 (2022:£763,867) was collected on behalf of third party charities. At 5 April 2023 £183,070 (2022 £167,841) was held on behalf of third party charities.

21. RELATED PARTY TRANSACTIONS

Related Party transactions with the Directors of the Corporate Trustee are disclosed in Note 18 of these Accounts. There were no other related party transactions during the year (2022, none).

22.PENSION COMMITMENTS

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

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

Teachers' Pension Scheme

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

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

The Teachers' Pension Budgeting and Valuation Account

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

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

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

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

Valuation of the Teachers' Pension Scheme

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

The next valuation is expected to take effect in 2023.

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

Scheme Changes

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

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

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

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

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

BRENTWOOD ROMAN CATHOLIC DIOCESAN TRUST

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 5 APRIL 2023

23. STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2022

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

