PORTSMOUTH ROMAN CATHOLIC DIOCESAN TRUST (TRUST PROPERTY)

England & Wales · Charity number 246871

Details

Other names	PORTSMOUTH ROMAN CATHOLIC DIOCESAN (TRUST PROPERTY), PORTSMOUTH ROMAN CATHOLIC DIOCESAN TRUST (TRUST PROPERTY), ST MARY'S MISSION, THE PORTSMOUTH DIOCESAN TRUST
Status	Registered
Legal form	Trust
Registered	1966-03-02
Register	View on the Charity Commission register

Contact

Address	Diocesan Office St. Edmund House Bishop Crispian Way Portsmouth PO1 3QA
Phone	02392825430
Website	www.portsmouthdiocese.org.uk

Activities

Objects: TO FURTHER THE RELIGIOUS AND OTHER CHARITABLE WORK OF THE ROMAN CATHOLIC CHURCH IN THE ROMAN CATHOLIC DIOCESE OF PORTSMOUTH.

Activities: The advancement of the Roman Catholic religion in the Diocese of Portsmouth through its parishes, schools and other works.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, Education/training, Disability, The Prevention Or Relief Of Poverty, Religious Activities
- **Who:** The General Public/mankind

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Geography

- **Area of benefit:** GREAT BRITAIN AND ABROAD
- Guernsey
- Jersey
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£0	£0	-	-
2023-08-31	£5,254,521	£86,099,252	£0	217
2022-08-31	£14,550,908	£14,833,375	£80,844,732	216
2021-08-31	£14,213,442	£12,982,899	£76,411,831	242
2020-08-31	£14,209,245	£14,296,128	£68,468,835	240

Trustees

Name	Role	Appointed
Portsmouth Roman Catholic Diocesan Trustees Registered		2022-02-28

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Linked charities

- LAND BOUND BY RADLEIGH ROAD AT OXFORD ROAD, ABINGDON (246871-1)
- PUREWELL IN THE PARISH OF CHRISTCHURCH, DORSET (246871-10)
- CARVELL LANE IN WEST COWES ISLE OF WIGHT (246871-11)
- SUN HILL WEST COWES ISLE OF WIGHT (246871-12)
- FURTHER DWELLING HOUSES SITUATED ON SUN HILL IN WEST COWES (246871-13)
- STRIP OF LAND ON ISLE OF WIGHT WEST COWES (246871-14)
- SEYMOUR HOUSE COWES ISLE OF WIGHT (246871-15)
- LAND SITUATE IN THE PARISH OF WOKINGHAM ALONG WOKINGHAM NEW ROAD (246871-16)
- PLOTS ON PIECES OF LAND SITUATED ON THE WEST SIDE OF MANOR CRESCENT (246871-17)
- LAND SITUATED ON THE WEST SIDE OF CONNAUGHT ROAD EAST COWES (246871-18)
- LAND AT REAR OF NO 3 HIGH STREET EASTLEIGH LAND SITUATED IN EASTLEIGH IN THE PARISH OF STONEHAM (246871-19)
- LAND IN QUEENS ROAD, ALDERSHOT (246871-2)
- PREMISES KNOWN AS PARKINS LAND LEIGH ROAD EASTLEIGH HANTS (246871-20)
- LAND PORTLAND STREET FAREHAM NO 43 (246871-21)
- CHURCH OF SACRED HEART AND LAND AT HARTLANDS ROAD FAREHAM (246871-22)
- ON THE CORNER OF CONNAUGHT ROAD AND KINGS ROAD FLEET HAMPSHIRE (246871-23)
- LAND SITUATED IN PARISH OF FORDINGBRIDGE IN HAMPSHIRE (246871-24)
- NO 66 NORTH STREET GOSPORT (246871-25)
- NO 32 HIGH STREET GOSPORT HAMPSHIRE (246871-26)
- LADY OF THE SH GOSPORT HIGH STREET (246871-27)
- LADY OF THE SH GOSPORT MUMBY ROAD (246871-28)
- ANNS HILL LAND FORTON (246871-29)
- LAND AT QUEENS ROAD, ALDERSHOT (2) (246871-3)
- SITUATED AT FORTON ON THE NORTH SIDE OF NORMAN ROAD (246871-30)
- PARCELS OF LAND ON THE EAST SIDE OF MANOR ROAD HAYLING ISLAND (246871-31)
- PIECE OF LAND SITUATED ON THE EAST SIDE OF MANOR ROAD HAYLING ISLAND (246871-32)
- CHURCH OF IMMACULATE CONCEPTION (246871-33)
- 134 THE HIGH STREET LYMINGTON (246871-34)
- EAST OF THE CROOKHAM ROAD MAIDENHEAD BERKSHIRE (246871-35)
- 3 PLOTS OF LAND ALONG LONDON ROAD NEWBURY (246871-36)
- A 4TH PARCEL OF LAND ALONG LONDON ROAD NEWBURY (246871-37)
- CHURCH AND PRESBYTERY ON EMPRESS ROAD LYNDURST HAMPSHIRE (246871-38)

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- THE CHAPEL CHAPEL HOUSE AND STABLING BETWEEN HIGH STREET AND PYLE STREET NEWPORT ISLE OF WIGHT (246871-39)
- LAND SITUATED AT BELLE VIEW ROAD, ALDERSHOT (246871-4)
- LAND SITUATED IN CASTLEHOLD IN THE PARISH OF ST NICHOLAS IN THE ISLE OF WIGHT (246871-40)
- LAND SITUATED ON STATION ROAD PETERSFIELD (246871-41)
- LAND ON THE CORNER OF EDINBURGH ROAD AND ALFRED ROAD PORTSMOUTH (246871-42)
- LAND HAVING A FRONTAGE ON BOTH ALFRED ROAD AND EDINBURGH ROAD (246871-43)
- LAND ADJOINING BOTH ALFRED ROAD AND EDINBURGH ROAD WITH A FRONTAGE ALONG UNICORN ROAD PORTSMOUTH HAMPSHIRE (246871-44)
- LAND ON THE WEST SIDE OF GLADYS AVENUE NORTH END PORTSMOUTH (246871-45)
- GORDON VILLA GLADYS AVENUE NORTH END PORTSMOUTH (246871-46)
- ST COLEMANS PORTSMOUTH (246871-47)
- ST JOSEPH'S MILTON ROAD PORTSMOUTH (246871-48)
- NO 2 TANGIERS ROAD COPNOR PORTSMOUTH (246871-49)
- LAND NEAR SWINLEY ROAD, SOUTH ASCOT (246871-5)
- NO 4 TANGIERS ROAD COPNOR PORTSMOUTH (246871-50)
- LAND SITUATED ON THE WEST SIDE OF WAVERLEY ROAD (246871-51)
- LAND ON THE SOUTH SIDE OF COLLINGWOOD ROAD SOUTHSEA (246871-52)
- RC CHAPEL PRESBYTERY AND SCHOOLS READING (246871-53)
- READING LAND FORMING PART OF THE FOX HILL ESTATE (246871-54)
- A TRIANGULAR PIECE OF LAND WITH AN 8FT FRONTAGE ON UPPER REDLANDS ROAD (246871-55)
- LAND SITUATED ON THE HIGH STREET SOUTH OF THE WHITE SWAN RYDE ISLE OF WIGHT (246871-56)
- TENAMENTS NUMBERED 48 49 50 ON THE HIGH STREET RYDE ISLE OF WIGHT (246871-57)
- LAND TO THE WEST OF THE WHITE SWAN RYDE ISLE OF WIGHT PLOT 4 (246871-58)
- PIECE OF LAND SITUATED ON SOUTH SIDE OF BEACHFIELD ROAD AT SANDOWN (246871-59)
- PROPERTY ON SHERBORNE ROAD AND OXFORD ROAD, BASINGSTOKE (246871-6)
- LAND SITUATED ON SOUTH SIDE OF BEECHFIELD ROAD SANDOWN ISLE OF WIGHT (246871-60)
- ALL THOSE 4 COTTAGES WITH GARDENS ADJOINING AND BELONGING SITUATED IN THE VILLAGE OF PORTSWOOD (246871-61)
- PARCEL OF LAND SITUATED IN PORTSWOOD ROAD SOUTHAMPTON NO 2 (246871-62)
- LAND ON THE CORNER OF MILTON ROAD AND HILL LANE SOUTHAMPTON (246871-63)
- ST EDMUNDS THE AVENUE SOUTHAMPTON (246871-64)
- LAND ON CORNER OF ROCKSTONE PLACE SOUTHAMPTON (246871-65)
- ST JOSEPH'S BUGLE STREET (246871-66)

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- ST JOSEPHS BUGLE STREET NO 3 SOUTHAMPTON (246871-67)
- ST JOSEPHS BUGLE STREET NO 6 (246871-68)
- ST JOSEPHS BUGLE STREET NO 5 (246871-69)
- PLOT 1 OF TWO ON BURGESS ROAD, BASINGSTOKE (246871-7)
- ST JOSEPHS BUGLE STREET NO 7 (246871-70)
- ST JOSEPH'S BUGLE STREET (PROBABLY) NO 1 SOUTHAMPTON (246871-71)
- ST PATRICK'S PORTSMOUTH ROAD NO 2 WOOLSTON SOUTHAMPTON (246871-72)
- SOUTHAMPTON LAND ON N E SIDE OF ITCHEN BUDEN ROAD (246871-73)
- ST SAVIOUR WESTON LANE TO LAND BY ISLE OF WIGHT (246871-74)
- OUR LADY AND ST WILFRID TRINITY ROAD NO 1 VENTNOR ISLE OF WIGHT (246871-75)
- CEMETERY ST JAMES LANE A WINCHESTER (246871-76)
- SITE AT EASTGATE STREET DURNGATE WINCHESTER (246871-77)
- 10 PETER STREET WINCHESTER (246871-78)
- 9 PETER ST WINCHESTER (246871-79)
- PLOT 2 OF TWO ON BURGESS ROAD, BASINGSTOKE (246871-8)
- LAND IN JEWRY ST AND PETER ST WINCHESTER 30 TO 39 JEWRY ST THE WHITE HOUSE NO 11 AND NO 9 (246871-80)
- 29 JEWRY ST WINCHESTER (246871-81)
- ST EDWARDS ALMA ROAD NO 1 WINDSOR (246871-82)
- ALMA ROAD NO 2 WINDSOR (246871-83)
- SACRED HEART ATHERLY ROAD SHANKLIN (246871-84)
- ST SWITHUNS WAVERLEY ROAD SOUTHSEA (246871-85)
- ROMAN CATHOLIC DIOCESE OF PORTSMOUTH HOUSING ASSOCIATION LTD (246871-88)
- ST FRANCIS' DEVELOPMENT FUND - SOUTH ASCOT (246871-89)
- PIECES OF LAND SITUATE IN STANLEY ROAD, BRACKNELL (246871-9)
- ST FRANCIS'S MISSION SUNNINGHILL (246871-91)
- CATHERINE JANE STALLARD BEQUEST (246871-92)

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PORTSMOUTH ROMAN CATHOLIC DIOCESAN TRUST (TRUST PROPERTY)

England & Wales - Charity number 246871

Accounts



Portsmouth Roman Catholic Diocesan Trust

Annual Report 22/23

IN CORDE IESU

About the Diocese of Portsmouth

Our Diocese is spread across five counties on England's South Coast, and the Channel Islands. We are the local Church for the whole of Hampshire, Berkshire, the Isle of Wight, Jersey, and the Bailiwick of Guernsey as well as the Southern Part of Oxfordshire and the Eastern part of Dorset.

Charity Name	Portsmouth Roman Catholic Diocesan Trust
Charity Number	246871
Charity Trustee	Portsmouth Roman Catholic Trustees Registered (PRCDTR)
PRCDTR Board of Trustees	Bishop of Portsmouth Rt Rev Philip Anthony Egan Rev Mr Gerard Dailly Mr Bernard Davis Mr Michael Elks Rev Christopher Heaps (appointed 08 December 2022) Rev Mark Hogan (resigned 31 March 2024) Mr Paul Kilduff Dr Catherine Knowles Rev Canon James McAuley (appointed 15 September 2022) Mrs Sue Masser (resigned 08 December 2022) Rev Canon Paul James Smith Rev Benjamin Theobald Rev Canon Simon Thomson Mr Chris Trickey
Senior Officers	Mr Hereward Drummond, Secretary to Trustees (resigned 07 December 2023) Mrs Heather Hauschild, Chief Operating Officer Mr Clive Field, Director of Finance
Registered Office	St Edmund House, Bishop Crispian Way, Portsmouth, PO1 3QA
Professional Advisors	
Auditors	Haysmacintyre LLP 10 Queen Street Place, London, EC4R 1AG
Bankers	Lloyds Bank PLC 2-4 Palmerston Road, Southsea, PO5 3QH
Solicitors	Stone King LLP Upper Borough Court, Upper Borough Walls, Bath, BA1 1RG
Investment Advisors	Charles Stanley & Co LTD 25 Luke Street, London, EC2A 4AR
Principal Insurers	Catholic Insurance Services Suite 5, Oxford House, Oxford Road, Thame, OX9 2AH
Financial Year	01 September 2022 - 31 August 2023

Structure, Governance and Management

The Portsmouth Roman Catholic Diocesan Trust is a charitable trust established by a Trust Deed dated 04 September 1934. Following a Deed of Revocation dated 5 December 2002, the Trust is governed under a Trust Deed dated 5 December 2002 and the subsequent amendments made on 07 April 2004.

The Portsmouth Roman Catholic Diocesan Trust is registered under the Charities Act 2011, its charity number is 246871.

Trustee

The Portsmouth Roman Catholic Diocesan Trust has a sole corporate trustee: The Portsmouth Roman Catholic Diocesan Trustees Registered (PRCDTR).

The Portsmouth Roman Catholic Diocesan Trustees Registered is a body corporate under Part 12 of the Charities Act 2011 established on the 11 September 1934 and granted corporation status by the Lord Chancellor on 27 November 1934.

The individuals who form the Portsmouth Roman Catholic Diocesan Trustees Registered are the trustees of the Portsmouth Diocesan Trust, a charitable trust registered under the Charities Act 2011, its charity number is 246872.

The Trustees of the Portsmouth Diocesan Trust who formed the corporate trustee of the Portsmouth Roman Catholic Diocesan Trust during the year ended 31 August 2023 and who were in office on the date of this Report were:

- Bishop of Portsmouth Rt Rev Philip Anthony Egan
- Rev Mr Gerard Dailly
- Mr Bernard Davis
- Mr Michael Elks
- Rev Christopher Heaps (appointed 08 December 2022)
- Rev Mark Hogan (resigned 31 March 2024)
- Mr Paul Kilduff
- Dr Catherine Knowles
- Rev Canon James McAuley (appointed 15 September 2022)
- Mrs Sue Masser (resigned 08 December 2022)
- Rev Canon Paul James Smith
- Rev Benjamin Theobald
- Rev Canon Simon Thomson
- Mr Chris Trickey

The Trustee Board met 3 times as the trustee of the Portsmouth Roman Catholic Diocesan Trust during the year.

Linked Charities

The Diocese of Portsmouth incorporated as a Charitable Incorporated Organisation (CIO) on the 31 December 2022.

Prior to incorporating, under a Charity Commission Scheme, dated 20 July 2001, all charities which had the Portsmouth Roman Catholic Diocesan Trustees Registered as trustee, except for the Roman Catholic Priests' Retirement Fund, were linked for the purposes of registration and reporting. The Portsmouth Roman Catholic Diocesan Trust was the reporting charity, it had 95 linked charities.

The Portsmouth Roman Catholic Priests' Retirement Fund shared the same corporate trustee as the Portsmouth Roman Catholic Diocesan Trust but remained separate.

Following the incorporation of the Diocese, all of the linked charities transferred to the Catholic Diocese of Portsmouth. The Portsmouth Roman Catholic Priests' Retirement Fund also became a special trust of the Catholic Diocese of Portsmouth.

The Appointment of Trustees

The sole corporate trustee of the Portsmouth Roman Catholic Diocesan Trust does not change. The individuals who form the Portsmouth Roman Catholic Diocesan Trustees Registered are appointed trustees for the Portsmouth Diocesan Trust by a resolution of the Board.

Trustee vacancies are advertised through appropriate communication channels, potential candidates are also approached directly. All candidates applying to become a Trustee will be interviewed by the Bishop and Secretary to Trustees. Any successful applicants are co-opted as advisory members of the Board at the next full meeting for a period of six months. At the end of the six months, they are appointed trustees by a resolution of the Board.

Senior clergy are appointed as ex officio Trustees; their appointment lasts as long as they are in office. Other trustees are generally appointed for a five-year term, which may be repeated or extended. The individuals who form the Portsmouth Roman Catholic Diocesan Trustees Registered will herein be referred to as the Trustees.

Trustee Induction and Training

The Secretary to Trustees is responsible for ensuring that an appropriate induction training programme is arranged for new Trustees, within 3 months of appointment.

The induction is expected to include clarification of legal responsibilities, Charity Commission requirements of charity Trustees, strategic and governance issues, familiarity with the Trust Deed and structure of the Charity, and other relevant induction material to allow Trustees to understand the Charity's purpose, activities, financial position and current risks.

Trustees are encouraged to undertake regular training throughout their appointment which they feel is relevant to their role, and to keep up to date with current legislation.

Trustees' Expenses

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

other priests in the Diocese.

However, no Trustee received any remuneration from the Charity, nor had any beneficial interest in any contract with the Charity. Trustees may claim expenses, such as mileage, incurred in connection with the discharging of their duties as Trustees.

Management Team

The Trustees are responsible for the overall management, oversight and strategic direction of the Diocese. To achieve this, they have appointed a Chief Operating Officer (COO) who has delegated responsibility for the day-to-day running of the Diocese. The Chief Operating Officer is supported by the Senior Leadership Team who have delegated areas of responsibility such as Finance, Estates, Safeguarding, HR, IT, Communications, Governance, Fundraising, Charity Outreach, and Clergy Support.

Setting Pay

Remunerated roles in the Curia and central administration have been benchmarked against several charity sector benchmarks, including other dioceses. The Diocese is a lower quartile employer, although the Trustee Board may choose to apply a recruitment or retention premium to a particular post in certain circumstances.

Organisation

The Trustee Board is supported in decision making by detailed scrutiny and recommendations provided by sub committees: Finance, Audit and Risk; HR and Remuneration; Vocation Vicariate; Education Vicariate and Evangelisation Vicariate; which meet regularly throughout the year.

The Diocesan Curia is organised into a Framework for Collaboration, with three vicariates reflecting the threefold ministry of the Bishop: Vocation, Education and Evangelisation. Each is headed by an Episcopal Vicar, who, together with the Vicars General, are the sole members of the Bishop's Council, all of whom have been appointed Trustees. Each Vicariate Committee is chaired by the Episcopal Vicar for that Vicariate.

The **Portsmouth Bamenda Committee** sits within the Vicariate for Evangelisation and is responsible for furthering the Diocese's ecclesiastical partnership with the Archdiocese of Bamenda and overseeing grant funding for projects in the Archdiocese.

The **Caritas Committee** also sits within the Vicariate for Evangelisation and is responsible for overseeing the Diocese's charity and outreach through Caritas.

The purpose of the **Finance, Audit and Risk (FAR) Committee** is to provide strategic oversight to the administration of the temporal goods of the Diocese and its parishes: its land and buildings, money, investments and the discharge of its legal and contractual obligations. The FAR Committee is chaired by the Vicar General, Moderator of the Curia.

The **HR and Remuneration Committee** considers remuneration across the Diocese and makes recommendations to the Board. It is chaired by the Vicar General, Moderator of the Curia.

The **Investment Committee** is responsible for overseeing the performance of Diocese's investment managers and ensuring that investment decisions are in sympathy with the teachings of the Catholic Church.

The **Art, Architecture and Patrimony Committee** reviews proposed alternations to churches to ensure the patrimony of the Diocese is managed responsibly.

The **Safeguarding Committee** is responsible for matters which relate to safeguarding and is chaired by a non-clergy Trustee.

The **Chancery and Tribunal** continue to operate independently of the Curia, the Judicial Vicar has been appointed as a Trustee.

The structure of the Diocese presents a harmonious balance between the charity's legal responsibility and the Diocese's responsibility to Canon Law. The Council of Priests meets regularly to consult on matters of Canon Law and advises Trustees.

Relationship with Other Organisations

Other Regulators

In addition to the Charity Commission for England and Wales the Portsmouth Roman Catholic Diocesan Trust was overseen by the Jersey Charity Commissioner and the Guernsey Registry.

The Portsmouth Roman Catholic Diocesan Trust was registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice.

Safeguarding in the Diocese is overseen by the Catholic Safeguarding Standards Agency (CSSA); the CSSA national safeguarding policies are in operation across the Diocese.

Other Organisations within the Diocese

Prior to the transfer of its assets on 22 December 2022, The Portsmouth Roman Catholic Diocesan Trust had a close relationship with other charities which operated as part of the Diocese, these included:

The **Portsmouth Roman Catholic Priests' Retirement Fund,** previous charity number 1061194, is a charitable trust which looks after our priests in retirement. It undertook a joint fundraising venture with the Portsmouth Roman Catholic Diocesan Trust. The Priests' Retirement Fund became a special trust of the Catholic Diocese of Portsmouth in Spring 2023.

The **Portsmouth Roman Catholic Diocesan Properties Limited**, charity number 1168798, was a charitable company limited by guarantee which held the Diocese's property in Jersey. This arrangement has been wound up as part of the Diocese's incorporation, the Diocese's property in Jersey is now held by the Catholic Diocese of Portsmouth.

Caritas Jersey LTD, charity number 150, is a charitable company limited by guarantee and is the hub of Catholic Social Action in Jersey. The Portsmouth Roman Catholic Diocesan Trustees Registered is one of the company members.

The Portsmouth Roman Catholic Diocesan Trust works closely with Catholic schools across the Diocese, mostly through the Vicariate for Education, and in some cases owns the school estate.

Other Organisations outside the Diocese

In carrying out its work and mission, The Portsmouth Roman Catholic Diocesan Trust worked in collaboration with many and varied organisations such as the Catholic Trust for England and Wales (CATEW), the Bishop's Conference for England and Wales (CBCEW), CAFOD, other Catholic dioceses, hospitals, prisons, universities, foodbanks, and a variety of other charities and organisations.

Public Benefit Statement

The Trustee Board has due regard to the Charity Commission's guidance on public benefit in exercising its powers and duties.

The Trustee Board ensures the Charity benefits the public be bringing meaning to people's lives, providing opportunities to strengthen relationships with God, providing a moral and ethical framework for life; through community and social cohesion in its pastoral work; and through its work supporting the poor and the marginalised.

Charitable Purposes

The Charity's Trust Deed states that the purposes of the Portsmouth Roman Catholic Diocesan Trust are:

• The provision maintenance and upkeep of churches and public chapels for the celebration of divine worship according to the rights and ceremonies of the Roman Catholic Church and of presbyteries and houses for the residence of Priests and Deacons attached to any such churches or chapels or otherwise and belonging to or connected with the Roman Catholic Church in the Diocese.

• The provision maintenance and carrying on of the religious services of the said Church in such churches and public chapels or other places of a like character.

• The provision maintenance and upkeep of houses of study halls and colleges for the education and training of priests and persons desirous of becoming priests of the said Church in the Diocese or elsewhere in Great Britain and abroad.

• The education and training' of priests, deacons and persons desirous of becoming priests of the said Church by such means as the Trustees think fit.

• The payment of stipends to the priests and deacons of the said Church and of salaries and wages in connection with any such institutions as aforesaid.

• The maintenance, support and provision of medical and surgical aid for infirm and aged priests and deacons of the said Church and the burial of deceased priests and deacons of the said Church.

• The provision of holidays and rest for priests and deacons of the Roman Catholic Church in the Diocese but so the contributions made by the Trustees under this and the preceding sub-clause shall be made only to or in respect of persons whose own means (if any) are in the opinion of the Trustees inadequate for such purposes.

• The relief of poor persons professing the Roman Catholic religion in the Diocese or nearly related to priests or deacons of the said Church.

• The provision, maintenance and upkeep of schools and colleges to be conducted in accordance with the principles of the said Church for the general education whether religious or secular (or both) of children and young persons whether or not members of the said Church and of catechetical or other religious education.

• The provision, maintenance and upkeep of houses of residence for teachers and for students in any such houses of study halls schools and colleges as aforesaid.

• The provision maintenance and upkeep of homes for infirm and aged priests and deacons of the said Church in the Diocese being in the opinion of the Trustees without adequate means of support and of houses and

accommodation for infirm and aged poor persons preference being given to those professing the Roman Catholic Religion.

• The provision, maintenance and upkeep of cemeteries or burying places for the interment of deceased members of the said Church and other persons authorised by the Trustees.

• The provision, maintenance and upkeep of parish rooms and halls in connection with any such churches or chapels as aforesaid to be used for the advancement of the Roman Catholic religion in the Diocese or otherwise for the enlightenment education and religious and moral benefit of members of the said Church in the Diocese.

• The provision and maintenance of hospitals and sanatoria for poor persons and members of the said Church.

• The acquisition of sites for and of ground to be held with buildings for any of the purposes aforesaid and the erection restoring altering enlarging maintaining and repairing of any buildings for any such purpose and the laying out maintenance and upkeep of grounds in connection with any such buildings.

• The development of any part of. any land held as Trust Property and the maintenance of any works for the time being carried on thereon under the powers hereof.

• The making of donations or subscriptions to any charitable institution trust or organisation for Roman Catholic or other purposes in Great Britain or abroad or direct to any Bishop or official person engaged in any such work or to any other charitable institution or organisation necessary or proper in the carrying on of the charitable work of the Trustees.

• The maintenance and upkeep of the charitable institutions works and undertakings now carried on or for the time being established under the trusts hereof.

• For any such charitable purpose or purposes as in the opinion of the Bishop may be calculated to lead to the advancement or maintenance of the Roman Catholic religion.

Fundraising Activity

The Catholic Diocese of Portsmouth follows the Institute of Fundraising 's Codes of Fundraising Practice and is registered with the Fundraising Regulator.

No complaints about fundraising activity were received by the Diocese over the reporting period and therefore there was no requirement for escalation to the Regulator. The Diocese has its own procedures in place for dealing with complaints. Within this process, we publish a clear procedure for escalation and timescales when a person lodging a complaint can expect us to respond.

Anyone who is kind enough to consider donating to the Catholic Diocese of Portsmouth can be assured that:

• We never sell personal data to other organisations or charities. We do sometimes ask third party organisations to help process our data but they will act under our instruction. We never allow these organisations to use parishioner and supporter data for their own purposes and the data remains our legal responsibility. At all times we ensure that it is treated with the same level of care as if we were handling it directly.
• We never undertake door-to-door fundraising.
• We provide information to parishioners and supporters on how to opt-out of future communications from the Diocese.

We display the Fundraising Regulator badge on our website and fundraising collateral to demonstrate our commitment to best practice.

The Diocese ensures that vulnerable people are protected by adhering to the Codes of Fundraising Practice, ensuring that policies and procedures are in place for fundraising activities, and regularly working with the safeguarding and governance teams to ensure that good practice is followed in accordance with the law.

Building Partnerships

Relying on a range of income streams means that our work is more sustainable. The Diocese is especially grateful to receive funding from a variety of grant-givers, including Trusts and Foundations. Many of these grants recognise the substantial positive impact that parish and Diocesan projects have on the lives they are designed to support and to the wider community. The Trustee aim to build long-term partnerships and are grateful to all funders who have supported the Charity in the course of the past year.

Legacies

The Diocese attempts to make it as easy as possible for supporters to leave gifts in their Wills, producing information to highlight the wonderful benefit of giving a legacy, of any size, to a particular parish or where the need is greatest.

Although legal advice is not offered to supporters, information is provided to help them make the right decision for them, whether in writing, over the telephone or on the website.

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

Data Handling Statement

The Diocese of Portsmouth is committed to processing data in a fair and transparent manner and complying with data protection laws. The Portsmouth Roman Catholic Diocesan Trust was registered with the Information Commissioner's Office, following the Diocese's incorporation all data handling activities transferred to the Catholic Diocese of Portsmouth, the new data controller. The Catholic Diocese of Portsmouth is registered with the Information Commissioner's Office (ICO).

Diversity, Equality and Inclusion

Our existing charity values reflect the need for diversity, equality and inclusion (DE&I). We also recognise that there will always be further improvements or enhancements that we can make to maximise DE&I within the Charity.

We are committed to ensuring that obstacles to participation are reduced and believe that diversity enriches our work, strengthens our mission, and enables us to better serve our community. By working together, we can build a more inclusive and compassionate Church.

Future Plans

Once the remaining assets (see note 16 on donation and successor entity) have been transferred to the CIO, PRCDTR will become a special trust of the Catholic Diocese of Portsmouth and be wound up.

Financial Review

Portsmouth Roman Catholic Diocesan Trustees Registered (PRCDTR)

Year End 31 August 2023

Significant Events, Income, Charitable Objectives

In the last year the Diocese has completed some significant work as part of a long-term programme of renewal in our spiritual life and also as part of our responsibilities as a Charity.

The ambitions set out as part of our annual plan for the year have largely been achieved with grateful thanks for the commitment, energy and passion of our clergy employees, volunteers and Trustees.

Our mission to Bring People Closer to Jesus Christ Through his Church underpins all we do, and we thank you for your prayers and support in the many challenges and joys that this last year has brought.

For PRCDTR, clearly the most significant event and achievement was the Incorporation of the Diocese as a Charitable Incorporated Organisation (CIO), The Catholic Diocese of Portsmouth (CDP). On 22 December 2022 PRCDTR's £81 million of net assets were transferred to CDP, the successor entity.

As a result of this transfer, PRCDTR's financial activities were limited to the period from 1 Sept 2022 to 31 Dec 2022. During this period the principal sources of funding were regular monthly giving from parishioners which amounted to £2,603,187 and income from the Closer to Christ Fundraising Campaign of £759K in the 4 months to 31 December 22. Between them these two sources of income accounted for 64% of total income.

In terms of performance, in the 4 months prior to donation to the successor entity, PRCDTR achieved an operating surplus of £557,000. Adverse market conditions in quoted investments and investment properties saw an unrealised loss on investments of £277,000, leaving a positive net movement in funds of £280,000.

As can be seen from the financial statements, the transfer of £81 million assets on 22 December 2022, left PRCDTR with neither assets nor liabilities at the 31 August 2023 (Year End).

The Incorporation of the Diocese will enable it to better meet its charitable objectives, by ensuring it is able to comply with laws across a range of jurisdictions (UK, Channel Islands) as well as a range of other benefits delivered by the CIO structure.

Investments

In December 2022 the board of Trustees approved the sale of approximately 50% of the investment portfolio to repay the £4.47M Lloyds bank loan before the significant increase in the bank lending rates. The remaining £5.94 million in quoted investments, were transferred to the successor entity, Catholic Diocese of Portsmouth.

In July 2022, the Diocese established an investment committee to encourage our parishes to participate in investment decisions, to act as a forum for communication with our Investment Managers and to assist the Board of Trustees in their decision-making, The Committee has met quarterly since the date of its inception.

The Trustee Board have agreed on an investment policy for the portfolio, which can be summarised as follows:

The purpose of the investment policy is to maintain the purchasing power of the capital and income generated over the medium to long term (more than five years). The Investment Committee will provide any appointed external or in-house investment manager(s) with a mandate based upon the principles of Investment Targets and Risk Tolerance.

The Trustee Board have agreed on an ethical policy for the portfolio. The following is an extract:

"Where the issuer of a security (share, stock or bond) or deposit taker (bank) is directly and substantially (more than 5% of the activity of that entity) involved in activities which constitute grave moral evil such investments are to be entirely excluded because holding such securities would constitute formal co-operation in that evil. These would include but not be limited to, murder, procured abortion, contraception, sexual activity outside marriage and acts which undermine the dignity and sanctity of human beings (for example the exploitation of workers, migrants, the weak and the elderly) from conception to natural death, corrupting the young, heresy and sacrilege." The Bishop and Board of Trustees also require that our investment managers keep under review the environmental stewardship of entities in which the Diocese holds investments or deposits and instructs them to refer any activities which might constitute a breach of the duty of the stewardship of creation to them."

Reserves

Our Reserves Policy is designed to ensure the stability of the ongoing operations, support for the clergy and employment of staff by the organization and to provide a source of internal funds for organizational priorities such as maintaining the Diocesan Estate and listed buildings and also to provide financial support where required to facilitate the delivery of the mission of the Diocese.

The Reserves Policy has four components:

A Curial Operating Reserve – intended to provide an internal source of funds for the Curia in situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses, to be equal to three months of net recurrent annual costs excluding parish levy (thus if net operating cost excluding levy is £2,350K, the Curial Operating Reserve will be £600K.)

A Parish Operating Reserve – all parishes should seek to have at least 3 months of net recurrent annual costs held as reserves.

A Diocesan Development Fund - intended to provide temporary financial support for the repair or maintenance of the Diocesan estate and listed buildings to parishes or other bodies with insufficient funds at their disposal. It is the intention of the Diocese for the DDF to be used and replenished within a medium-term period (3 to 5 years). The target amount of the DDF should be £2million.
A Strategic Financial Reserve - intended to provide funds for the strategic development of the Diocese in general and parishes in particular. These funds would be used to facilitate the delivery of agreed Strategic Objectives that require start-up funding. The target amount of the SFR should be £2 million.

Risks

A Risk Register is provided for Trustees to review at every meeting. Key risks are:

• The financial position of many parishes; reductions in weekly attendance and participation in the life of the church have been reflected in falling offertory income.

• The growing backlog of estate maintenance, together with the deterioration of older, listed buildings (most notably the Cathedral) is a long-term liability. Our mission plan, You Will Be My Witnesses, sets out to increase participation in parish life and enable us to discern where to invest and what we can no longer maintain.

• The Diocese comprises 87 individual parish units which operate autonomously to a significant extent. The organisation is highly dispersed and also largely reliant on volunteers for much of the day-to-day activity. This all presents a significant risk of non-compliance with key policies required by regulators and legislation.

• Support and regular communication in a variety of forms is provided to parishes about policy and general guidance. However, further work is required to ensure that practical resources are provided to help parishes to navigate increasingly complex requirements.

• Cyber-security is a recognised global risk. Much effort has been made to mitigate the risk through training and monitoring. Key performance indicators have been developed based on the 12-point plan provided by the Diocese's insurer; progress is regularly measured against the KPIs.

• Although we have been blessed with vocations, the number of vocations to the priesthood is not keeping pace with expected clergy retirement in the medium term. Our mission plan, You Will Be My Witnesses, is intended to enable ways of working which mitigate these anticipated challenges to some extent.

• The governance of the complex charity structure has become increasingly complicated. The incorporation of the charity in 2022 provided an opportunity to streamline the arrangements as part of our risk management strategy.

• Recruitment of key roles in central administration and in parishes is proving a significant challenge. Vacancies can, on occasion, be open for several months. Attracting and retaining candidates with the appropriate experience and expertise will require a re-evaluation of our structure and pay and reward strategy in the coming year.

Statement of Trustees' responsibilities

The purpose of this statement is to distinguish the Trustees' responsibilities for the accounts from those of the Auditors as stated in their Report. The Charities Act 2011 requires the Trustees to prepare for each financial period, financial statements which give a true and fair view of the Charity's financial activities during the period and of its financial position at the period end. In preparing the financial statements, the Trustees are required to:

• Select suitable accounting policies and apply them consistently.

• Observe the methods and principles in the Charities SORP.

• Make judgements and estimates that are responsible and prudent.

• State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

• Prepare the financial statements on a going concern basis unless it is inappropriate to presume that this basis applies.

The Trustees are responsible for ensuring proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Diocese and enable them to ensure that the financial statements comply with the Trust Deeds and the disclosure regulations. They are also responsible for safeguarding the assets of the Diocese and hence for taking reasonable steps for the prevention and detection of an error, fraud, and other irregularities.

This Annual Report was approved by the Trustee Board at a meeting held on 2nd May 2024.

Signed on 05 June 2024 by:



From the Auditors

Independent auditor's report to the Trustees of The Portsmouth Roman Catholic Diocesan Trust

Opinion

We have audited the financial statements of Portsmouth Roman Catholic Diocesan Trust for the year ending 31 August 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard is applicable in the UK and the Republic of Ireland (the United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

• give a true and fair view of the state of the group's and the parent charity's affairs as of 31 August 2023 and the group's net movement in funds for the year then ended.
• have been properly prepared under the United Kingdom Generally Accepted Accounting Practice; and
• have been prepared following the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees for going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information

included in the Report of the Trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

• sufficient accounting records have not been kept; or

• the parent charity's financial statements are not in agreement with the accounting records and returns; or

• we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees for the financial statements

Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 under 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 based on these financial statements.

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

Based on our understanding of the group and the environment in which it operates, we identified the principal risks of non-compliance with laws and regulations related to Canon Law, employment law, safeguarding regulations and Charity Law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of financial statements such as the Charities Act 2011 and Charities SORP. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

• Review of minutes of trustees' meetings.

• Inspect correspondence with regulators and tax authorities.
• Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.

• Evaluating management's controls designed to prevent and detect irregularities.

• Identifying and testing journals; and

• Challenging assumptions and judgements made by management in their critical accounting estimates. These are related to depreciation and investment property valuations.

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 regulations. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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

Use of our report

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

Haysmacintyre LLP

Haysmacintyre LLP
10 Queen Street Place
Statutory Auditors
London EC4R 1AG

Date: 07 June 2024

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

Consolidated Statement Of Financial Activities

For the year ended 31 August 2023

	Notes	CURIA - TOTAL	PARISH - TOTAL	RESTRICTED - TOTAL	TOTAL - AUG 2023	TOTAL - AUG 2022
Donations and legacies						
Donations and Offertories		346	3,072,484	635,301	3,708,131	9,985,402
Legacies		-	72,884	-	72,884	650,854
Other		186,474	379,361	83,335	668,075	1,913,574
Other trading activities:				-		
Rent – miscellaneous lettings		18,921	366,997	38,707	424,624	897,023
Income of trading subsidiaries	14	-	50,591	-	50,591	182,366
Investment income				-		
Investment income and interest receivable	1	7,631	91,347	18,911	98,983	188,951
Rent – investment properties		-	225,994	-	225,994	694,843
Other incoming resources:				-		
Insurance Claims		-	5,239	-	5,239	37,895
Gain on disposal of tangible fixed assets		-	-	-	-	-
Total income		213,372	4,264,896	776,253	5,254,521	14,550,908
Expenditure on Raising funds		-				
Expenses of trading subsidiaries		-	(18,490)	-	(18,490)	(125,521)
Finance costs		(71,542)	-	-	(71,542)	(147,784)
Charitable activities		-		-	-	
Activities in furtherance of the Roman Catholic Faith		(911,437)	(3,269,684)	(328,839)	(4,509,960)	(14,560,070)
Transfer to Successor Entity	16	(1,088,769)	(74,233,542)	(5,802,286)	(81,124,597)	
Total expenditure	2	(2,071,747)	(77,521,717)	(6,131,125)	(85,724,589)	(14,833,375)
Net (Outgoing)/Incoming Resources before transfers		(1,858,376)	(73,256,821)	(5,354,872)	(80,470,068)	(282,467)
Realised and Unrealised Gains on investments		(866)	(223,597)	(150,200)	(374,663)	4,715,367
Net income/(expenditure)		(1,859,242)	(73,480,418)	(5,505,072)	(80,844,732)	4,432,900
			-			
Transfers between Funds		(11,712)	-	11,712	-	-
Transfers - Schools Building Fund Levy		-	-	-	-	-
Transfers - Diocesan Levy		728,366	(728,366)	-	-	-
Net movement on funds		(1,142,588)	(74,208,784)	(5,493,359)	(80,844,732)	4,432,900
Reconciliation of funds						
Fund balances brought forward		1,142,588	74,208,784	5,493,359	80,844,732	76,411,832
Fund balances carried forward		-	-	-	-	80,844,732

The statement of financial activities includes all gains and losses in the period. The comparative year's Statement of Financial Activities is included in note 17.

On 22 December 2022 the assets of PRCDTR (£81.125 million) were donated to the successor entity, the Catholic Diocese of Portsmouth, a Charitable Incorporated Organisation. PRCDTR retains a holding in a small, almost valueless piece of US Real Estate, which is in the process of being disposed of. The selling costs of this asset are equivalent to its value.

Consolidated Balance Sheet

As at 31 August 2023

	Notes	CURIAL FUNDS	PARISH FUNDS	31-Aug-23	31-Aug-22
Fixed Assets					
Tangible assets	4	-	-	-	**41,058,848**
Investments	5	-	-	-	**37,912,134**
		-	-	-	**78,970,983**
Debtors: due after more than one year	6	-	-	-	**28,809**
		-	-	-	
Current Assets		-	-	-	
Debtors and prepayments	6	-	-	-	**1,256,217**
Cash at bank and in hand		-	-	-	**10,787,078**
		-	-	-	**12,043,295**
Creditors: due within one year	7	-	-	-	**(6,652,044)**
		-	-	-	
Net Current Assets		-	-	-	**5,391,251**
Creditors: due after more than one year	7	-	-	-	**(3,546,311)**
Parish Loan Accounts		-	-	-	-
Due from parishes		-	-	-	-
Net Off Intra-curial		-	-	-	-
Due to parishes		-	-	-	-
		-	-	-	-
NET ASSETS		-	-	-	**80,844,732**
Unrestricted Funds		-	-	-	
General Funds		-	-	-	**(4,892,151)**
Designated Funds	10	-	-	-	**80,243,523**
		-	-	-	**75,351,372**
Restricted Funds	9	-	-	-	**4,503,159**
		-	-	-	
Permanent Endowment Funds	8	-	-	-	**990,200**
		-	-	-	
RESERVES		-	-	-	**80,844,732**

Approved by the Trustee Board on 2nd May 2024 and signed on their behalf on 05 June 2024 by:

+Philip James McAuley

Charity Balance Sheet

As at 31 August 2023

	Notes	CURIAL FUNDS	PARISH FUNDS	31-Aug-23	31-Aug-22
Fixed Assets					
Tangible assets	4	-	-	-	**37,907,063**
Investments	5	-	-	-	**38,055,634**
		-	-	-	**75,962,697**
Debtors: due after more than one year	6	-	-	-	**28,809**
Current Assets		-	-	-	
Debtors and prepayments	6	-	-	-	**1,273,849**
Cash at bank and in hand		-	-	-	**10,695,139**
		-	-	-	**11,968,987**
Creditors: due within one year	7	-	-	-	**(6,609,748)**
Net Current Assets		-	-	-	**5,359,240**
Creditors: due after more than one year	7	-	-	-	**(3,546,311)**
Parish Loan Accounts		-	-	-	-
Due from parishes		-	-	-	-
Net Off Intra-curial		-	-	-	-
Due to parishes		-	-	-	-
		-	-	-	-
NET ASSETS		-	-	-	**77,804,435**
		-	-	-	
Unrestricted Funds		-	-	-	
General Funds		-	-	-	**(4,748,651)**
Designated Funds	10	-	-	-	**77,059,727**
		-	-	-	**72,311,076**
Restricted Funds	9	-	-	-	**4,503,159**
Permanent Endowment Funds	8	-	-	-	**990,200**
		-	-	-	
RESERVES		-	-	-	**77,804,435**

Approved by the Trustee Board on 2nd May 2024 and signed on their behalf on 05 June 2024 by:

+Philip James McAuley

Consolidated Statement of Cash Flows

For the year ended 31 August 2023

Reconciliation of Net Incoming Resources to Cash Inflow from Operating Activities	YE AUG 23 £	YE AUG 22 £
Changes in resources before revaluations	(80,567,482)	(282,467)
Returns on investment	(98,983)	(188,951)
Depreciation	306,860	924,016
Loss/(gain) on disposal of Tangible Fixed Assets	141,530	59,721
Donation to Successor Entity	81,124,597	
(Increase)/decrease in debtors	(195,241)	(138,907)
(Decrease)/increase in creditors	746,904	154,498
	1,458,186	527,910
Net cash inflow from operating activities	1,458,186	527,910
Cash flows from investing activities		
Returns on investment	98,983	188,951
Payments to acquire tangible fixed assets	-	(90,099)
Receipts from sales of tangible fixed assets	-	-
Payments to acquire investments	(448,056)	(3,631,761)
Receipts from sales of investments	6,537,231	4,226,024
	6,188,158	693,115
Cash flows from financing activities		
New bank loans received	-	
Movement on School Loans	(477,073)	630,350
Bank loan repayments	(1,057,520)	(476,262)
	(1,534,593)	154,088
Change in cash and cash equivalents in the year	6,111,751	1,375,112
Cash and cash equivalents at the beginning of the year	10,787,077	9,411,965
Transfer to Successor Entity	(16,898,828)	
Cash and cash equivalents at the end of the year	-	10,787,077
Reconciliation of cash flow to movement in net funds/(debt)		
Increase in cash in the year	6,111,751	1,375,112
Net cash inflow from movements in bank loans	1,534,593	(154,088)
Change in cash and cash equivalents in the year	7,646,344	1,221,024
Net funds at the beginning of the year	5,757,989	4,536,965
Transfer to Successor Entity	(13,404,333)	
Net funds at the year end	-	5,757,989

Analysis of net funds/(debt)	1-Sep-22 £	Cash flows £	Other £	TRANSFER TO SUCCESSOR ENTITY £
Cash and bank balances	10,787,077	6,111,751	-	16,898,828
Loans due within one year	(5,941,672)	1,534,593	(3,546,311)	(7,953,390)
Loans due after one year	(3,546,311)	-	3,546,311	-
	1,299,094	7,646,344	-	8,945,438

Statement of Accounting Policies

For the year ended 31 August 2023

The financial statements have been prepared in accordance with statutory requirements and with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019 and with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS102) (Effective 1 January 2015). 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. The Portsmouth Diocesan Trust meets the definition of a public benefit entity under FRS102.

a) Basis of preparation

The financial statements represent the Portsmouth Diocesan Trust together with its wholly owned trading subsidiary companies (consolidated on a line-by-line basis) listed in note 14 No separate Statement of Financial Activities has been presented for the Charity alone.

b) Preparation of accounts on a going concern basis

The assets and activities of PRCDTR have been transferred to the successor entity, the Catholic Diocese of Portsmouth on 22 December 2022. The activities will be continued in the new entity.

c) Legacies, Donations and Grants

Legacies and donations are recognised the Diocese becomes legally entitled to them, 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 receivable.

d) Investment Income

Investment income is accounted for as it accrues.

e) Taxation

As a registered charity, the Diocese is exempt from income tax, corporation tax and capital gains tax derived from its charitable activities. Gift aid is credited to the category of income to which it relates.

f) Expenditure

Costs of raising funds comprise those costs associated with attracting voluntary income and grants 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 activities.

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.

g) Schools Building Programme

Any grants obtained on behalf of school governors are netted off against total costs and only the residual cost to the Diocese is included in the financial statements.

h) Tangible Fixed Assets

Prior to 1 January 1997 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 Trustees considered that the then insured values should be discounted by 90% and in subsequent years be depreciated at 2% per annum, on the building value only. Properties acquired after 31 August 1996 are capitalised at their actual cost of acquisition.

The Diocese owns a number of properties that are occupied and run by independent charities in the form of Voluntary Aided Schools and Catholic Academies. The school properties (land and buildings) are vested in the name of the Trustees. The Trustees 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 any 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 there is no capital value to the Diocese in the stock of school buildings.

Thus school properties have not been capitalised. There is a potential value, or contingent asset, in the event of a closure of a school (either connected to a re-organisation or not). Such an asset is recognised only upon the occurrence of a closure/re-organisation and the site's development value becoming certain, such as upon the granting of planning permission. The recognition of this value is accounted for as an incoming resource in the year in which this value becomes measurable and certain. The inclusion of any value of school properties normally arises from a scheme under s554 Education Act and until then there is legally a duty to repay or recycle the proceeds from the sale of former school sites

Prior to 4 September 1934, the date of the original Trust Deed of the Charity, most parish properties were acquired on trusts related to individual parish missions and were formally brought under the legal control of the Trustees by virtue of Charity Commission schemes dated 4th and 7th February 1936. These assets are included in Parochial Funds.

There are a few properties held on trusts created after 1934 which are different from those in the 1934 and 2002 trust deeds. These assets are also included in Parochial Funds.

The estimated cost of furniture, equipment and motor vehicles held at 31 August 1996 has been capitalised in the financial statements. Subsequent additions exceeding £5,000 are capitalised at cost. Individual works of art, historical treasures and plate are not capitalised.

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 property (excluding land) - 50 years
Leasehold property - 50 years or, if less, the term of the lease
Furniture and equipment - 5 to 20 years

i) Significant judgements and key sources of 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 assets and investment properties.

j) Pensions

All eligible staff may join a personal pension scheme of their choice to which the Diocese makes a matching contribution of up to five per cent of salary. As a defined contribution scheme, no liability falls upon the Diocese, as employer, to make good a shortfall of funding other than contributions due.

k) Financial instruments

The Diocese only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and investments in stocks and shares. The measurement basis used for these financial instruments is detailed below.

Investments

Investments are valued at fair value on the balance sheet date. Investment properties are stated at market value or a Trustees' valuation, as advised by a qualified Chartered Surveyor. 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 period. No distinction is made between realised and unrealised gains in the financial statements.

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

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost

using the effective interest method. The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and investments in stocks and shares. The measurement basis used for these financial instruments is detailed below.

l) Parochial Funds

Each Parish is considered by Canon Law to be a juridical person with corresponding rights and obligations, including the holding and use of funds. The use of these parochial funds is the responsibility of the Parish Priest, Diocesan Finance Council and the Trustees in varying ways depending on the amount and significance of the funds. However, for the purposes of civil law parishes are not distinct legal entities and, unless there are distinct and express special trusts clearly evidenced in law, parochial funds are therefore shown as unrestricted but designated funds.

m) Permanent Endowment Funds

The capital of Permanent Endowment Funds must be maintained intact with any income arising being available for restricted or general charitable purposes of the Diocese, according to the terms of the original gift.

n) Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objectives. Designated funds are funds set aside by the Trustees for specific purposes (see note 10). Restricted funds are used for specific purposes as stated by the grantor. Expenditure which meets these criteria is charged to the fund (see note 9).

Notes to the Accounts

For the year ended 31 August 2023

1. Investment Income And Interest Receivable

Arising on quoted investments	98,983	187,553
Rent on investment property	225,994	694,843
Bank interest	_	1,398
	£324,977	£883,794

2. Charitable Expenditure and Support Costs

	Support of Parish Life		Vocation			Education		Evangalisation				
	Locally Incurred Costs	Centrally Incurred Costs	Training New Clergy, Promoting vocations	Clergy in ministry	Retired Clergy	Catholic Education	Youth and University Chaplaincies	Supporting the Poor and Marginalised - Inspired by the Love of Christ	New Evang'n	Fund-raising	Trading Subs	Total
Direct Costs	-	-	106,568	92,241	7,800	70,874	80,731	15,075	10,046	536	18,490	402,360
The Office of the Bishop	-	89,385	-	-	-	-	-	-	-	-	-	89,385
Chancery & Cathedral	-	353	-	-	-	-	-	-	-	-	-	353
Tribunal	-	8,903	-	-	-	-	-	-	-	-	-	8,903
Hospital Chaplaincies	-	13,897	-	-	-	-	-	-	-	-	-	13,897
Seminary Fees	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance of Catholic Schools	-		-	-	-	11,710	-	-	-	-	-	11,710
Caritas/ERF		27,646	-	-	-	-	-	-	-	-	-	27,646
Parish Costs												
Clergy	472,860	-	-	-	-	-	-	-	-	-	-	472,860
Staff	525,249	-	-	-	-	-	-	-	-	-	-	525,249
Church Running Costs	228,415	-	-	-	-	-	-	-	-	-	-	228,415
Office and Presbetry Running Costs	450,205	-	-	-	-	-	-	-	-	-	-	450,205
Parish Centre Running Costs	71,557	-	-	-	-	-	-	-	-	-	-	71,557
General: books, events, donations, fees etc	181,749	-	-	-	-	-	-	-	-	-	-	181,749
Insurance	105,497	-	-	-	-	-	-	-	-	-	-	105,497
Repairs and Maintenance	856,237	-	-	-	-	-	-	-	-	-	-	856,237
Depreciation	282,968	-	-	-	-	-	-	-	-	-	-	282,968
Designated Funds		297,440										297,440
Endowment Funds		(3,832)										(3,832)
Restricted Funds		87,627										87,627
	3,174,737	521,419	106,568	92,241	7,800	82,584	80,731	15,075	10,046	536	18,490	4,110,226

Support Costs	Localy Incurred Costs	Centrally Incurred Costs	Training New Clergy	Clergy in ministry	Retired Clergy	Catholic Education	Youth and University Chaplaincies	Supporting the Poor and Marginalised - Inspired by the Love of Christ	New Evang'n	Fund-raising	Trading Subs	
Communications	19,045	19,045	3,809	3,809	-	3,809	3,809	3,809	3,809	15,236	-	76,178
Estates	17,533	-	-	-	8,767	8,767	-	-	-	-	-	35,066
People	48,351	-	506	506	253	1,013	506	759	253	253	-	52,401
IT	30,360	-	1,272	1,272	636	2,543	1,272	1,907	636	636	-	40,533
Finance	127,251	24,921	4,271	3,697	313	3,310	3,236	604	403	21	-	168,028
Governance	66,024	12,930	2,216	1,918	162	1,717	1,679	314	209	11	-	87,181
Curia Property and overheads	(54,062)	(15,985)	(1,879)	(1,829)	(1,509)	(3,233)	(2,125)	(1,262)	(951)	(2,407)	-	(82,321)
Safeguarding	54,259	-	537	1,074	-	537	3,761	1,074	1,074	-	-	62,318
Bishops Conference Levy	-	50,381										50,381
Total	3,483,497	612,711	- 117,301	102,688	16,421	101,047	92,868	22,281	15,479	14,285	18,490	- 4,599,992

For full comparative figures, see note 18.

Governance costs include		
Auditors remuneration – Audit (including VAT)	£0	£54,600

3. Staff

The average number of total employees (not full-time equivalents) of the Diocese during the period and their aggregate emoluments are shown below

Staff Costs:		
Wages and salaries	982,034	2,922,265
Social security	72,149	209,004
Pension costs	34,730	99,594
Redundancy costs	16,580	-
	£1,105,494	£3,230,863

Monthly Average Number of Employees:	No	**No**
Departments	53	49
Parishes	164	167
	217	216

Employees with emoluments greater than £60,000:

	2022	2023
£60,001 - £70,000	0	1
£70,001 - £80,000	0	1
£80,001 - £90,000	0	1
£90,001 - £100,00	0	1

Key management personnel received salary, benefits and pension contributions of £194,120 (2022: £528,436) during the year.

There were no employees with emoluments above £60,000 because of the transfer of assets and activities to the successor entity after 4 months of operation.

4. Tangible Fixed Assets

	Freehold Buildings £	Leasehold Buildings £	Furniture & Equipment £	Total £
COST OR VALUATION				
At 1 September 2022	53,845,577	385,221	2,857,284	57,088,081
Additions	-	-	-	-
Disposals	-	(168,990)	-	(168,990)
Transfer to Investments	-	-	-	-
Transfer to Successor Entity	3,845,577)	(216,230)	(2,857,284)	(56,919,091)
At 31 August 2023	-	-	-	-
DEPRECIATION				
At 1 September 2022	13,538,932	62,134	2,428,166	16,029,232
Charge for the period	289,704	1,442	15,715	306,860
On disposals	-	(27,460)	-	(27,460)
Transfer to Investments	-	-	-	-
Transfer to Successor Entity	3,828,636)	(36,116)	(2,443,880)	(16,308,632)
At 31 August 2023	-	-	-	-
NET BOOK VALUE				
At 31 August 2023	-	-	-	-
At 31 August 2022	40,306,644	323,086	429,118	41,058,849

The Diocese also owns a number of properties, which are occupied and run by independent charities in the form of Voluntary Aided Schools and Catholic Academies. The Trustees consider that these properties have no capital value to the Charity – see Accounting Policy (f). The total re-instatement cost of these schools is approximately £300m. A list of the schools in the Diocese is set out on the Diocesan website (www.portsmouthdiocese.org.uk).

All fixed assets are used in direct furtherance of the Charity's objects.

5. Investments

	Investment Properties £	Quoted Investments £	Total £
Market value at 1 September 2022	25,602,517	12,309,617	37,912,134
Additions	-	448,056	448,056
Disposals	-	(6,439,819)	(6,439,819)
Transfer from Tangible Fixed Assets	-	-	-
Revaluation Losses	-	(374,663)	(374,663)
Transfer to successor entity	(25,602,517)	(5,943,191)	(31,545,708)
Market value at 31 August 2023	-	-	-

All quoted investments (other than cash) are quoted on a recognised UK Stock Exchange or are valued by reference to investments listed on a recognised Stock Exchange. No figure for the cost of the investment properties owned at 1 January 1997 is available; the value at which they were first recognised in the accounts was £1,014,500.

6. Debtors

	31 August 2023	31 August 2022
	£	£
Due after more than one year		
School and other loans	-	£28,809
Due within one year		
School and other loans	-	928,983
Other debtors and prepayments	-	327,234
	-	£1,256,217

Debtors on the Charity Balance sheet differ from those on the consolidated Balance Sheet by £33,991.

7. Creditors

	31 August 2023	31 August 2022
Due after more than two years	£	£
School and other loans	-	2,673,738
Due between one and two years		
School and other loans	-	872,573
Due within one year		
School and other loans	-	5,941,672
PAYE	-	55,968
Other creditors and accruals	-	654,404
	-	£6,652,044

Creditors on the Charity Balance sheet differ from those on the consolidated Balance Sheet by £60,614 being creditors of trading subsiduaries.

A Lloyds CBILS five year loan of £4,000,000 was taken out in February 2021, with interest and capital repayments beginning in March 2022. This loan was repaid in full on 3 January 2023, by the successor entity the Catholic Diocese of Portsmouth.

8. Permanent Endowment Funds

	Balance at 01 Sep 2022	Net Incoming / (Outgoing) Resources	Transfers	Movement On Investments	Transfer to Successor Entity	Balance at 31 Aug 2023
	£	£		£		£
Parochial Funds						
Properties	361,618	-		-	(361,618)	-
Other	192,447	-		(4,354)	(188,093)	-
Tanguy Masses	1,841	-		(54)	(1,787)	-
St Mary's Mission	227,327	(225)		(1,350)	(225,753)	-
Christchurch Parish Priest	40,867	-		(1,198)	(39,669)	-
	824,100	(225)	-	(6,956)	(816,920)	-
Curial Funds						
Curtin Masses	44,750	-		(1,314)	(43,437)	-
Dunne Masses	2,752	-		(81)	(2,671)	-
St Joseph Education Fund	118,599	-		(2,071)	(116,529)	-
	166,101	-	-	(3,465)	(162,636)	-
	990,201	(225)	-	(10,420)	(979,556)	-

For full comparative figures see Note 19

9. Restricted Funds

	Balance at 01 Sep 2022	Incoming Resources	Resources Expended	Transfers	Movement On Investments	Transfer to Successor Entity	Balance at 31 Aug 2023
	£	£	£	£	£		£
CURIAL							
Social Welfare	191,705	-	-		(6,322)	(185,383)	-
Clergy Training	954,266	32,566	-		(64,586)	(922,245)	-
Bamenda Fund	94,326	25,342	(1)		(150)	(119,517)	-
Clergy Assistance	163,504	9,980	-		(11,725)	(161,759)	-
Lourdes Fund	193,634	3,323	(775)		(4,977)	(191,205)	-
Youth Funds	783	-	-		-	(783)	-
Vicariate Triple Trust	65,964	-	-		(2,636)	(63,329)	-
Edmund Rice Fund	307,420	-	-		(9,381)	(298,039)	-
School Building Fund	(2)	-	(11,710)	11,712	-	(0)	-
Bernard Medd Fund	11,038	-	-		(393)	(10,644)	-
Refugee Support	1,066	-	-		-	(1,066)	-
Education Fund	171,202	-	-		(21,298)	(149,904)	-
Diocesan Caritas	9,497	22,500	(59)		-	(31,937)	-
Closer to Christ	957,338	513,778	-	(233,333)	-	(1,237,783)	-
Closer to Christ - Parish	-	151,729		(151,729)		-	-
	3,121,740	759,218	(12,545)	(373,350)	(121,467)	(3,373,595)	-
PAROCHIAL							-
Parish Fund Raising	500,153	200,155	(113,925)		-	(586,383)	-
Barron Trust	441,735	-	-		(12,739)	(428,995)	-
Pangbourne Assistance Fund	198,344	-	(200)		(5,573)	(192,571)	-
Foundation Masses	159,862	-	-		-	(159,862)	-
Caritas Jersey Ltd	81,324	-	-		-	(81,324)	-
	1,381,418	200,155	(114,126)	-	(18,312)	(1,449,135)	-
	4,503,158	959,373	(126,671)	(373,350)	(139,780)	(4,822,729)	-

For full comparative figures see note 20

Curial

Social Welfare Fund

This is a fund dating from 1952 for the promotion of Social Welfare generally.

Clergy Training Fund

A fund for the training of students to the priesthood, which is the recipient of a specific annual Diocesan collection for this purpose.

Bamenda Fund

A fund to provide assistance to the Diocese of Bamenda in Cameroon, Africa that is the recipient of a specific

annual Diocesan collection. There is a Trustees' committee charged with monitoring and making the appropriate grants.

Clergy Assistance

This fund provides financial support for clergy in need and is the recipient of a specific annual Diocesan collection.

Lourdes Fund

A fund to support the annual Diocesan Pilgrimage to Lourdes.

Youth Funds

Funds collected specifically for youth purposes including Lourdes Pilgrimages and Summer Schools.

Vicariate Triple Trust

The purpose of the Trust is primarily to assist parishes in providing church furnishings.

Edmund Rice Fund

This donation was received in 2005, primarily for education purposes in Reading and surrounding areas, and the local pastoral area is developing support for appropriate chaplaincies in the area.

School Building Fund

This Fund was established in 2001, to provide a central fund to meet the governors' liabilities on expenditures in Voluntary Aided schools. The equalisation fund is targeted as half from all parishes on the mainland, whether feeder parishes or not, and the balance being raised by the schools from parental contributions. A transfer from Unrestricted Funds of £203,091 has been made to make up for a shortfall in funds raised.

Bernard Medd Fund

This Fund aims to provide Catechesis and summer schools for Youth.

Refugee Support

This Fund is to support and assist Refugees. Diocesan collections are made annually.

Education Fund

This fund is utilised for the support of schools and other educational purposes within the Diocese and has been reclassified from Designated to Restricted Fund, with a transfer of £213,016 following a specialist review.

Diocesan Caritas

Caritas Diocese of Portsmouth supports and promotes the love of neighbour in the parishes and schools of the Diocese.

Closer to Christ

This is a Fundraising Campaign being run in each of our 87 parishes aiming to raising £13.5M over five years with a third of the proceeds returning to the parishes and the remainder being split between funding seminarians, current clergy and our retired priests.

Parochial

Parish Fund Raising

These are funds that parishes raise for separate funds and charities, and account for as a restricted fund.

Investment Funds: Barron Trust, Pangbourne Assistance Fund

These are mainly legacies left specifically for expenditure within individual parishes or churches.

Foundation Masses

Legacies left for Mass intentions of the deceased, are held as separate funds within the parishes.

Caritas Jersey Ltd

Caritas Diocese of Portsmouth supports and promotes the love of neighbour in the parish of Jersey.

10. Designated Funds

	Balance at 01 Sep 2022	Incoming Resources	Resources Expended	Transfers	Movement On Investments	Transfer to Successor Entity	Balance at 31 Aug 2023
	£	£	£		£		£
CURIAL							
Education Fund	-	-	-		-	-	-
Diocesan Caritas	40,764	17,202	(27,587)		-	(30,379)	-
Insurance Risk Fund	-	-	-		-	-	-
Pastoral Development Fund	1,125,868	-	-		-	(1,125,868)	-
Living Our Faith Fund	1,792,603	246	(1,651)		(379)	(1,790,819)	-
Diocesan Buildings Fund	3,075,504		(203,245)			(2,872,259)	-
	6,034,739	17,448	(232,483)	-	(379)	(5,819,325)	-
PAROCHIAL							
Living Our Faith Fund	1,050,419	74	(93,543)		(1,405)	(955,545)	-
Living Our Faith Jersey	9,577	-	-		-	(9,577)	-
Diocesan Buildings Fund	38,022,440		(284,238)			(37,738,202)	-
Other Parochial Funds	35,126,349	4,264,896	(2,985,446)		(223,597)	(36,182,201)	-
	74,208,784	4,264,970	(3,363,227)	-	(225,002)	(74,885,525)	-
	80,243,524	4,282,417	(3,595,710)	-	(225,381)	(80,704,850)	-

For full comparative figures see note 21

Diocesan Caritas

Caritas Diocese of Portsmouth supports and promotes the love of neighbour in the parishes and schools of the Diocese. Some of its funding is restricted.

Pastoral Development Fund

This fund has been set up from the proceeds of the sale of a surplus property and will be supplemented from further disposals where there are surplus funds generated, in order to aid parishes with their own developments.

Living Our Faith Fund

A programme was initiated in 2008 to raise funds (i) to provide the Diocese with sufficient funds to support independently the training of students for the priesthood and the continuing care of its ordained clergy in their ministry, to fund adult formation programmes and resources and various capital projects, and (ii) to provide parish funds to meet local needs.

Value of Diocesan Buildings

Fund Funds invested in buildings used by the diocese in furtherance of their charitable objects are not available to spend. The value of these operational fixed assets have been transferred into a designated fund to indicate that they are not expendable financial assets.

11. Allocation of Net Assets

ALLOCATION OF NET ASSETS	Fixed Assets	Investments	Cash & Debtors	Current & Long Term Liabilities	Parish Loan Accounts	Total - 31 Aug 23
	£	£	£	£	£	£
Permanent						
Endowment Funds						
Curial	-	-	-	-	-	-
Parochial	-	-	-	-	-	-
Restricted Funds	-	-	-	-	-	-
Curial	-	-	-	-	-	-
Parochial	-	-	-	-	-	-
Unrestricted funds	-	-	-	-	-	-
Curial	-	-	-	-	-	-
Parochial	-	-	-	-	-	-
Total Net Assets	-	-	-	-	-	-

For full comparative figures see note 22

12. Transactions with Trustees

Certain of the Trustees are also priests within the Diocese. As priests they receive income from their office 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. No Trustees receive any remuneration or benefits from their trusteeships. No Trustees were paid for providing professional services to the Diocese. Total donations received from Trustees were £3,967 (2022: £17,440).

13. Connected Charity

The following charity is a connected charity of The Portsmouth Diocesan Trust:

Charity	Charity Number	Address
Portsmouth Roman Catholic Diocese Priests' Retirement Fund	1061194	St Edmund House Bishop Crispian Way Portsmouth PO1 3QA

14. Trading Subsidiaries

During the period the Diocese had wholly owned active subsidiary companies incorporated in England and Wales. They were as follows: -

The Portsmouth Diocesan Trading Co Limited

General commercial trading on behalf of the Diocese.
(Company Number: 2746549)

Catholic Resource Centre Limited

Sale of religious material.
(Company Number: 3141601)

Our Lady of Peace Catholic Club Limited

Management of licensed premises on behalf of Our Lady of Peace, Earley.
(Company Number: 3340552)

The results for the 4 months from September - December 2022 and assets and liabilities of the above companies are reported within the financial statements.

Portsmouth Roman Catholic Diocesan Trust Company Limited (Company Number: 9003096) acts as Member of Caritas Jersey Limited, a Jersey registered charitable company, whose results and assets and liabilities are reported within the financial statements. This subsidiary was dormant through the period.

Portsmouth Roman Catholic Diocesan Properties Limited (Company Number: 9611450) was incorporated on 28th May 2015 and ownership of the Diocese's freehold properties in Jersey was transferred to it from The Portsmouth Diocesan Trust during the year in order better to comply with Jersey property law. On 20th January 2024, the assets of this trading subsidiary passed to the successor entity, Catholic Diocese Portsmouth and Portsmouth Roman Catholic Diocesan Properties Limited has subsequently been dissolved.

A summary of the companies' trading results and balance sheets is set out on the following page: -

PORTSMOUTH ROMAN CATHOLIC DIOCESAN TRUST
FOR THE YEAR ENDED 31 AUGUST 2023

	31 August 2023 £	31 August 2022 £
TURNOVER	50,591	182,366
Cost of sales	(18,438)	(46,905)
GROSS PROFIT	32,153	135,461
Administrative expenses	(329)	(78,616)
	31,824	56,845
Amount gifted to the Charity	(0)	(78,999)
Transfer of Fixed Assets	(3,131,464)	-
Tax on profit on ordinary activities	-	-
(LOSS)/PROFIT AFTER TAXATION		(22,154)
Reserves brought forward	3,040,297	3,062,451
RESERVES CARRIED FORWARD	(59,343)	£3,040,297

Included within turnover are sales to the Diocese amounting to £11,496 (2022 £72,491).

Consolidated Balance Sheet **As at 31 August 2023**	**31 August 2023 £**	**31 August 2022 £**
FIXED ASSETS		
Tangible assets	26,154	3,185,535
CURRENT ASSETS		
Stocks	8,081	11,085
Debtors	33,991	45,111
Cash at bank and in hand	76,545	181,531
	118,619	237,727
CREDITORS: Amounts falling due within one year	(60,614)	(194,310)
NET CURRENT ASSETS	58,005	43,417
CREDITORS: Amounts falling due after one year	-	-
NET ASSETS	£84,157	£3,228,952
Share capital	143,500	166,501
Reserves	(59,343)	3,062,451
SHAREHOLDERS' FUNDS	£84,157	£3,228,952

15. Related party transactions

There were no related party transactions during the year. (2022: Nil). The son of H Drummond, Secretary to Trustees, was employed by Schroders who managed circa 50% of PRCDTR's investment portfolio until Dec 2022.

16. Donation to successor entity

On 22 December 2022 the assets of PRCDTR (£81.125 Million) were donated to the successor entity, the catholic diocese of portsmouth, a charitable incorporated organisation.

	Notes	CURIAL FUNDS	PARISH FUNDS	22-Dec-22	31-Aug-22
Fixed Assets					
Tangible assets	4	**2,872,259**	**37,738,202**	**40,610,461**	**41,058,848**
Investments	5	**3,905,773**	**27,639,935**	**31,545,708**	**37,912,134**
		6,778,032	65,378,137	**72,156,169**	**78,970,983**
Debtors: due after more than one year	6	-	-	-	**28,809**
Current Assets					
Debtors and prepayments	6	**1,554,414**	**(74,146)**	**1,480,267**	**1,256,217**
Cash at bank and in hand		**7,436,936**	**9,461,893**	**16,898,828**	**10,787,078**
		8,991,349	9,387,747	**18,379,096**	**12,043,295**
Creditors: due within one year	7	**(9,157,867)**	**(252,802)**	**(9,410,669)**	**(6,652,044)**
Net Current Assets		(166,517)	9,134,944	**8,968,427**	**5,391,251**
Creditors: due after more than one year	7	-	-	-	**(3,546,311)**
Parish Loan Accounts					
Due from parishes		**5,326,850**	**(5,326,850)**	-	-
Due to parishes		**(7,154,019)**	**7,154,019**	-	-
		(1,986,516)	1,986,516	-	-
NET ASSETS		4,625,000	76,499,598	81,124,597	80,844,732
Unrestricted Funds					
General Funds		**(4,730,556)**	-	**(4,730,556)**	**(4,892,151)**
Designated Funds	10	**5,819,325**	**74,233,542**	**80,052,867**	**80,243,523**
		1,088,769	**74,233,542**	**75,322,311**	**75,351,372**
Restricted Funds	9	**3,373,596**	**1,449,135**	**4,822,731**	**4,503,159**
Permanent Endowment Funds	8	**162,636**	**816,919**	**979,555**	**990,200**
RESERVES		**4,625,001**	**76,499,596**	**81,124,597**	**80,844,732**

17. Consolidated Statement Of Financial Activities For The Year Ended 31 August 2022

	Notes	CURIA - TOTAL	PARISH - TOTAL	RESTRICTED - TOTAL	TOTAL - 2022	TOTAL - 2021
Donations and legacies						
Donations and Offertories		35,137.00	8,331,263.87	1,619,001.42	9,985,402.29	8,409,425.00
Legacies		93,823.03	557,031.44	-	650,854.47	829,273.00
Other		508,986.10	1,201,760.84	202,826.82	1,913,573.76	2,907,170.00
Other trading activities:				-		
Rent – miscellaneous lettings		44,276.71	852,745.91	-	897,022.62	740,776.00
Income of trading subsidiaries	15	-	182,366.00	-	182,366.00	248,761.00
Investment income				-		
Investment income and interest receivable	1	28,322.37	107,845.48	52,783.10	188,950.95	370,632.00
Rent – investment properties		-	694,843.00	-	694,843.00	583,121.00
Other incoming resources:				-		
Insurance Claims		-	37,894.87	-	37,894.87	124,284.00
Gain on disposal of tangible fixed assets		-	-	-	-	-
Total income		710,545.21	11,965,751.41	1,874,611.34	14,550,907.96	14,213,442.00
Expenditure on Raising funds		-				
Expenses of trading subsidiaries		-	(125,521.00)	-	(125,521.00)	(238,820.00)
Finance costs		(133,572.35)	(14,211.24)	-	(147,783.59)	(121,075.00)
Charitable activities						
Activities in furtherance of the Roman Catholic Faith		(3,784,441.69)	(9,681,360.21)	(1,094,268.15)	(14,560,070.05)	(12,623,004.00)
Total expenditure	2	(3,918,014.04)	(9,821,092.45)	(1,094,268.15)	(14,833,374.64)	(12,982,899.00)
Net (Outgoing)/Incoming Resources before transfers		(3,207,468.83)	2,144,658.96	780,343.19	(282,466.68)	1,230,543.00
Realised and Unrealised Gains on investments		1,004,653.87	4,022,953.56	(312,240.91)	4,715,366.52	6,712,453.00
Net income/(expenditure)		(2,202,814.96)	6,167,612.52	468,102.28	4,432,899.84	7,942,996.00
Transfers between Funds		(1,098,837.39)	826,578.38	272,259.01	-	-
Transfers - Schools Building Fund Levy		-	-	-	-	-
Transfers - Diocesan Levy		1,877,145.48	(1,877,145.48)	-	-	-
Net movement on funds		(1,424,506.87)	5,117,045.42	740,361.29	4,432,899.84	7,942,996.00
Reconciliation of funds						
Fund balances brought forward		2,567,095.25	69,091,738.32	4,752,998.11	76,411,831.68	68,468,835.00
Fund balances carried forward		1,142,588.38	74,208,783.74	5,493,359.40	80,844,731.52	76,411,831.00

18. Charitable Expenditure And Support Costs For The Year Ended 31 August 2022

	Support of Parish Life		Vocation			Education		Evangalisation				
	Locally Incurred Costs	Centrally Incurred Costs	Training New Clergy, Promoting vocations	Supporting Clergy in ministry	Supporting Retired Clergy	Supporting Catholic Education	Youth and University Chaplaincies	Supporting the Poor and Marginalised - Inspired by the Love of Christ	New Evangelisation	Fund-raising	Trading Subsidiaries	Total
Direct Costs	-	-	102,949	417,163	-	192,868	159,198	6,384	48,397	41,723	78,999	1,047,682
The Office of the Bishop	-	254,982	-	-	-	-	-	-	-	-	-	254,982
Chancery & Cathedral	-	23,444	-	-	-	-	-	-	-	-	-	23,444
Tribunal	-	26,821	-	-	-	-	-	-	-	-	-	26,821
Hospital Chaplaincies	-	38,694	-	-	-	-	-	-	-	-	-	38,694
Seminary Fees	-	-	355,021	-	-	-	-	-	-	-	-	355,021
Maintenance of Catholic Schools	-		-	-	-	523,766	-	-	-	-	-	523,766
Caritas/ERF		141,647	-	-	-	-	-	-	-	-	-	141,647
Parish Costs												
Clergy	1,788,541	-	-	-	-	-	-	-	-	-	-	1,788,541
Staff	1,513,317	-	-	-	-	-	-	-	-	-	-	1,513,317
Church Running Costs	774,116	-	-	-	-	-	-	-	-	-	-	774,116
Office and Presbetry Running Costs	1,036,000	-	-	-	-	-	-	-	-	-	-	1,036,000
Parish Centre Running Costs	174,187	-	-	-	-	-	-	-	-	-	-	174,187
General: books, events, donations, fees etc	733,390	-	-	-	-	-	-	-	-	-	-	733,390
Insurance	339,845	-	-	-	-	-	-	-	-	-	-	339,845
Repairs and Maintenance	2,244,393	-	-	-	-	-	-	-	-	-	-	2,244,393
Depreciation	976,189	-	-	-	-	-	-	-	-	-	-	976,189
Designated Funds		49,272										49,272
Endowment Funds		2,829										2,829
Restricted Funds		567,673										567,673
	9,579,978	1,105,362	457,970	417,163	-	716,634	159,198	6,384	48,397	41,723	78,999	12,611,808

Support Costs	Locally Incurred Costs	Centrally Incurred Costs	Training New Clergy	Supporting Clergy in ministry	Supporting Retired Clergy	Supporting Catholic Education	Youth and University Chaplaincies	Supporting the Poor and Marginalised - Inspired by the Love of Christ	New Evangelisation	Fundraising	Trading Subsidiaries	
Communications	39,732	39,732	7,946.39	7,946.39	-	7,946.39	7,946.39	7,946.39	7,946.39	31,785.54	-	158,928
Estates	87,626	-	-	-	43,813	43,813	-	-	-	-	-	175,251
People	114,315	-	1,197	1,197	599	2,394	1,197	1,796	599	599	-	123,891
IT	99,894	-	4,184	4,184	2,092	8,368	4,184	6,276	2,092	2,092	-	133,367
Finance	335,374	38,696	16,033	14,604	-	25,088	5,573	223	1,694	1,461	-	438,746
Governance	193,904	22,373	9,270	8,444	-	14,505	3,222	129	980	844	-	253,671
Curia Property and overheads	212,731	52,731	8,338	8,186	9,658	21,523	6,804	4,031	3,396	7,639	-	335,035
Safeguarding	153,476	-	1,520	3,039	-	1,520	10,637	3,039	3,039	-	-	176,270
Bishops Confrence Levy	-	153,105										153,105
Total	10,817,029	1,411,999	506,457	464,763	56,161	841,790	198,761	29,825	68,142	86,143	78,999	14,560,070

19. Permanent Endowment Funds Comparative Figures For The Year Ended 31 August 2022

	Balance at 01 Sep 2021	Net Incoming / (Outgoing) Resources	Transfers	Movement On Investments	Balance at 31 Aug 2022
	£	£		£	£
Parochial Funds					
Properties	363,997	(2,379)		-	361,618
Other	170,823	1,558		20,067	192,447
Tanguy Masses	1,966	-		(125)	1,841
St Mary's Mission	224,306	146		2,876	227,327
Christchurch Parish Priest		-	43,647	(2,780)	40,867
	761,092	(675)	43,647	20,037	824,100
Curial Funds					
	47,328	470		(3,048)	44,750
	-	-	2,939	(187)	2,752
	-	741	122,662	(4,804)	118,599
	47,328	1,211	125,601	(8,039)	166,101
	808,420	536	169,248	11,998	990,201

20. Restricted Funds Comparative Figures For The Year Ended 31 August 2022

	Balance at 01 Sep 2021	Incoming Resources	Resources Expended	Transfers	Movement On Investments	Balance at 31 Aug 2022
	£	£	£	£	£	£
CURIAL						
Social Welfare	204,118	2,264	-		(14,677)	191,705
Clergy Training	1,042,786	49,946	-	11,479	(149,945)	954,266
Bamenda Fund	86,928	77,324	(81,503)	11,925	(348)	94,326
Clergy Assistance	172,575	18,160	(2)		(27,229)	163,504
Lourdes Fund	205,532	3,385	(3,977)		(11,305)	193,634
Youth Funds	783	-	-		-	783
Vicariate Triple Trust	71,140	944	-		(6,119)	65,964
Edmund Rice Fund	328,461	3,359	(2,621)		(21,779)	307,420
School Building Fund	77,146	243,529	(523,766)	203,089	-	(2)
Bamenda Millennial Gift Aid	1,300	-	-	(1,300)	-	-
Collins Fund	11,479	-	-	(11,479)	-	-
Dunne Masses	2,939	-	-	(2,939)	-	-
Friends of Bamenda	10,625	-	-	(10,625)	-	-
Holy Rosary Crosses	30	-	-	(30)	-	-
Mass Stipends	294	-	-	(294)	-	-
Bernard Medd Fund	11,810	141	-		(914)	11,038
Parish Sisters	7,160	-	-	(7,160)	-	-
Refugee Support	1,066	-	-		-	1,066
Riligious Vicariate	174	-	-	(174)	-	-
World Youth Day	-	-	-		-	-
Other	21,907	-	-	(21,907)	-	-
Education Fund	-	7,625	-	213,016	(49,439)	171,202
Diocesan Caritas	5,195	6,620	(2,318)	-	-	9,497
Closer to Christ	-	957,338	-	-	-	957,338
	2,263,446	1,370,634	(614,186)	383,601	(281,755)	3,121,741
PAROCHIAL						
Parish Fund Raising	476,491	499,932	(476,270)		-	500,153
Barron Trust	467,585	3,704	-		(29,554)	441,735
Pangbourne Assistance Fund	214,160	1,994	(4,880)		(12,930)	198,344
St Joseph Education Fund	122,662	-	-	(122,662)	-	(0)
Christchurch Parish Priest	43,647	-	-	(43,647)	-	0
Other	115,403	-	-	(115,403)	-	-
Foundation Masses	159,862	-	-		-	159,862
Caritas Jersey Ltd	81,324	-	-		-	81,324
	1,681,133	505,630	(481,150)	(281,712)	(42,484)	1,381,418
	3,944,579	1,876,264	(1,095,336)	101,889	(324,239)	4,503,159

21. Designated Funds Comparative Figures For The Year Ended 31 August 2022

	Balance at 01 Sep 2021	Incoming Resources	Resources Expended	Transfers	Movement On Investments	Balance at 31 Aug 2022
	£	£	£		£	£
CURIAL						
Education Fund	213,016	-	-	(213,016)	-	-
Diocesan Caritas	130,158	49,935	(139,329)	-	-	40,764
Insurance Risk Fund	(8,797)	-	-	8,797	-	-
Pastoral Development Fund	1,125,868	-	-	-	-	1,125,868
Living Our Faith Fund	1,820,339	5,481	(29,206)	-	(4,010)	1,792,603
Diocesan Buildings Fund	3,075,504	-	-	-	-	3,075,504
	6,356,088	55,416	(168,535)	(204,219)	(4,010)	6,034,739
PAROCHIAL						
Living Our Faith Fund	867,491	205,311	(22,383)	-	-	1,050,419
Living Our Faith Jersey	9,577	-	-	-	-	9,577
Diocesan Buildings Fund	39,158,371	-	(1,135,931)	-		38,022,440
Other Parochial Funds	28,056,298	11,965,751	(8,918,654)	-	4,022,954	35,126,349
	68,091,737	12,171,062	(10,076,969)	-	4,022,954	74,208,784
	74,447,825	12,226,479	(10,245,504)	(204,219)	4,018,943	80,243,524

22. Allocation Of Net Assets Comparative Figures For The Year Ended 31 August 2022

ALLOCATION OF NET ASSETS	Fixed Assets	Investments	Cash & Debtors	Current & Long Term Liabilities	Parish Loan Accounts	Total - 31 Aug 22
	£	£	£	£	£	£
Permanent Endowment Funds						
Curial	-	115,256	49,988	-	857	166,101
Parochial	508,271	242,436	58,474	-	14,919	824,100
Restricted Funds						-
Curial	-	4,043,825	1,178,926	-	(2,101,010)	3,121,741
Parochial	-	769,030	587,546	(714)	25,556	1,381,418
Unrestricted funds						-
Curial	3,035,870	5,601,881	1,313,873	(9,888,692)	1,079,656	1,142,588
Parochial	37,514,707	27,139,706	8,883,297	(308,948)	980,022	74,208,784
Total Net Assets	41,058,848	37,912,134	12,072,104	(10,198,354)	-	80,844,732



Keep in touch with the Diocese of Portsmouth

Bishop Philip invites you to sign up for his free weekly e-newsletter for all the latest news and forthcoming events *www.portsmouthdiocese.org.uk/enews*

Website: *www.portsmouthdiocese.org.uk*

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Portsmc

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PORTSMOUTH ROMAN CATHOLIC DIOCESAN TRUST (TRUST PROPERTY)

England & Wales - Charity number 246871

Accounts



Catholic Diocese of Portsmouth

Annual Report

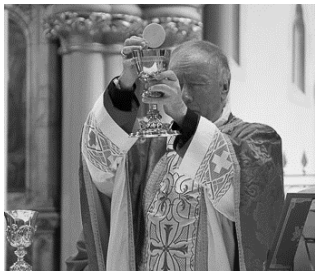
21

2022

Bringing people closer to Jesus Christ through His Church

Catholic Diocese of Portsmouth







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AT A **GLANCE**

CHARITY NAME

Portsmouth Roman Catholic Diocesan Trust

CHARITY NUMBER

England **246871**
Jersey **381**
Guernsey **CH263**

CHARITY TRUSTEE

Portsmouth Roman Catholic Trustees Registered **(PRCDTR)**

PRCDTR BOARD OF TRUSTEES

Bishop of Portsmouth Rt Rev Philip Egan
Rev Mr Gerard Dailly
Mr Bernard Davis
Rev Canon Michael Dennehy (resigned 11 August 2022)
Mr Michael Elks
Rev Christopher Heaps (appointed 08 December 2022)
Rev Mark Hogan
Mr Paul Kilduff (appointed 30 June 2022)
Dr Catherine Knowles
Rev James McAuley (appointed 15 September 2023)
Mrs Sue Masser (resigned 08 December 2022)
Rev Canon Paul James Smith
Rev Benjamin Theobald (appointed 28 April 2022)
Rev Canon Simon Thomson
Rev Mgr Paul Townsend (resigned 11 August 2022)
Mr Chris Trickey (appointed 30 June 2022)

SENIOR OFFICERS

Mr Hereward Drummond, **Secretary to Trustees**
Mrs Heather Hauschild, **Chief Operating Officer**
Mr Clive Field, **Director of Finance**

REGISTERED OFFICE

St Edmund House, Bishop Crispian Way, Portsmouth, PO1 3QA

AUDITORS

10 Queen Street Place, London, EC4R 1AG **Haysmacintyre LLP**

BANKERS

2-4 Palmerston Road, Southsea, PO5 3QH **Lloyds Bank PLC**

SOLICITORS

Upper Borough Court, Upper Borough Walls, Bath, BA1 1RG **Stone King LLP**

INVESTMENT ADVISORS

25 Luke Street, London, EC2A 4AR **Charles Stanley & Co LTD**
1 London Wall Place, London, EC2Y 5AU **Cazenove Capital**

PRINCIPAL INSURERS

Suite 5, Oxford House, Oxford Road, Thame, OX9 2AH **Catholic Insurance Services**

FINANCIAL YEAR

01 September 2021 – **31 August 2022**










Like the deer that yearns for the running streams, so my soul is yearning for you my God (Psalm 42:1)

FROM THE BISHOP

Like the deer that yearns for running streams, so my soul is yearning for you, my God (Ps. 42). The image of the deer yearning for running streams is portrayed in my episcopal crest. It symbolises you and me, indeed every human being, thirsting for happiness, looking for the water of life, seeking communion with the God who created us and put us here. As St Augustine once said, the human heart is restless until it rests in God, and this religious thirst is present in the heart of every child, woman, and man. We often hear about material poverty, yet spiritual poverty is living without a relationship with God, not knowing Jesus Christ our Lord and Saviour, and not having a spiritual community to call home. This is exactly our mission as the Catholic Diocese of Portsmouth: to bring people closer to Jesus Christ through His Church.

During 2022, the parishes and communities of our Diocese have been rebuilding after the COVID pandemic. It is gratifying that by the end of 2022, Sunday Mass attendance was on average about 80% of what it was pre-COVID. Some Catholics no longer practice although now there are also new families and others coming along. Numbers are not everything of course – Bl. Dominic Barberi, it is said, once remarked that England would be converted one person at a time - but numbers are important in terms of resources and the strength and impact of our witness and service.

This year, we launched the draft version of our Ten-Year Mission Plan and engaged in extensive consultation with clergy and laity, parishes, and individuals. Entitled *You Will Be My Witnesses*, the plan will be finalised in summer 2023. It outlines our priorities: to go out on a mission to all, to convert Catholics and deepen faith, to be people dependent on the Holy Spirit and to become outward-looking servants, focused on helping those in their time of need. We continue to pay special attention to youth, nurturing vocations, and prioritising resources.

You Will Be My Witnesses seeks to put Christ at the centre and to develop missionary communities. To release the resources, we propose to reconfigure the 87 parishes of the Diocese into 24 new pastoral areas that will over time become single integrated parishes. I devoted two of my four Pastoral Letters of 2022 to these themes. In one of them, I said: *"Many will focus on the proposed changes to parish structures... But don't be fooled! Structural change will fail without a deep spiritual change in ourselves and our communities. We will not be saved by structures: change the structures and all will be well. Sadly, it won't. What we all need now is to draw closer to the Sacred Heart of Christ."*

Our diocesan finances continue to be challenging. We need to encourage stewardship, responsibility, and tithing. Over these last months, our Chief Operating Officer, Heather Hauschild, and her support staff have been working hard on these matters. They have also been working on the incorporation of the Diocese as a Charitable Incorporated Organisation (CIO). I want to acknowledge with great gratitude their hard work. Those familiar with charities will know all about CIOs, but for most, it will make little visible difference.

What incorporation does is put the diocesan charity on a sound footing, updating many of the internal operating policies and procedures, whilst tidying up countless loose ends. This incorporation project has absorbed a huge amount of energy, second only to the work on our ten-year strategy.

Over the last year, I celebrated the tenth anniversary of my ordination as the Bishop of Portsmouth, full of gratitude to God for His blessings and to the clergy and faithful for their loyalty, whilst continuing all the regular things a Bishop does: parish and school visitations, numerous confirmations in Eastertide, pilgrimages to Lourdes and Oberammergau, two meetings of the Diocesan Pastoral Council, nine meetings of the Board of Trustees, three meetings of the Council of Priests and three of the Deans and Coordinating Pastors, plus other gatherings for Safeguarding, Bishops Council and the Vicariates.

This past year, I blessed the new Abbot of Douai and the new Mother Abbess of St. Cecilia's. I visited our seminarians in Oscott, Allen Hall and Rome. I welcomed Bishop John Arnold to lead the annual Schools Day and went on a short visit to Taizé with the Anglican Bishop of Portsmouth, Bishop Jonathan Frost. We had two ordinations in the summer: Fr James Lewis to the priesthood and Andrew Collins (along with a new Deacon of the Ordinariate, Timothy Graham) to the diaconate. I attended two plenary meetings of the Bishop's Conference and the bi-annual joint meeting of the Anglican and Catholic Bishops.

I sit on two committees of the Bishops Conference, Education and Evangelisation, and so I attended the annual Conference in York of NBRIA, of which I am the president, and the Conference in Washington DC of SPES, of which I am a Board member. I said Mass at the New Dawn Festival in Walsingham, led in the summer the Pro-Life Pilgrimage to Walsingham, celebrated Mass for the AGM in Jersey of the Knights of St. Columba, and visited the SCITT teacher training facility in Southampton.

We had two gatherings of the Hampshire Church Leaders, of which I am the convener, and we had the joy of a short visit from Archbishop Andrew Nkea of Bamenda. I have also visited innumerable clergy for one-to-ones and met with countless lay and religious groups. Overall, this has been a very busy year as many things not possible during the pandemic have now been taking place.

I finish by expressing profound gratitude to everyone for their good work. Our Diocese of Portsmouth with its parishes and schools, stretching from south Oxford to the Channel Islands, has enormous potential. I am especially thankful to our Support Staff and to our Trustees for their diligence, competence, advice, and practical support. Let us pray to the Lord that the good work done in His Name will bear much fruit, fruit that will last (cf. John 15: 16), through the intercession of our dear patrons Mary Immaculate, St Edmund of Abingdon and the patron of our youth, Bl Pier Giorgio Frassati.

In Corde Iesu

+ Philip

Rt Rev Philip A. Egan BA, STL, PhD
Bishop of Portsmouth

OUR YEAR IN NUMBERS

25,321
People attended Mass on an average Sunday, about 80% of pre-pandemic levels

422
Masses celebrated in an average week

87
Parishes

96
Priests in active ministry

1,477
Baptisms

1,640
First Holy Communions

639
Confirmations

283
Marriages

185
Pastoral Assistants

979
Funerals

65
Receptions into the Catholic Church

Together we received
£6.8 million
in offertory income, averaging £4.20 per parishioner per week

1,118
Catechists

142
Churches in active use

Pastoral statistics are for the 2022 calendar year. Numbers of Pastoral Assistants and Catechists are for the 2021 calendar year.

CASE STUDY: BRINGING CHRIST TO OUR COMMUNITY

The Parish of St Peter and the Winchester Martyrs is based in Hampshire and has worshipping communities in Winchester, Alresford, and Stockbridge. The last year has finally seen a return to normal activities, enabling the missionary community to grow and thrive. One of the main highlights from St Peter's this year has been the creation of our Welcome Hub for refugees and asylum seekers.

Winchester is a place in which asylum seekers and refugees reside while waiting to hear if their applications to remain in the UK have proved successful. Following the outbreak of war in Ukraine in February 2022, our community of St Peter's wanted to initiate a pragmatic response to the emerging refugee crisis and so, the St Peter's Welcome Hub was born.

The Hub is open every Wednesday from 10:30 to13:30. It is used by over 60 asylum seekers from across the globe, including people from Afghanistan, Iraq and Sudan.

A variety of planned activities take place to assist the attendees, including conversation classes to encourage and improve speaking in English, art, meditation, poetry, and CV writing. The Hub also runs food classes funded by donations of fresh fruit and vegetables from local businesses and contributions from our parishioners. The meals prepared at the Hub enable attendees to take home fresh food.

Our Welcome Hub sessions are facilitated by several local partners, including the Job Centre, and the Citizens Advice Bureau.

The Welcome Hub has been made a reality thanks to contributions from the Society of St Vincent de Paul, funds from our parish of St Peter and the Winchester Martyrs and generous donations from volunteers and community appeals. The Hub has also been supported by the Basics Bank supplying clothing for attendees, and neighbouring churches donating toys and games.





St Peter's is a very outward-facing church, that forges ties within the community. The attendees love coming because they feel so welcome and feel they too are part of a community again.

Welcome Hub Volunteer

31,179
Pupils attending Catholic schools in our Diocese

70
Schools

750
Volunteer governors & directors

4,855
Hours of Prayer

5,460
Hours of Religious Education

3,241
Pupils received free school meals

2,526
Teachers & education leaders

1,831
Support Staff

CASE STUDY:
OUSTANDING CHRIST-CENTERED EDUCATION

Our Lady and St Joseph's Catholic Primary School in Lymington is a Christ-centred, energetic community with a reputation for academic excellence and an *Outstanding* Ofsted rating.

Among the highlights of the year, the school was officially recognised as a School of Sanctuary; illuminating its strong Catholic ethos through the love of its neighbour. '*Schools of Sanctuary*' define schools which are particularly welcoming to refugees, asylum seekers and other individuals in need of sanctuary. Our Lady and St Joseph's went through a rigorous process to be accredited with this status by the esteemed charity, City of Sanctuary UK.

In their efforts to support refugees and asylum seekers, pupils have used School Council time to discuss political conflicts abroad and how they might help those in need. They have also embraced the changing liturgical seasons as an opportunity to help others. During Easter, pupils filled shoeboxes full of gifts for Ukrainian children seeking refuge in Poland, and did the same again at Christmas time, for displaced children in Moldova, Romania, and Montenegro.

The school has also come up with inventive ways in which to promote prayer among its pupils and their families. At the start of the academic year, staff organised Prayer Bags to be sent home with each pupil containing, Bibles, prayer books and copies of school prayers. It also included a little prayer bear, some electric candles, and a rosary. The school also united their prayers with one million children across the globe and prayed the Rosary for peace in the world, during the month of October.

Like many other schools in our Diocese, Our Lady and St Joseph's has excellent green credentials. The children are keen gardeners and have been growing a variety of produce which has been cooked by the school chef and served at dinner time. They also received the international accreditation of an Eco-Schools Green Flag Award in recognition of their ecological achievements which include their engagement with the COP-26 summit, their home-grown produce, impressive bug hotels and the establishment of an elected school Eco-Committee.



CASE STUDY: CARE FOR OUR COMMON HOME

Our Caritas Portsmouth Team is instrumental in delivering environmental and outreach projects across our Diocese.

Two community hubs have been established. The Southampton Hub is partnered with Immaculate Conception and Holy Family churches, as well as Holy Family School. While the Portsmouth Hub has teamed up with St Joseph's Church in Havant.

Our Caritas Team supported volunteers at the parish of Southampton Immaculate Conception to run a gardening club dedicated to planting herbs and vegetables to support a community kitchen. In the summer, parish volunteers joined up with City Catering to prepare and deliver free cooked meals to local families.

Another gardening club was set up at Southampton Holy Family Church and School, planting hedges and growing vegetables and also creating bird boxes and bug hotels.

The environmental projects proposed by the Caritas Team also captured the imagination of schools across the Diocese, who have responded with considerable enthusiasm and dedication. Projects have included community tree planting, forest school activities, gardening clubs and bee-friendly planting



2
Herb gardens planted to be used in the **food provided** to the local community

665
Hedgerow saplings **planted** to help landscape school grounds

1
Bee bank designed and built to encourage **biodiversity**

128
Orchard trees planted to **create a legacy**

3
Food-growing projects

5
wildflower sowing sites to encourage **pollination**



1
Priest Ordination

2
Deacon Ordinations



10
Diocesan seminarians
(men training for the priesthood)

CASE STUDY: VOCATIONS

Our Department for Vocations focuses on building a culture of vocation across the Diocese. The Department proactively encourages parishes to share in the joy and responsibility of promoting this culture, through the distribution of monthly resources for parishes, including a weekly newsletter insert and intercessional prayers.

Each month, our '*Vocations Roadshow*' visits local Evangelisation Strategy Teams (ESTs) in the Diocese. Part of the homily delivered during these visits includes a clear message to our faithful, who all have a significant part to play in the future of our Church.

During the visit, the Department for Vocations Team make themselves available to young adult groups around Confirmation age (15 years). The Team also gift people they meet with a Rosary for Vocations, encouraging them to pray for vocations, join the vocations' prayer network, and sign up for the monthly Vocation E-news.

Our Department for Vocations also host a monthly *Seeker Evening* for those who are trying to discern the Lord's call in their lives. Each session ends with prayer before the Blessed Sacrament. Three Seekers have progressed to conversations with the Bishop and Vocation Director, they are now seriously contemplating joining the priesthood. Another Seeker has been pursuing the call to Religious Life and is on the journey to joining a community.

The Team has also extended its work to schools and university chaplaincies addressing assemblies, delivering workshops and holding talks on vocations. It is our fervent hope that in time '*vocation*' will be a part of the daily vocabulary of every school and parish in our Diocese.

CASE STUDY: CLOSER TO CHRIST CAMPAIGN

£5,328
Average pledge per donor

The Closer to Christ Campaign, launched in June 2021, is raising funds for two central aims; to support diocesan clergy through all stages of their ministry and to support parishes planning for mission as they emerge from the COVID pandemic. These aims include funding seminarians through their formation for the priesthood, supporting the wellbeing of priests in active ministry, providing support for retired priests in recognition of their life of service to the Church as well as rejuvenating parishes to ensure they have the necessary resources for prayer, worship, and community outreach.

It has been incredible to witness the enthusiasm with which priests and their parishes have embraced this initiative throughout the year, with some parishes surpassing their fundraising goals and hitting their targets, even earlier than anticipated.

The parish of Sacred Heart, Fareham, under the dedicated leadership of Canon John Cooke, has been among the highlights of the campaign this year, completing their fundraising timeline six weeks early and surpassing their goal by £40,000.

Securing this funding will allow the parish to "go green" as they hope to install solar panels and electric charging points at St Philip Howard Church, in addition to refurbishing the Sacred Heart Hall kitchen and recruiting a Catechetical Worker to launch faith formation.



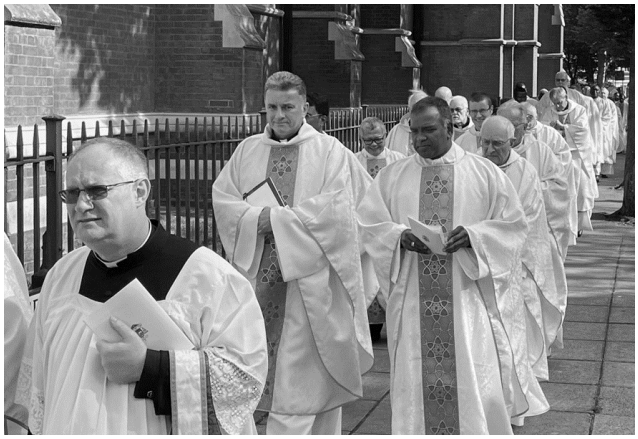
16
Parishes had either taken part or were in active fundraising at the end of August 2022

£3.1M
in pledges

833
Families pledged to the campaign

"I was so relieved and delighted when we reached our target of £210,000, I feel incredibly humbled by the generosity of the parishioners' sacrifice of their time and treasure and look forward to when our local project comes to fruition, enhancing our parish life."

Canon John



Catholic Safeguarding Standards Agency



600
People received online training

718
DBS checks processed

12
Online training sessions for PSMs



14
New PSMs welcomed

135
Parish Safeguarding Ministers (PSMs)

Approximately
2,500
Volunteers working with vulnerable adults or children

CASE STUDY: SAFEGUARDING

As a Diocese, we are committed to ensuring that the dignity and protection of every human being, especially children and young people, is a fundamental principle across all our work and activities. With Christ at the centre of our safeguarding efforts, we always strive to ensure that safeguarding standards across the Diocese are exemplary, so that every individual is respected and safe, without exception.

Following the initial restructure of the central Safeguarding Team this year we appointed two new additional Safeguarding and DBS Administrators and one Safeguarding Officer with responsibility for safeguarding training, to better meet the demands of our large Diocese.

Our Head of Safeguarding has been working with the Diocesan Safeguarding Committee to create a safeguarding strategic plan for the Diocese, which will assist in identifying areas of strength, along with areas for development. The plan reflects the Diocese's commitment to working by the eight national safeguarding standards and ensuring best practice.

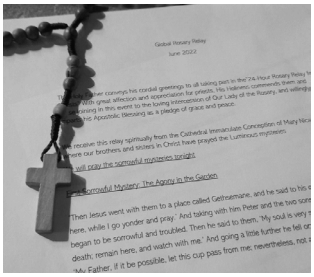
The Safeguarding Team continues to support the safe recruitment of employees and volunteers across our parishes and diocesan central teams.

Our central Safeguarding Team is responsible for the safe recruitment, induction, and ongoing training of our Parish Safeguarding Ministers (PSMs). Parishes are encouraged to build small teams of PSMs to manage the workload and to make local safeguarding arrangements more robust.

Following the appointment of our new Safeguarding Officer and the easing of Covid-19 restrictions, the Safeguarding Team has resumed face-to-face training for volunteers working within our parishes.






Global Rosary Relay
June 2022

















FROM THE CHIEF OPERATING OFFICER

Looking back at the last year we can take encouragement that many of the plans we set have progressed thanks to the contributions of so many people across the Diocese.

The highlights for the year included:



The publication of the first draft of our Ten-Year Mission Plan *You Will Be My Witnesses*, the fruit of much discussion and consultation, sets out the vision for the Diocese and the priorities which will be our focus as we journey in faith together.



The progression of our plans to become a charitable incorporated organisation (CIO), which was intended to simplify our complex charitable structure to better reflect the current legislative and regulatory requirements. The transfer to the CIO took place in December 2022, just nine months after the project was formally commenced, which meant we could comply with the new legislation enacted in Guernsey at the beginning of the 2023 calendar year.

Our fundraising initiative, the *Closer to Christ* campaign which focuses on support for vocations to the priesthood, clergy in active ministry and support for priests in retirement, has been truly inspiring, with our parishioners pledging funds for the next three to five years. Some of the funds will also be used to support our parishes to recover from the impact of the COVID pandemic. We are so grateful for the generosity and commitment of our clergy who have led the local campaigns and for those who have donated to live their commitment to the future of our Church.



Our commitment to improving our IT functionality has borne fruit, with many parishes opting to participate in our central IT procurement and support. Our excellent IT manager has worked hard, building trust and confidence. This work enables us to ensure the capability, safety, and security of our IT systems.



The finance function for the Diocese, under the leadership of the Director of Finance appointed in May 2022, has taken steps to modernize reporting. A financial plan to ensure long-term sustainability has been developed and the financial challenges facing the Diocese have been shared with clergy and parishioners. An investment committee with members who have expertise in this area of finance was established to oversee our investment portfolio and advise Trustees on investment strategy in the future.



Caritas, our structure for supporting parish-led projects to reach out to people in their time of need, has supported several local initiatives. These include the provision of food and companionship, welcoming new arrivals from Hong Kong, and supporting out-of-school holiday clubs for young people. Our aspirations to realise the vision set for us by Pope Francis in *Laudato Si* have been brought to life with Caritas' work with schools which have embraced initiatives such as tree planting and ecological preservation.



We have continued as the lead sponsor for the Home Office Community Sponsorship scheme. The two refugee families, supported with housing and practical support, have flourished through the committed teamwork and dedicated support of generous and creative volunteers.



Our website was updated and will continue to be upgraded in the next year. We also established an intranet as a resource for those closely involved in the Diocese's operation. We know there is much to do to ensure our communications function reflects our aspirations over the coming years to realise our mission plan and to provide appropriate support for our parishes and teams and we look forward to progressing this.

Looking ahead, in the coming year, we will continue the implementation phase of our Ten-Year Mission plan, *You Will Be My Witnesses*. The most important aspect of this is the development of Christ-centered communities focused on mission, which include our parishes, schools and chaplaincies. Much prayer, courage, love and generosity will be needed as we seek new ways of working together to revitalise the life and mission of the Church. The priorities set out in the mission plan will underpin all that we do in the coming years.

Following the establishment of the Catholic Diocese of Portsmouth as a charitable incorporated organisation (CIO) in 2022, we will continue to improve our governance. This will include the development of new policies and accompanying resources to assist our parishes and central teams and ensure legal compliance.



We are committed to the *One Church* approach to safeguarding and are working with the Catholic Safeguarding Standards Agency (CSSA), established as part of the Catholic Bishops Conference for England and Wales. The implementation of our Safeguarding Strategic Plan, adherence to core standards, and commitment to safeguarding our most vulnerable people, will underpin our work in the coming year.



The last phase of the Closer to Christ Campaign will be rolled out across our parishes that have yet to take part. We hope to achieve our goal of £13.5m from this campaign.



The financial recovery programme will continue, including the disposal of some surplus assets as well as seeking further opportunities for cost reduction. A diocesan-wide financial system will be procured during 2023. It is overdue as the previous system is no longer supported. A widely adopted user-friendly system will enable more effective support to be provided by the central team and will also help parishes with their oversight and planning.



We aspire to complete the central procurement and support project for IT next year, so that equipment is fit for purpose, cost-effective and as safe as possible.



Many of our parishioners contribute their time and talent to support our Diocese and local parishes. Our volunteers serve through a variety of ministries, works of charity, day-to-day tasks and on our committees which support diocesan and parish life. One of our priorities for next year is the development of resources and opportunities to bring people together so that all are supported in their work.

The revitalisation of our communications and fundraising functions is a priority. We have long-standing vacancies; recruitment in these areas is a particular challenge.



The work of our Estates Team will focus on developing our approach to Health & Safety and the good stewardship of our estate in 2023. The redevelopment of the St Mary's parish site in Ryde is one of our priority projects; many of the buildings on this large site are derelict. A feasibility survey has been completed and a resolution must now be defined and implemented.



Turning to schools, the principal areas of work will be determining our approach to the structural reform signaled by the Government to best meet our aspiration for high-performing Christ-centered schools. Other priorities include rolling out the new inspection framework resourcing and implementing the new curriculum directory for religious education and deepening the partnership between our schools and parishes.



We are looking forward to participating in the National Schools' Singing Programme, partly supported by grant funding.

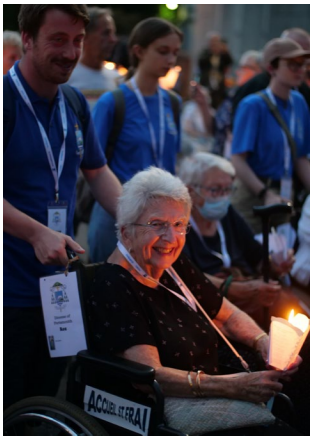


Our Caritas Team, under new leadership, will continue to work with parishes enabling many more local projects to grow and flourish. The first phase will be parish engagement to assess the need and define the principal priorities.





















OUR FINANCES AT A GLANCE

£14.55M Income

£14.83M Expenditure

£282K Operating Deficit

47% Of our income came from the offertory



£18.6K Average cost per priest



£14.8K Average cost per employee

15.3% Decrease in income (adjusted for inflation)

£88 **Per parishioner** was spent on repairs and maintenance of churches and other property

20 Overdrawn parishes

£1M Gift Aid reclaimed

£91M Assets

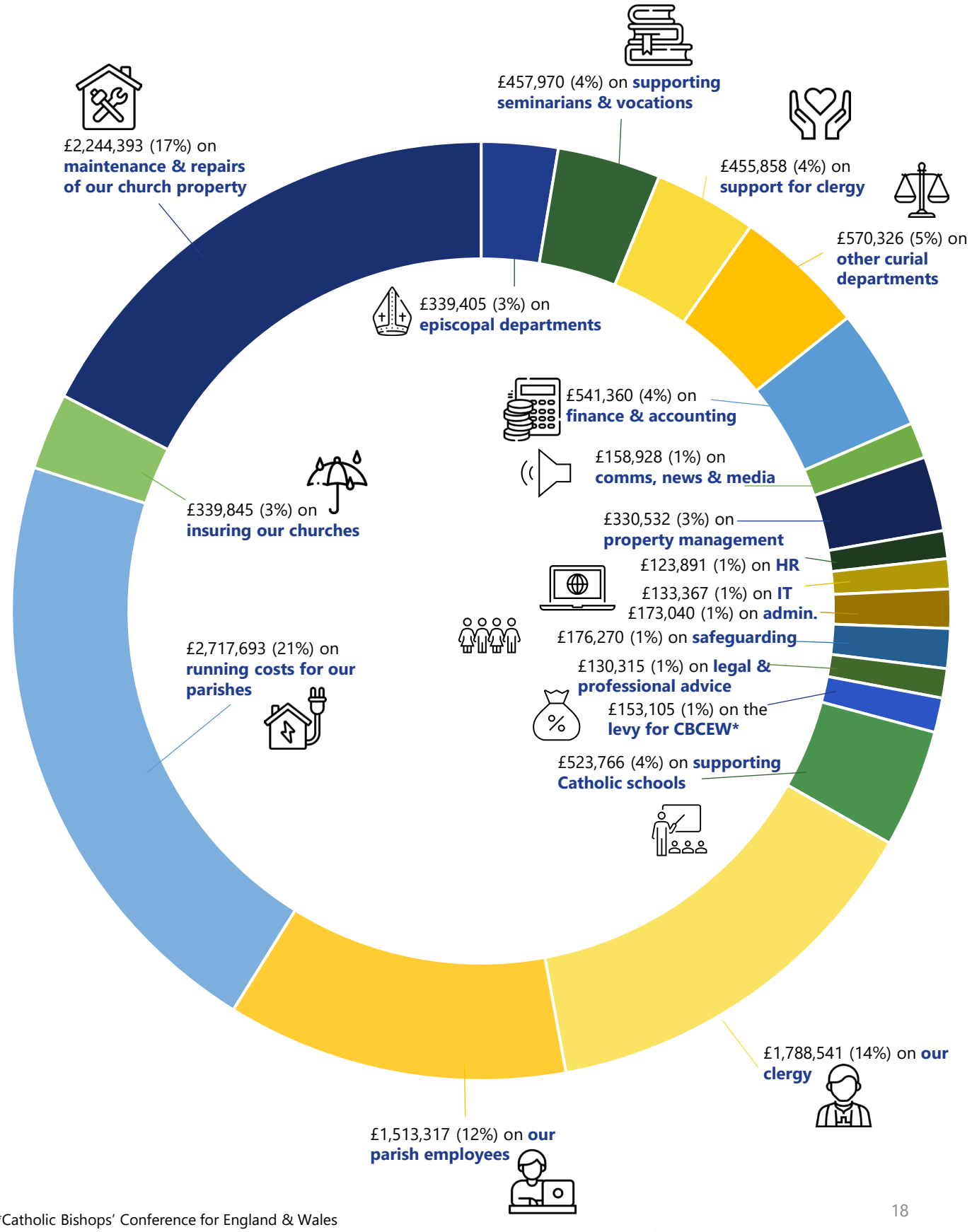
£10.2M Liabilities

£80.8M Net Assets **But** most cannot easily be realised; they include our **churches** & restricted funds



£84K Average cost of running a church

STEWARDSHIP
HOW WE SPENT OUR MONEY



*Catholic Bishops' Conference for England & Wales
** This chart excludes depreciation, and expenditure relating to trading subsidiaries and restricted funds
****Icons are from freepik.com and flaticon.com*






STREET
PASTOR















FINANCIAL REVIEW

OVERVIEW

The Diocese of Portsmouth's income for the year to 31 August 22 was £14.55M. This was an increase in absolute terms of £337K compared to the previous financial year. Expenditure meanwhile increased by £1.85M to £14.83M, leading to an operating deficit of £282K.

Comparisons

These figures must be viewed in the context of the Covid Pandemic and its aftermath, the energy-price-driven inflation of the post-covid period and the changes in Mass attendance during and after the pandemic. Because of the ecclesial and financial significance of the pandemic, 2022 will be considered in comparison to 2021 (a pandemic recovery year) and 2019 (the last pre-pandemic year).

Key Comparators: Mass attendance, inflation

Average weekly Mass attendance in the Diocese in 2019 was 32,294, falling to 17,306 in 2021 and then recovering, beyond expectations, to 25,321 in 2022. This is around 80% of pre-pandemic levels.

In terms of another key indicator, inflation, the Office of National Statistics retail price index shows that prices increased by 3.4% from September 2019 to August 2021 and by 9% from September 2021 to August 2022.

Analysis in real terms

Comparing overall diocesan income in 2022 with that of 2019, we see that, adjusted for inflation, it has decreased by 15.3%. The 2022 income of £14.55M translates to £12.95M in 2019 terms compared to the actual 2019 income of £15.3M Expenditure has likewise decreased in real terms by 15%. Meanwhile, over the same period, the number of Mass-goers has decreased by 21.6%, meaning that the income and expenditure per remaining post-pandemic Mass-goer have increased slightly in real terms.

COVID Pandemic: before, during and after

The context suggests that, after the uncertainty of the pandemic, the 2022 financial results provide a more reliable indication of the Diocese's post-pandemic financial and demographic future and thus will be more useful in terms of forecasting and planning, as our parishes and curia work together to implement the Ten-Year Mission Plan, *You Will Be My Witnesses*.

INCOME

Fundraising: Closer to Christ Campaign

The Closer to Christ fundraising campaign raised £957K in 2022. By August 2022, 20% of parishes (17/87) had launched their campaigns. The campaign is on course to meet its targets, although in terms of the numbers of parishes participating in 2022, the rollout has been slower than originally planned due to the aftermath of the COVID pandemic. A dedicated accounting system has been set up to record campaign income and the distribution of funds.

Parish offertory income

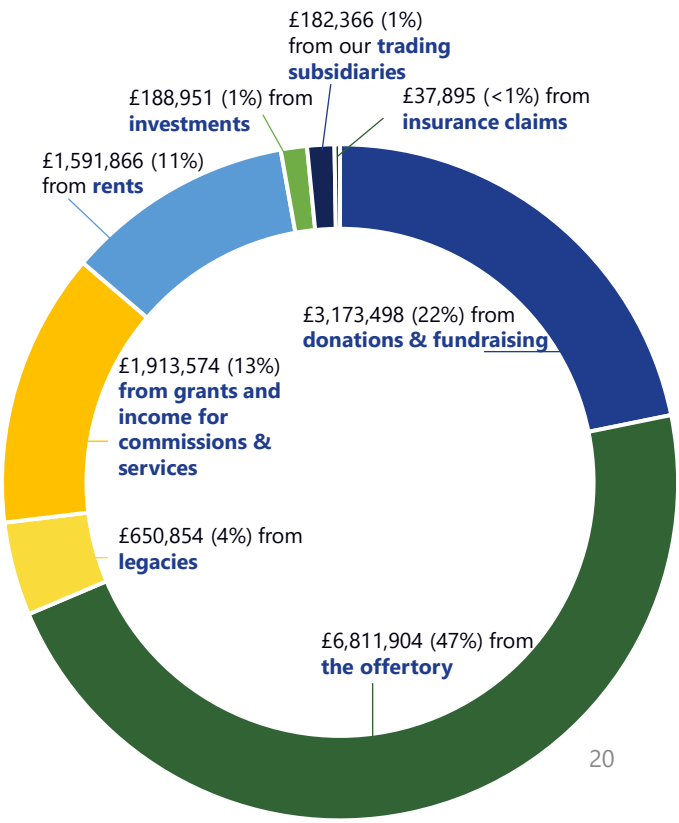
Offertory income includes income received via planned giving (standing orders, direct debits and envelopes), in addition to loose plate donations and contactless and online donations.

In 2022, offertory income amounted to £6.8M, which is 47% of total income. This included £3.97M in planned giving, £1.7M from loose plate donations, £58K from contactless donations and £37K from online giving. Offertory income declined from £7M in 2019 to £6.8M in 2022. Gift Aid reclaimed remains constant at around £1M.

Offertory per person per week

The lower average weekly Mass count of 25,321 in 2022 has generated a higher gift per person per week when compared to 2019. Offertory per person per week now works out at £4.20, which is further increased by gift aid reclaimed.

Other Sources of Income



EXPENDITURE

Priests

The cost of supporting a priest includes their stipend, as well as Stole Fees, Christmas and Easter Offerings, travel expenses, housekeeping expenses, and the cost of supply priests.

These costs have increased by 16% from £1.55M in 2021 to £1.79M, although the real increase is less when inflation is factored in.

The 2022 figure works out at £18.6K per priest, an increase of £2,500 per priest. The stipend priests receive was increased in April 2021, having been frozen during the COVID pandemic. There was also a post-pandemic recovery in Christmas and Easter offerings and Stole Fees.

Staff

The period of 2019 to 2022 has seen a decline in staff numbers from 260 in 2019 to 216 in 2022. Expenditure on staff cost reduced from £3.6M in 2019 to £3.2M in 2022.

Repairs and Maintenance

The biggest contributor to the increase in parish expenditure at Year End of August 2022 was repairs and maintenance on churches, presbyteries and halls, which cost £2.24M in 2022. The increase was due to the backlog in works required following the COVID pandemic.

The cost of maintaining our buildings is a significant strain on our resources. Average offertory giving per parishioner per year (including Gift Aid) is £269; £88 of this goes towards the repair and maintenance of our estate.

Cost per Church

A basic analysis of running costs per church can be conducted by dividing total running costs per parish by the number of churches in each parish. There are 139 churches in active use across the Diocese, spread over eighty-seven parishes. General parochial expenses per church average £84K per annum and range from around £20K per church to £284K per church. Costs per church increase with the size, age, and historic value of churches, with listed buildings tending to cost more.

Levy

In 2022, the parish levy - money paid by parishes to cover central diocesan costs - was set at £1.87M, representing 16% of parish income.

Analysis suggests that the levy in our Diocese is relatively low as a proportion of parish income compared to many dioceses. The low levy has led to a succession of curial budget deficits; the levy only funds 48% of overall curial costs.

The requirements for compliance in terms of managing a large, geographically diverse estate, the cost of ensuring we meet our statutory financial and governance obligations, and the responsibility of safeguarding our young people are significant drivers of central curial costs.

Central Costs

The costs of most Curia departments remained relatively unchanged, or moderately reduced compared to 2021. This included largely unchanged costs of supporting clergy in ministry and New Evangelisation, and reduced costs for the Tribunal, Hospital Chaplaincies and Youth Chaplaincies.

The cost of training our seminarians increased to £355K in 2022 compared to £333K in 2021.

Support costs relating to Communications, Estates, HR, IT, Finance, Governance, Safeguarding and the Bishop's Conference Levy increased from £1.91M in 2021 to £1.95M in 2022. This was a 2% increase in absolute terms but a decrease in real terms, because the rate of inflation was higher than 2%.

The fluctuations of year-on-year costs for our central teams depend on whether these teams are fully staffed and this, in turn, is an outcome of the difficult recruitment environment in the economy as a whole and specifically for charities and churches.

Cash

The cash position of the Diocese has improved from £9.4M to £10.8M due to the Closer to Christ Fundraising Campaign and capital expenditure controls. When the uncertainty of the COVID pandemic hit, the impact on our cash position could not be predicted, and there was an opportunity to safeguard the future by taking out a low-interest CBILS loan.

However, with the onset of global inflation and increases in interest rates, this loan became expensive to service and our financial strategy has focused on improving the sustainability of the cash position, removing dependence on borrowing, paying off the existing loan, and avoiding punitive interest charges. The loan was paid off in December 2022.

Parish Surplus/Deficit

For the year to 31 Aug 2022, 28 parishes recorded a deficit and therefore are using up their reserves. Of these, 16 would have still posted a deficit even after excluding one-off or exceptional items. Further, exceptional items tend to recur on a cyclical basis so cannot be completely discounted.

Of the 28 parishes that recorded a deficit, five recorded a deficit of greater than £50K. The combined deficit of the 28 parishes was £622K.

Parish Bank Overdrafts

Across the 87 parishes, there are 223 parish bank accounts. Of these, 28 bank accounts were overdrawn with a total overdrawn balance of £1.8M.

Assets

Despite an operating deficit, and a fall in the value of quoted investments held by the Diocese due to the conflict in Ukraine, overall net assets increased from £76.4M to £80.8M, thanks to the reclassification and revaluation of functional properties as income generating investment properties.

The Diocese owns £91M of assets: £41M of churches and other buildings used for our charitable activities, £26M of investment properties, £12M of investment in securities, £11M of cash and £1M of debtors (owed to the Diocese).

Net assets are lower than the total assets owned by the Diocese because of the £10.2M worth of liabilities (owed by the Diocese).

It should be recognized that churches and functional buildings (those used for our charitable activities) are held at a fraction of their insurance/rebuild value of circa £500M. The valuation method used in the accounts is explained under accounting policy h) on page 35.

Investments

The Diocese held £12.3 million in quoted investments on 31 August 2022. The target level of return set for these stocks and shares is set within the Investment Policy and is currently CPI plus 4%. Due to the impact on markets of the conflict in Ukraine and the global energy price inflation, these investments fell in value by £0.8 million over the financial year.

The Trustee Board have agreed on an ethical policy for the portfolio. The following is an extract from the investment policy:

"Where the issuer of a security (share, stock or bond) or deposit taker (bank) is directly and substantially (more than 5% of the activity of that entity) involved in activities which constitute grave moral evil such investments are to be entirely excluded because holding such securities would constitute formal co-operation in that evil. These would include but not be limited to, murder, procured abortion, contraception, sexual activity outside marriage and acts which undermine the dignity and sanctity of human beings (for example the exploitation of workers, migrants, the weak and the elderly) from conception to natural death, corrupting the young, heresy and sacrilege."

The Bishop and Board of Trustees also require that our investment managers keep under review the environmental stewardship of entities in which the Diocese holds investments or deposits and instructs them to refer any activities which might constitute a breach of the duty of the stewardship of creation to them.

In July 2022, the Diocese established an investment committee to encourage our parishes to participate in investment decisions and to assist the Board of Trustees in their decision-making.

Reserves

Our Reserves Policy states that the Diocese should hold general funds (unrestricted, non-parish funds) equal to six months of mission support costs.

At the end of the 2021/22 financial year, total reserves stood at £80.8 million. The value of the churches, halls, and presbyteries of the Diocese, at £41 million, accounts for 51% of total diocesan reserves. As these assets cannot be spent, in August 2020 they were transferred out of the general fund into a designated fund. After this transfer, the general funds were reduced to a deficit of £3.9 million on 31 August 2020. By August 2022, the deficit had risen to £4.9M million, following losses on investments.

To return general funds to a balanced position we are focusing on three key inter-related areas:

The Closer to Christ fundraising campaign, over half of the revenues from which will cover major areas of curial expenditure such as supporting seminarians and clergy in active ministry; increases in the Levy, to avoid curial budget deficits; reductions in curial expenditure and strict budgetary discipline also aiming at balanced curial budgets.

A ten-year strategic plan *You Will Be My Witnesses* has been drafted and widely consulted on across the Diocese. The final plan is due to be published in 2023. The implementation of this plan is intended to help contribute to the revenue and cash generation required to achieve the target level of reserves.

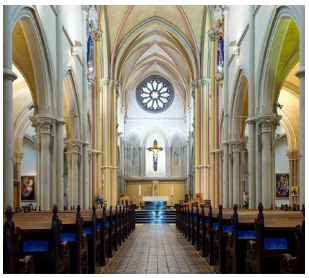
Risks

A risk register is provided for Trustees to review at every meeting. Key risks are:

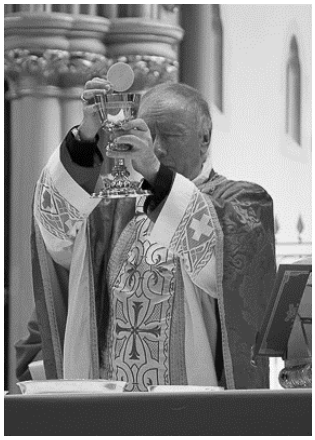
- The financial position of many parishes; reductions in weekly attendance and participation in the life of the church have been reflected in falling offertory income.
- The growing backlog of estate maintenance, together with the deterioration of older, listed buildings (most notably the Cathedral) is a long-term liability. Our mission plan, *You Will Be My Witnesses,* sets out to increase participation in parish life and enable us to discern where to invest and what we can no longer maintain.
- The Diocese comprises 87 individual parish units which operate autonomously to a significant extent. The organisation is highly dispersed and also largely reliant on volunteers for much of the day-to-day activity. This all presents a significant risk of non-compliance with key policies required by regulators and legislation.
- Support and regular communication in a variety of forms is provided to parishes about policy and general guidance. However, further work is required to ensure that practical resources are provided to help parishes to navigate increasingly complex requirements.
- Cyber-security is a recognised global risk. Much effort has been made to mitigate the risk through training and monitoring. Key performance indicators have been developed based on the 12-point plan provided by the Diocese's insurer; progress is regularly measured against the KPIs.
- Although we have been blessed with vocations, the number of vocations to the priesthood is not keeping pace with expected clergy retirement in the medium term. Our mission plan, *You Will Be My Witnesses*, is intended to enable ways of working which mitigate these anticipated challenges to some extent.
- The governance of the complex charity structure has become increasingly complicated. The incorporation of the charity in 2022 provided an opportunity to streamline the arrangements as part of our risk management strategy.
- Recruitment to key roles in central administration and in parishes is proving a significant challenge. Vacancies can, on occasion, be open for several months. Attracting and retaining candidates with the appropriate experience and expertise will require a re-evaluation of our structure and pay and reward strategy in the coming year.





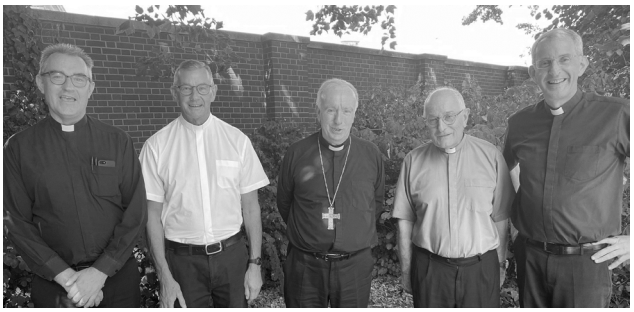
















OUR STRUCTURE, GOVERNANCE AND MANAGEMENT

The structure, governance and management of our Diocese as set out below reflects the position for the 2021-2022 financial year covered in this report. At the time of publication (Spring 2023) the governance structure of the Diocese is significantly different, following the incorporation of the Catholic Diocese of Portsmouth as a CIO.

Constitution

The Portsmouth Roman Catholic Diocesan Trust is a charitable trust established by a Trust Deed dated 04 September 1934. Following a Deed of Revocation dated 5 December 2002, the Trust is governed under a Trust Deed dated 5 December 2002 and the subsequent amendments made on 07 April 2004.

The Portsmouth Roman Catholic Diocesan Trust is registered under the Charities Act 2011, its charity number is 246871.

Trustee

The Portsmouth Roman Catholic Diocesan Trust has a sole corporate trustee: The Portsmouth Roman Catholic Diocesan Trustees Registered (PRCDTR). The Portsmouth Roman Catholic Diocesan Trustees Registered is a body corporate under Part 12 of the Charities Act 2011 established on 11 September 1934 and granted corporation status by the Lord Chancellor on 27 November 1934.

The individuals who form the Portsmouth Roman Catholic Diocesan Trustees Registered are the trustees of the Portsmouth Diocesan Trust, a charitable trust established on the 1st of August 1934. It is registered under the Charities Act 2011; its charity number is 246872.

The Trustees of the Portsmouth Diocesan Trust who formed the corporate trustee of the Portsmouth Roman Catholic Diocesan Trust during the year ended 31 August 2022 and who were in office on the date of this report are detailed on p2.

The Board of Trustees met 10 times during the year.

Linked charities

Under a Charity Commission Scheme, dated 20 July 2001, all charities which have the Portsmouth Roman Catholic Diocesan Trustees Registered as trustees, except for the Portsmouth Roman Catholic Priests' Retirement Fund, are linked for registration and reporting. The Portsmouth Roman Catholic Diocesan Trust is the reporting charity, it has more than 90 linked charities, most are related to property.

The appointment of trustees

The sole corporate trustee of the Portsmouth Roman Catholic Diocesan Trust does not change. The individuals who form the Portsmouth Roman Catholic Diocesan Trustees Registered are appointed trustees for the Portsmouth Diocesan Trust by a resolution of the Board.

Trustee vacancies are advertised through the appropriate diocesan communication channels. All candidates applying to become a trustee will be interviewed by the Bishop and Secretary to Trustees. Any successful applicants are co-opted as advisory members of the board at the next full meeting for a period of six months. At the end of the six months, they are appointed trustees by a resolution of the Board.

The individuals who form the Portsmouth Roman Catholic Diocesan Trustees Registered will herein be referred to as the Trustees.

Trustee induction and training

The Secretary to Trustees is responsible for ensuring that an appropriate induction training programme is arranged for new trustees, within 3 months of appointment. The induction is expected to include clarification of legal responsibilities, Charity Commission requirements of charity trustees, strategic issues, governance issues, familiarity with the Trust Deed and structure of the charity, and other relevant induction material to allow trustees to understand the Charity's purpose, activities, financial position, and current risks.

Trustees are encouraged to undertake regular training throughout their appointment which they feel is relevant to their role and to keep up to date with current legislation.

Trustees expenses

Several trustees are clergy of the Catholic Diocese of Portsmouth. They are housed and remunerated by the Diocese and are reimbursed for expenses for carrying out their ministry in the same way as any other priest in the Diocese. However, no trustee received any remuneration from the Diocese, nor had any expenses reimbursed by the Diocese, in connection with their duties as Trustees during the year. No trustee had any beneficial interest in any contract with the Diocese.

Management team

The trustees are responsible for the overall management, oversight, and strategic direction of the Diocese. To achieve this, they have appointed a Chief Operating Officer who has delegated responsibility for the day-to-day running of the Diocese. The Chief Operating Officer is supported by a senior leadership team who have delegated areas of responsibility such as finance, estates, safeguarding, HR, IT, communications, governance, fundraising, charity outreach, and clergy support.

Setting pay

Remunerated roles in the Curia and central administration, have been benchmarked against several charity sector benchmarks, including other dioceses. The Diocese is a lower-quartile employer, although the Trustee Board may choose to apply a recruitment or retention premium to a particular post in certain circumstances.

Organisation

The Diocesan Curia is organised into a Framework for Collaboration, with three vicariates reflecting the threefold ministry of the Bishop who acts in the name of Our Lord Jesus Christ as priest, prophet, and king.

Each Vicariate is responsible for one aspect of the Bishop's threefold ministry: Vocation, Education and Evangelisation. Each is headed by an Episcopal Vicar, who, together with the Vicars General, are the sole members of the Bishop's Council, most of whom have been appointed Trustees. Each Vicariate Committee is chaired by the Episcopal Vicar for that Vicariate.

The Chancery and Tribunal are also part of the Curia. The Judicial Vicar, who leads the Tribunal, has been appointed as a Trustee.

The Council of Priests meets regularly to consult on matters of Canon Law and advises the Board of Trustees.

The Trustee Board is also supported in decision-making by detailed scrutiny and recommendations provided by sub-committees: Finance, Audit and Risk; HR and Remuneration; Safeguarding; Investment; Caritas; Bamenda; Vocation Vicariate; Education Vicariate and Evangelisation Vicariate; which meet regularly throughout the year.

The purpose of the Finance, Audit and Risk Committee is to provide strategic oversight to the administration of the temporal goods of the Diocese and its parishes, land and buildings, money, investments, and the discharge of its legal and contractual obligations. The FAR Committee is chaired by the Vicar General, Moderator of the Curia.

The HR and Remuneration Committee considers remuneration across the Diocese and makes recommendations to the Board. It is chaired by the Vicar General, Moderator of the Curia.

The Safeguarding Committee is responsible for matters which relate to safeguarding and is chaired by a non-clergy trustee.

Each parish is expected to have a Parish Finance Committee and encouraged to have an Evangelisation Strategy Team to support the parish priest management of the parish day-to-day.

The structure of the Diocese presents a harmonious balance between the Diocese's legal responsibilities as a charity and its responsibility to Canon Law.

Relationships with other organisations: other regulators

In addition to the Charity Commission for England and Wales, the Portsmouth Roman Catholic Diocesan Trust is overseen by the Jersey Charity Commissioner and the Guernsey Registrar for Charities.

The Portsmouth Roman Catholic Diocesan Trust is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice.

Safeguarding in the Diocese is overseen by the Catholic Safeguarding Standards Agency; the CSSA national safeguarding policies are in operation across the Diocese

Other organisations within the Diocese

The Portsmouth Roman Catholic Diocesan Trust has a close relationship with other charities which operate as part of the Diocese, these include:

The Portsmouth Roman Catholic Priest's Retirement Fund, charity number 1061194, is a charitable trust which looks after our priests in retirement. It is currently undertaking a joint fundraising venture with the Portsmouth Roman Catholic Diocesan Trust.

The Portsmouth Roman Catholic Diocesan Properties Limited, charity number 1168798 is a charitable company limited by guarantee which holds the Diocese's property in Jersey.

Caritas Jersey Limited, charity number 150, is a charitable company limited by guarantee and is the hub of Catholic Social Action in Jersey.

The Portsmouth Roman Catholic Diocesan Trust works closely with Catholic schools across the Diocese, mostly through the Vicariate for Education, and in some cases owns the school estate.

Other organisations outside the Diocese

In carrying out its work and mission, The Portsmouth Roman Catholic Diocesan Trust works in collaboration with many and varied organisations such as the Catholic Trust for England and Wales (CATEW), the Bishop's Conference for England and Wales (CBCEW), CAFOD, other Catholic dioceses, hospitals, prisons, universities, food banks, and a variety of other charities and organisations.

Charitable purposes

Our charitable purposes, as set out in our Trust Deed, are:

The provision maintenance and upkeep of churches and public chapels for the celebration of divine worship according to the rights and ceremonies of the Roman Catholic Church and of presbyteries and houses for the residence of Priests and Deacons attached to any such churches or chapels or otherwise and belonging to or connected with the Roman Catholic Church in the Diocese.

The provision maintenance and carrying on of the religious services of the said Church in such churches and public chapels or other places of a like character.

The provision maintenance and upkeep of houses of study halls and colleges for the education and training of priests and persons desirous of becoming priests of the said Church in the Diocese or elsewhere in Great Britain and abroad.

The education and training of priests, deacons, and persons desirous of becoming priests of the said Church by such means as the Trustees think fit.

The payment of stipends to the priests and deacons of the said Church and of salaries and wages in connection with any such institutions as aforesaid

The maintenance, support, and provision of medical and surgical aid for infirm and aged priests and deacons of the said Church and the burial of deceased priests and deacons of the said Church.

The provision of holidays and rest for priests and deacons of the Roman Catholic Church in the Diocese include contributions agreed by the Trustees under this, and the preceding sub-clause shall be made only to or in respect of persons whose own means (if any) are in the opinion of the Trustees inadequate for such purposes.

The relief of poor persons professing the Roman Catholic religion in the Diocese or nearly related to priests or deacons of the said Church.

The provision maintenance and upkeep of schools and colleges are to be conducted by the principles of the said Church for the general education whether religious or secular (or both) of children and young persons or whether members of the said Church and catechetical other religious education.

The provision maintenance and upkeep of houses of residence for teachers and students in any such houses of study halls schools and colleges as aforesaid.

The provision maintenance and upkeep of homes for infirm and aged priests and deacons of the said Church in the Diocese being in the opinion of the Trustees without adequate means of support and of houses or accommodation for infirm and aged poor person, with preference being given to those professing the Roman Catholic Religion.

The provision maintenance and upkeep of cemeteries or burying places for the interment of deceased members of the said Church and other persons authorised by the Trustees.

The provision maintenance and upkeep of parish rooms and halls in connection with any such churches or chapels as aforesaid to be used for the advancement of the Roman Catholic religion in the Diocese or otherwise for the enlightenment education and religious and moral benefit of members of the said Church in the Diocese.

The provision and maintenance of hospitals and sanatoria for poor persons members of the said Church.

The acquisition of sites for and of ground to be held with buildings for any of the purposes aforesaid and the erection restoring altering enlarging maintaining and repairing of any buildings for any such purpose and the laying out maintenance and upkeep of grounds in connection with any such buildings.

The development of any part of any land held as Trust Property and the maintenance of any works for the time being carried on thereon under the powers hereof.

The making of donations or subscriptions to any charitable institution trust or organisation for Roman Catholic or other purposes in Great Britain or abroad or direct to any Bishop or official person engaged in any such work or to any other charitable institution or organisation necessary or proper in the carrying on of the charitable work of the Trustees.

The maintenance and upkeep of the charitable institutions' work and undertakings now carried on or for the time being established under the trusts hereof.

Any such charitable purpose or purposes as in the opinion of the Bishop may be calculated to lead to the advancement or maintenance of the Roman Catholic religion.

Fundraising activity

The Diocese follows the Code of Fundraising Practice and the guidance for all aspects of fundraising and has produced policies and procedures for all fundraising activity which are regularly reviewed by the fundraising department and trustees.

The fundraising activities of the Diocese take various forms; including fundraising through campaigns, planned regular giving via digital means and cash, securing grants from institutional, corporate, and non-profit organisations and community fundraising.

During the reporting period, there were no complaints received about fundraising activity. The Diocese ensures that the vulnerable are protected by adhering to the code of Fundraising Practice, ensuring diocesan policies and procedures are in place for fundraising activities, and regularly working with the safeguarding and governance teams to ensure that good practice is followed in accordance with the law.

Public Benefit

The Trustee Board has due regard to the Charity Commission's guidance on public benefit in exercising its powers and duties.

The Trustee Board ensures the Diocese benefits the public by bringing meaning to people's lives, providing opportunities to strengthen relationships with God, providing a moral and ethical framework for life; through community and social cohesion in its pastoral work; and through its work supporting the poor and the marginalised.

Statement of Trustees' responsibilities

The purpose of this statement is to distinguish the Trustees' responsibilities for the accounts from those of the auditors as stated in their report. The Charities Act 2011 requires the Trustees to prepare for each financial period, financial statements which give a true and fair view of the Charity's financial activities during the period and of its financial position at the period end. In preparing the financial statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities SORP.
- 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; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that this basis applies.

The Trustees are responsible for ensuring proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Diocese and enable them to ensure that the financial statements comply with the Trust Deeds and the disclosure regulations. They are also responsible for safeguarding the assets of the Diocese and hence for taking reasonable steps for the prevention and detection of an error, fraud, and other irregularities.

This Annual Report was approved by the Trustee Board at a meeting held on the 20 April 2023.

Signed: + Philip 21/4/23 James McAuley 21 April 2023



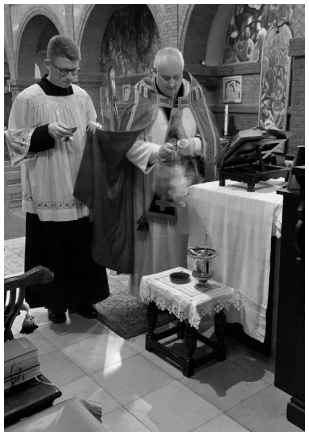

DIOCESE OF
PORTSMOUTH
ENGLAND




Is there more
to life than
this?















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FROM THE AUDITORS

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

Opinion

We have audited the financial statements of The Portsmouth Roman Catholic Diocesan Trust for the year ending 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard is applicable in the UK and the Republic of Ireland (the United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as of 31 August 2022 and the group's net movement in funds for the year then ended.
- have been properly prepared under the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared following the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 under 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 based on these financial statements.

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

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

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

- Review of minutes of trustees' meetings.
- Inspect correspondence with regulators and tax authorities.
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Evaluating management's controls designed to prevent and detect irregularities.
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates. These are related to depreciation and investment property valuations.

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 regulations. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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

Use of our report

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



Haysmacintyre LLP
10 Queen Street Place
Statutory Auditors
London
EC4R 1AG

Date: 21 April 2023

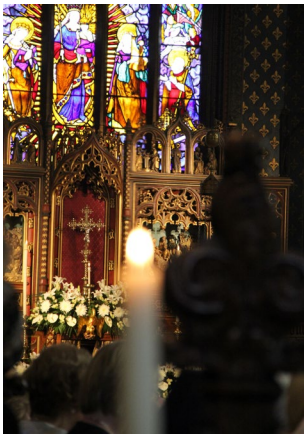
Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.




SAINT EDMUND'S
Dominic
Savio

















PORTSMOUTH ROMAN CATHOLIC DIOCESAN TRUST
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	UNRESTRICTED		RESTRICTED		
		CURIA - TOTAL	PARISH - TOTAL	RESTRICTED - TOTAL	TOTAL - 2022	TOTAL - 2021
Donations and legacies						
Donations and Offertories		35,137	8,331,264	1,619,001	9,985,402	8,409,425
Legacies		93,823	557,031	-	650,854	829,273
Other		508,986	1,201,761	202,827	1,913,574	2,907,170
Other trading activities:				-		
Rent – miscellaneous lettings		44,277	852,746	-	897,023	740,776
Income of trading subsidiaries	15	-	182,366	-	182,366	248,761
Investment income				-		
Investment income and interest receivable	1	28,322	107,845	52,783	188,951	370,632
Rent – investment properties		-	694,843	-	694,843	583,121
Other incoming resources:				-		
Insurance claims		-	37,895	-	37,895	124,284
Gain on disposal of tangible fixed assets		-	-	-	-	-
Total income		710,545	11,965,751	1,874,611	14,550,908	14,213,442
Expenditure on raising funds		-				
Expenses of trading subsidiaries		-	(125,521)	-	(125,521)	(238,820)
Finance costs		(133,572)	(14,211)	-	(147,784)	(121,075)
Charitable activities						
Activities in furtherance of the Roman Catholic Faith		(3,784,442)	(9,681,360)	(1,094,268)	(14,560,070)	(12,623,004)
Total expenditure	2	(3,918,014)	(9,821,092)	(1,094,268)	(14,833,375)	(12,982,899)
Net (outgoing)/incoming resources before transfers		(3,207,469)	2,144,659	780,343	(282,467)	1,230,543
Realised and unrealised gains on investments		1,004,654	4,022,954	(312,241)	4,715,367	6,712,453
Net income/(expenditure)		(2,202,815)	6,167,613	468,102	4,432,900	7,942,996
Transfers between funds		(1,098,837)	826,578	272,259	-	-
Transfers - Diocesan Levy		1,877,145	(1,877,145)	-	-	-
Net movement on funds		(1,424,507)	5,117,045	740,361	4,432,900	7,942,996
Reconciliation of funds						
Fund balances brought forward		2,567,095	69,091,738	4,752,998	76,411,832	68,468,835
Fund balances carried forward		1,142,588	74,208,784	5,493,359	80,844,732	76,411,831

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 18.

PORTSMOUTH ROMAN CATHOLIC DIOCESAN TRUST
CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2022

	Notes	CURIAL FUNDS	PARISH FUNDS	31-Aug-22	31-Aug-21
Fixed Assets					
Tangible assets	4	**3,035,870**	**38,022,978**	**41,058,848**	**42,201,135**
Investments	5	**9,760,962**	**28,151,172**	**37,912,134**	**33,542,381**
		12,796,832	66,174,150	**78,970,983**	**75,743,516**
Debtors: due after more than one year	6	**28,809**	**-**	**28,809**	**698,463**
Current Assets					
Debtors and prepayments	6	**1,177,236**	**78,981**	**1,256,217**	**447,656**
Cash at bank and in hand		**1,336,740**	**9,450,338**	**10,787,078**	**9,411,965**
		2,513,976	9,529,319	**12,043,295**	**9,859,621**
Creditors: due within one year	7	**(6,342,381)**	**(309,663)**	**(6,652,044)**	**(4,721,634)**
Net Current Assets		(3,828,405)	9,219,656	**5,391,251**	**5,137,987**
Creditors: due after more than one year	7	**(3,546,311)**	**-**	**(3,546,311)**	**(5,168,135)**
Parish Loan Accounts					
Due from parishes		**6,214,046**	**(6,214,046)**	**-**	**-**
Net off intra-curial		**(183,223)**	**183,223**	**-**	**-**
Due to parishes		**(7,051,318)**	**7,051,318**	**-**	**-**
		(1,020,495)	1,020,495	**-**	**-**
NET ASSETS		4,430,430	76,414,301	80,844,732	76,411,831
Unrestricted Funds					
General Funds		**(4,892,151)**	**-**	**(4,892,151)**	**(3,788,993)**
Designated Funds	10	**6,034,740**	**74,208,784**	**80,243,523**	**75,447,825**
		1,142,588	**74,208,784**	**75,351,372**	**71,658,832**
Restricted Funds	9	**3,121,741**	**1,381,418**	**4,503,159**	**3,944,580**
Permanent Endowment Funds	8	**166,101**	**824,100**	**990,200**	**808,419**
RESERVES		**4,430,430**	**76,414,301**	**80,844,732**	**76,411,831**

Approved by the Trustee Board on the 20 April 2023 and signed on their behalf by:

+ Philip 21/4/23

James McAuley 21 April 2023

PORTSMOUTH ROMAN CATHOLIC DIOCESAN TRUST
CHARITY BALANCE SHEET
AS AT 31 AUGUST 2022

	CURIAL FUNDS	PARISH FUNDS	31-Aug-22	31-Aug-21
Fixed Assets				
Tangible assets	**3,035,870**	**34,871,193**	**37,907,063**	**39,015,600**
Investments	**9,904,462**	**28,151,172**	**38,055,634**	**33,542,381**
	12,940,332	63,022,365	**75,962,697**	**72,557,981**
Debtors: due after more than one year	**28,809**	-	**28,809**	**698,463**
Current Assets				
Debtors and prepayments	**1,247,223**	**26,625**	**1,273,849**	**438,783**
Cash at bank and in hand	**1,336,740**	**9,358,399**	**10,695,139**	**9,183,111**
	2,583,964	9,385,024	**11,968,987**	**9,621,894**
Creditors: due within one year	**(6,342,381)**	**(267,367)**	**(6,609,748)**	**(4,527,324)**
Net Current Assets	(3,758,417)	9,117,657	**5,359,240**	**5,094,570**
Creditors: due after more than one year	**(3,546,311)**	-	**(3,546,311)**	**(5,168,135)**
Parish Loan Accounts				
Due from parishes	**6,144,058**	**(6,144,058)**	-	-
Net off intra-curial	**(183,223)**	**183,223**	-	-
Due to parishes	**(7,051,318)**	**7,051,318**	-	-
	(1,090,483)	1,090,483	-	-
NET ASSETS	4,573,930	73,230,505	77,804,435	73,182,879
Unrestricted Funds				
General Funds	**(4,748,651)**	-	**(4,748,651)**	**(3,788,993)**
Designated Funds	**6,034,740**	**71,024,988**	**77,059,727**	**72,218,873**
	1,286,088	**71,024,988**	**72,311,076**	**68,429,880**
Restricted Funds	**3,121,741**	**1,381,418**	**4,503,159**	**3,944,580**
Permanent Endowment Funds	**166,101**	**824,100**	**990,200**	**808,419**
RESERVES	**4,573,930**	**73,230,505**	**77,804,435**	**73,182,879**

Approved by the Trustee Board on the 20 April 2023 and signed on their behalf by:

+ Philip 21/4/23

James McAuley 21 April 2023

PORTSMOUTH ROMAN CATHOLIC DIOCESAN TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022

Reconciliation of Net Incoming Resources to Cash Inflow from Operating Activities	YE AUG 22 £	YE AUG 21 £
Changes in resources before revaluations	(282,467)	1,230,543
Returns on investment	(188,951)	(370,632)
Depreciation	924,016	907,399
Loss/(gain) on disposal of Tangible Fixed Assets	59,721	87,942
(Increase)/decrease in debtors	(138,907)	(182,719)
(Decrease)/increase in creditors	154,498	(714,886)
	527,910	957,647
Net cash inflow from operating activities	527,910	957,647
Cash flows from investing activities		
Returns on investment	188,951	370,632
Payments to acquire tangible fixed assets	(90,099)	(1,144,951)
Receipts from sales of tangible fixed assets	-	-
Payments to acquire investments	(3,631,761)	(3,284,953)
Receipts from sales of investments	4,226,024	3,238,700
	693,115	(820,572)
Cash flows from financing activities		
New bank loans received	-	4,000,000
Movement on School Loans	630,350	
Bank loan repayments	(476,262)	(71,000)
	154,088	3,929,000
Change in cash and cash equivalents in the year	1,375,112	4,066,075
Cash and cash equivalents at the beginning of the year	9,411,965	5,345,890
Cash and cash equivalents at the end of the year	10,787,077	9,411,965
Reconciliation of cash flow to movement in net funds/(debt)		
Increase in cash in the year	1,375,112	4,066,075
Net cash inflow from movements in bank loans	(154,088)	(3,929,000)
Change in cash and cash equivalents in the year	1,221,024	137,075
Net funds at the beginning of the year	4,536,965	4,399,890
Net funds at the year end	5,757,989	4,536,965

Analysis of net funds/(debt)	01 Sep 2021 £	Cash flows £	Other £	31 Aug 2022 £
Cash and bank balances	9,411,965	1,375,112	-	10,787,077
Loans due within one year	(4,165,760)	(154,088)	(1,621,824)	(5,941,672)
Loans due after one year	(5,168,135)	-	1,621,824	(3,546,311)
	78,070	1,221,024	-	1,299,094

PORTSMOUTH ROMAN CATHOLIC DIOCESAN TRUST
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 AUGUST 2022

The financial statements have been prepared in accordance with statutory requirements and with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019 and with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS102) (Effective 1 January 2015). 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. The Portsmouth Roman Catholic Diocesan Trust meets the definition of a public benefit entity under FRS102.

a) Basis of preparation
The financial statements represent the Portsmouth Roman Catholic Diocesan Trust together with its wholly owned trading subsidiary companies (consolidated on a line-by-line basis) listed in note 15 No separate Statement of Financial Activities has been presented for the Charity alone.

b) Preparation of accounts on a going concern basis
Having considered future budgets and cash flows, the trustees confirm that they have no material uncertainties about the entity's ability to continue as a going concern. In coming to this conclusion trustees have considered the repayment of the CBILS and other loans at 31 Dec 22, in connection with incorporation of the Diocese, the resources available to the Diocese, the move towards. balanced curial budgets and the impact of the 10 year plan, *You will be My Witnesses.*

c) Legacies, Donations and Grants
Legacies and donations are recognised the Diocese becomes legally entitled to them, 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 receivable.

d) Investment Income
Investment income is accounted for as it accrues.

e) Taxation
As a registered charity, the Diocese is exempt from income tax, corporation tax and capital gains tax derived from its charitable activities. Gift aid is credited to the category of income to which it relates.

f) Expenditure
Costs of raising funds comprise those costs associated with attracting voluntary income and grants 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 activities.

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.

g) Schools Building Programme
Any grants obtained on behalf of school governors are netted off against total costs and only the residual cost to the Diocese is included in the financial statements.

h) Tangible Fixed Assets
Prior to 1 January 1997 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 Trustees considered that the then insured values should be discounted by 90% and in subsequent years be depreciated at 2% per annum, on the building value only. Properties acquired after 31 August 1996 are capitalised at their actual cost of acquisition.

The Diocese owns a number of properties that are occupied and run by independent charities in the form of Voluntary Aided Schools and Catholic Academies. The school properties (land and buildings) are vested in the name of the Trustees. The Trustees 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 any 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 there is no capital value to the Diocese in the stock of school buildings.

Thus school properties have not been capitalised. There is a potential value, or contingent asset, in the event of a closure of a school (either connected to a re-organisation or not). Such an asset is recognised only upon the occurrence of a closure/re-organisation and the site's development value becoming certain, such as upon the granting of planning permission. The recognition of this value is accounted for as an incoming resource in the year in which this value becomes measurable and certain. The inclusion of any value of school properties normally arises from a scheme under s554 Education Act and until then there is legally a duty to repay or recycle the proceeds from the sale of former school sites

Prior to 4 September 1934, the date of the original Trust Deed of the Charity, most parish properties were acquired on trusts related to individual parish missions and were formally brought under the legal control of the Trustees by virtue of Charity Commission schemes dated 4th and 7th February 1936. These assets are included in Parochial Funds.

There are a few properties held on trusts created after 1934 which are different from those in the 1934 and 2002 trust deeds. These assets are also included in Parochial Funds.

The estimated cost of furniture, equipment and motor vehicles held at 31 August 1996 has been capitalised in the financial statements. Subsequent additions exceeding £5,000 are capitalised at cost. Individual works of art, historical treasures and plate are not capitalised.

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 property (excluding land): 50 years
Leasehold property: 50 years or, if less, the term of the lease
Furniture and equipment: 5 to 20 years.

PORTSMOUTH ROMAN CATHOLIC DIOCESAN TRUST
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 AUGUST 2022

i) Significant judgements and key sources of 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 assets and investment properties.

j) Pensions
All eligible staff may join a personal pension scheme of their choice to which the Diocese makes a matching contribution of up to five per cent of salary. As a defined contribution scheme, no liability falls upon the Diocese, as employer, to make good a shortfall of funding other than contributions due.

k) Financial instruments
The Diocese only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and investments in stocks and shares. The measurement basis used for these financial instruments is detailed below.

Investments
Investments are valued at fair value on the balance sheet date. Investment properties are stated at market value or a Trustees' valuation, as advised by a qualified Chartered Surveyor. 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 period. No distinction is made between realised and unrealised gains in the financial statements.

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
Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method. The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and investments in stocks and shares. The measurement basis used for these financial instruments is detailed below.

l) Parochial Funds
Each Parish is considered by Canon Law to be a juridical person with corresponding rights and obligations, including the holding and use of funds. The use of these parochial funds is the responsibility of the Parish Priest, Diocesan Finance Council and the Trustees in varying ways depending on the amount and significance of the funds. However, for the purposes of civil law parishes are not distinct legal entities and, unless there are distinct and express special trusts clearly evidenced in law, parochial funds are therefore shown as unrestricted but designated funds.

m) Permanent Endowment Funds
The capital of Permanent Endowment Funds must be maintained intact with any income arising being available for restricted or general charitable purposes of the Diocese, according to the terms of the original gift.

n) Fund accounting
Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objectives. Designated funds are funds set aside by the Trustees for specific purposes (see note 11). Restricted funds are used for specific purposes as stated by the grantor. Expenditure which meets these criteria is charged to the fund (see note 10).

1. INVESTMENT INCOME AND INTEREST RECEIVABLE

	Year ended 31 August 2022 £	Year ended 31 August 2021 £
Arising on quoted investments	187,553	369,239
Rent on investment property	694,843	583,121
Bank interest	1,398	1,393
	£883,794	£953,753

2. CHARITABLE EXPENDITURE AND SUPPORT COSTS

	Support of Parish Life		Vocation			Education		Evangalisation				
	Locally Incurred Costs	Centrally Incurred Costs	Training New Clergy, Promoting vocations	Supporting Clergy in ministry	Supporting Retired Clergy	Supporting Catholic Education	Youth and University Chaplaincies	Supporting the Poor and Marginalised - Inspired by the Love of Christ	New Evangelisation	Fund-raising	Trading Subsidiaries	Total
Direct Costs	-	-	102,949	417,163	-	192,868	159,198	6,384	48,397	41,723	78,999	1,047,682
The Office of the Bishop	-	254,982	-	-	-	-	-	-	-	-	-	254,982
Chancery & Cathedral	-	23,444	-	-	-	-	-	-	-	-	-	23,444
Tribunal	-	26,821	-	-	-	-	-	-	-	-	-	26,821
Hospital Chaplaincies	-	38,694	-	-	-	-	-	-	-	-	-	38,694
Seminary Fees	-	-	355,021	-	-	-	-	-	-	-	-	355,021
Maintenance of Catholic Schools	-		-	-	-	523,766	-	-	-	-	-	523,766
Caritas/ERF		141,647	-	-	-	-	-	-	-	-	-	141,647
Parish Costs												
Clergy	1,788,541	-	-	-	-	-	-	-	-	-	-	1,788,541
Staff	1,513,317	-	-	-	-	-	-	-	-	-	-	1,513,317
Church Running Costs	774,116	-	-	-	-	-	-	-	-	-	-	774,116
Office and Presbetry Running Costs	1,036,000	-	-	-	-	-	-	-	-	-	-	1,036,000
Parish Centre Running Costs	174,187	-	-	-	-	-	-	-	-	-	-	174,187
General: books, events, donations, fees etc	733,390	-	-	-	-	-	-	-	-	-	-	733,390
Insurance	339,845	-	-	-	-	-	-	-	-	-	-	339,845
Repairs and Maintenance	2,244,393	-	-	-	-	-	-	-	-	-	-	2,244,393
Depreciation	976,189	-	-	-	-	-	-	-	-	-	-	976,189
												-
Designated Funds		49,272										49,272
Endowment Funds		2,829										2,829
Restricted Funds		567,673										567,673
	9,579,978	1,105,362	457,970	417,163	-	716,634	159,198	6,384	48,397	41,723	78,999	12,611,808

Support Costs	Locally Incurred Costs	Centrally Incurred Costs	Training New Clergy	Supporting Clergy in ministry	Supporting Retired Clergy	Supporting Catholic Education	Youth and University Chaplaincies	Supporting the Poor and Marginalised - Inspired by the Love of Christ	New Evangelisation	Fundraising	Trading Subsidiaries	
Communications	39,732	39,732	7,946	7,946	-	7,946	7,946	7,946	7,946	31,785	-	158,928
Estates	87,626	-	-	-	43,813	43,813	-	-	-	-	-	175,251
People	114,315	-	1,197	1,197	599	2,394	1,197	1,796	599	599	-	123,891
IT	99,894	-	4,184	4,184	2,092	8,368	4,184	6,276	2,092	2,092	-	133,367
Finance	335,374	38,696	16,033	14,604	-	25,088	5,573	223	1,694	1,461	-	438,746
Governance	193,904	22,373	9,270	8,444	-	14,505	3,222	129	980	844	-	253,671
Curia Property and overheads	212,731	52,731	8,338	8,186	9,658	21,523	6,804	4,031	3,396	7,639	-	335,035
Safeguarding	153,476	-	1,520	3,039	-	1,520	10,637	3,039	3,039	-	-	176,270
Bishops Confrence Levy	-	153,105										153,105
Total	10,817,029	1,411,999	506,457	464,763	56,161	841,790	198,761	29,825	68,142	86,143	78,999	14,560,070

2. CHARITABLE EXPENDITURE AND SUPPORT COSTS (Continued)

	2022	2021
	£	£
Governance costs include		
Auditors remuneration – Audit (including VAT)	£54,600	£51,600

3. STAFF

	Year ended 31 August 2022	Year ended 31 August 2021
	£	£
The average number of total employees (not full time equivalents) of the Diocese during the period and their aggregate emoluments are shown below		
Staff Costs:		
Wages and salaries	2,922,265	3,088,349
Social security	209,004	335,382
Pension costs	99,594	63,572
Redundancy costs	-	23,731
	£3,230,863	£3,511,034

Monthly Average Number of Employees:	No.	No.
Departments	49	39
Parishes	167	203
	216	242

Employees with emoluments greater than £60,000:	2022	2021
£60,001 - £70,000	1	3
£70,001 - £80,000	1	1
£80,001 - £90,000	1	0
£90,001 - £100,000	1	1

Key management personnel received salary, benefits, pension contributions and employers NIC of £528,436 (2021: £456,374) during the year. This reflects changes to staffing arrangements.

4. TANGIBLE FIXED ASSETS

TANGIBLE FIXED ASSETS	Freehold Buildings £	Leasehold Buildings £	Furniture & Equipment £	Total £
COST OR VALUATION				
At 1 September 2021	54,130,740	385,221	2,859,162	57,375,123
Additions	75,426	-	14,673	90,099
Disposals	(82,582)	-	(4,763)	(87,345)
Transfers to Investments	(278,008)	-	(11,788)	(289,796)
At 31 August 2022	53,845,577	385,221	2,857,284	57,088,081
DEPRECIATION				
At 1 September 2021	12,732,110	54,420	2,387,457	15,173,987
Charge for the period	869,061	7,714	47,240	924,016
On disposals	(22,861)	-	(4,763)	(27,624)
Transfers to Investments	(39,378)	-	(1,768)	(41,146)
At 31 August 2022	13,538,932	62,134	2,428,166	16,029,233
NET BOOK VALUE				
At 31 August 2022	40,306,644	323,086	429,118	41,058,849
At 31 August 2021	41,398,629	330,801	471,705	42,201,135

Fixed assets with a Net Book Value of £3,151,785 were held by the trading company. This is predominantly property owned in Jersey that has been transferred to a trading company to better comply with Jersey laws.

The Diocese also owns a number of properties, which are occupied and run by independent charities in the form of Voluntary Aided Schools and Catholic Academies. The Trustees consider that these properties have no capital value to the Charity – see Accounting Policy (f). The total re-instatement cost of these schools is approximately £300m. A list of the schools in the Diocese is set out on the Diocesan website (www.portsmouthdiocese.org.uk). All fixed assets are used in direct furtherance of the Charity's objects.

5. INVESTMENTS

INVESTMENTS	Investment Properties	Quoted Investments	Total
	£	£	£
Market value at 1 September 2021	20,490,000	13,052,382	33,542,382
Additions	-	3,631,761	3,631,761
Disposals	(645,000)	(3,418,027)	(4,063,027)
Transfer from Tangible Fixed Assets	248,650	-	248,650
Revaluation gains	5,508,867	(956,499)	4,552,368
Market value at 31 August 2022	25,602,517	12,309,617	37,912,134

All quoted investments (other than cash) are quoted on a recognised UK Stock Exchange or are valued by reference to investments listed on a recognised Stock Exchange. No figure for the cost of the investment properties owned at 1 January 1997 is available; the value at which they were first recognised in the accounts was £1,014,500. £10.6M of investment properties were valued in May 22 by Savills, Lancasters, Leaders, College & County, Ross Nicholas and Homebase Property Management. A further £7.1M has been valued between June 22 and Jan 23 by Kelway Law, Hose Rhodes Dickson, Robin Austen, Zoopla and Charters. The Trustees do not believe that there is a material movement in the value of investment properties since the date they were last revalued. The Charity Balance Sheet contains an additional £143,500 of investments in the Trading Subsidiaries listed in note 15.

6. DEBTORS

	31 August 2022	31 August 2021
	£	£
Due after more than one year		
School and other loans	£28,809	£698,463
Due within one year		
School and other loans	928,983	252,536
Legacies Receivable	-	-
Other debtors and prepayments	327,234	195,120
	£1,256,217	£447,656

The above represents debtors for the Diocese, including trading subsidiaries, as such the difference between this and the charity balance sheet is £17,632 made up of £7,555 and £50,526 relating to trading subsidiaries (see note 12) and £75,713 being money owed by the trading subsidiaries to the General Fund which moves to debtors in the charity balance sheet.

7. CREDITORS

	31 August 2022	31 August 2021
	£	£
Due after more than two years		
School and other loans	2,673,738	3,697,711
Due between one and two years		
School and other loans	872,573	1,470,424
Due within one year		
School and other loans	5,941,672	4,165,760
PAYE	55,968	47,360
Other creditors and accruals	654,404	508,514
	£6,652,044	£4,721,634

Creditors on the Charity Balance sheet differ from those on the consolidated Balance Sheet by £42,296 due to eliminating trading subsidiary creditors of £118,008 whilst offsetting the £75,712 of inter diocesan, trading subsidiary liabilities.

A loan of £1,000,000 from Lloyds Bank was taken out in October 2019 for a five year commitment period at an interest rate of 1.7% above LIBOR. After an initial 12 month holiday period quarterly repayments are being made with the loan to be repaid in full on the fifth anniversary. A Lloyds CBILS five year loan of £4,000,000 was taken out in February 2021, with interest and capital repayments beginning in March 2022 and is underwritten against a portion of the investment portfolio. Due to rising interest rates and the requirement, to refinance, triggered by the move to a Charitable Incorporated Organisation on 1 Jan 23, both loans were repaid on 31 Dec 22.

8. PERMANENT ENDOWMENT FUNDS

	Balance at 01 Sep 2021	Net Incoming / (Outgoing) Resources	Transfers	Movement On Investments	Balance at 31 Aug 2022
	£	£		£	£
Parochial Funds					
Properties	363,997	(2,379)	-	-	361,618
Other	170,823	1,558	-	20,067	192,447
Tanguy Masses	1,966	-	-	(125)	1,841
St Mary's Mission	224,306	146	-	2,876	227,327
Christchurch Parish Priest	-	-	43,647	(2,780)	40,867
	761,092	(675)	43,647	20,037	824,100
Curial Funds					
Curtin Masses	47,328	470	-	(3,048)	44,750
Dunne Masses	-	-	2,939	(187)	2,752
St Joseph Education Fund	-	741	122,662	(4,804)	118,599
	47,328	1,211	125,601	(8,039)	166,101
	808,420	536	169,248	11,998	990,201

For full comparative figures see Note 20.

9. RESTRICTED FUNDS

RESTRICTED FUNDS	Balance at 01 Sep 2021	Incoming Resources	Resources Expended	Transfers	Movement On Investments	Balance at 31 Aug 2022
	£	£	£	£	£	£
CURIAL						
Social Welfare	204,118	2,264	-	-	(14,677)	191,705
Clergy Training	1,042,786	49,946	-	11,479	(149,945)	954,266
Bamenda Fund	86,928	77,324	(81,503)	11,925	(348)	94,326
Clergy Assistance	172,575	18,160	(2)	-	(27,229)	163,504
Lourdes Fund	205,532	3,385	(3,977)	-	(11,305)	193,634
Youth Funds	783	-	-	-	-	783
Vicariate Triple Trust	71,140	944	-	-	(6,119)	65,964
Edmund Rice Fund	328,461	3,359	(2,621)	-	(21,779)	307,420
School Building Fund	77,146	243,529	(523,766)	203,089	-	(2)
Bamenda Millennial Gift Aid	1,300	-	-	(1,300)	-	-
Collins Fund	11,479	-	-	(11,479)	-	-
Dunne Masses	2,939	-	-	(2,939)	-	-
Friends of Bamenda	10,625	-	-	(10,625)	-	-
Holy Rosary Crosses	30	-	-	(30)	-	-
Mass Stipends	294	-	-	(294)	-	-
Bernard Medd Fund	11,810	141	-	-	(914)	11,038
Parish Sisters	7,160	-	-	(7,160)	-	-
Refugee Support	1,066	-	-	-	-	1,066
Religious Vicariate	174	-	-	(174)	-	-
World Youth Day	-	-	-	-	-	-
Other	21,907	-	-	(21,907)	-	-
Education Fund	-	7,625	-	213,016	(49,439)	171,202
Diocesan Caritas	5,195	6,620	(2,318)	-	-	9,497
Closer to Christ	-	957,338	-	-	-	957,338
	2,263,446	1,370,634	(614,186)	383,601	(281,755)	3,121,741
PAROCHIAL						
Parish Fund Raising	476,491	499,932	(476,270)	-	-	500,153
Barron Trust	467,585	3,704	-	-	(29,554)	441,735
Pangbourne Assistance Fund	214,160	1,994	(4,880)	-	(12,930)	198,344
St Joseph Education Fund	122,662	-	-	(122,662)	-	-
Christchurch Parish Priest	43,647	-	-	(43,647)	-	-
Other	115,403	-	-	(115,403)	-	-
Foundation Masses	159,862	-	-	-	-	159,862
Caritas Jersey Ltd	81,324	-	-	-	-	81,324
	1,681,133	505,630	(481,150)	(281,712)	(42,484)	1,381,418
	3,944,579	1,876,264	(1,095,336)	101,889	(324,239)	4,503,159

For full comparative figures see Note 21.

9. RESTRICTED FUNDS

CURIAL

Social Welfare Fund
This is a fund dating from 1952 for the promotion of social welfare generally.

Clergy Training Fund
A fund for the training of students to the priesthood, which is the recipient of a specific annual Diocesan collection for this purpose. A transfer is made to the General Fund from which the training costs are paid. A specialist review of funds has indicated that the Collins Fund, previously included under "other" should be included under this fund hence the transfer of £11,479.

Bamenda Fund
A fund to provide assistance to the Archdiocese of Bamenda in Cameroon, Africa that is the recipient of a specific annual Diocesan collection. There is a Trustees' committee charged with monitoring and making the appropriate grants. Following a specialist review of funds the Bamenda Millennial Gift Aid Fund and the Friends of Bamenda Fund, previously included under "other" will be shown under the main Bamenda Fund, hence the transfers of £1,300 and £10,625.

Clergy Assistance
This fund provides financial support for clergy in need and is the recipient of a specific annual Diocesan collection.

Lourdes Fund
A fund to support the annual Diocesan pilgrimage to Lourdes.

Youth Funds
Funds collected specifically for youth purposes including Lourdes pilgrimages and summer schools.

Vicariate Triple Trust
The purpose of the trust is primarily to assist parishes in providing church furnishings.

Edmund Rice Fund
This donation was received in 2005, primarily for education purposes in Reading and surrounding areas, and the local pastoral area is developing support for appropriate chaplaincies in the area.

School Building Fund
This fund was established in 2001, to provide a central fund to meet the governors' liabilities on expenditures in voluntary aided schools. The equalisation fund is targeted as half from all parishes on the mainland, whether feeder parishes or not, and the balance being raised by the schools from parental contributions. A transfer from Unrestricted Funds of £203,091 has been made to make up for a shortfall in funds raised.

Dunne Masses
Following a review, the £2,939 held in this fund, which provided a capital sum to derive an income to fund the saying of Masses in perpetuity has been transferred to Endowments.

Holy Rosary Crosses
Following a specialist review of funds, the balance of £30 has been transferred to unrestricted.

Mass Stipends
Following a specialist review of funds, the balance of £294 has been transferred to unrestricted.

Parish Sisters
Following a specialist review of funds, the balance of £7,160 has been transferred to unrestricted.

Religious Vicariate
Following a specialist review of funds, the balance of £174 has been transferred to unrestricted.

Bernard Medd Fund
This Fund aims to provide catechesis and summer schools for youth.

Refugee Support
This Fund is to support and assist refugees. Diocesan collections are made annually.

Education Fund
This fund is utilised for the support of schools and other educational purposes within the Diocese and has been reclassified from Designated to Restricted Fund, with a transfer of £213,016 following a specialist review.

Diocesan Caritas
Caritas Diocese of Portsmouth supports and promotes the love of neighbour in the parishes and schools of the Diocese.

Closer to Christ
This is a fundraising campaign being run in each of our 87 parishes aiming to raising £13.5M over five years with a third of the proceeds returning to the parishes and the remainder being split between funding seminarians, current clergy and our retired priests.

PAROCHIAL

Parish Fund Raising
These are funds that parishes raise for separate funds and charities, and account for as a restricted fund.

Investment Funds: Barron Trust, Pangbourne Assistance Fund
These are mainly legacies left specifically for expenditure within individual parishes or churches. The St Joseph Education Fund and Christchurch Parish Priest Fund have been reclassified as Permanent Endowments.

Foundation Masses
Legacies left for Mass intentions of the deceased, are held as separate funds within the parishes.

Caritas Jersey Ltd
Caritas Jersey Ltd supports and promotes the love of neighbour in the parish of Jersey.

10. DESIGNATED FUNDS

	Balance at 01 Sep 2021	Incoming Resources	Resources Expended	Transfers	Movement on Investments	Balance at 31 Aug 2022
	£	£	£		£	£
CURIAL						
Education Fund	213,016	-	-	(213,016)	-	-
Diocesan Caritas	130,158	49,935	(139,329)	-	-	40,764
Insurance Risk Fund	(8,797)	-	-	8,797	-	-
Pastoral Development Fund	1,125,868	-	-	-	-	1,125,868
Living Our Faith Fund	1,820,339	5,481	(29,206)	-	(4,010)	1,792,603
Diocesan Buildings Fund	3,075,504	-	-	-	-	3,075,504
	6,356,088	55,416	(168,535)	(204,219)	(4,010)	6,034,739
PAROCHIAL						
Living Our Faith Fund	867,491	205,311	(22,383)	-	-	1,050,419
Living Our Faith Jersey	9,577	-	-	-	-	9,577
Diocesan Buildings Fund	39,158,371	-	(1,135,931)	-	-	38,022,440
Other Parochial Funds	28,056,298	11,965,751	(8,918,654)	-	4,022,954	35,126,349
	68,091,737	12,171,062	(10,076,969)	-	4,022,954	74,208,784
	74,447,825	12,226,479	(10,245,504)	(204,219)	4,018,943	80,243,524

For full comparative figures see Note 22.

Education Fund
This fund is utilised for the support of schools and other educational purposes within the Diocese and has been reclassified from Designated to Restricted Fund with a transfer of 213,016.

Diocesan Caritas
Caritas Diocese of Portsmouth supports and promotes the love of neighbour in the parishes and schools of the Diocese. Some of its funding is restricted.

Insurance Risk Fund
This fund has been designated to assist parishes and others to comply with safety requirements.

Pastoral Development Fund
This fund has been set up from the proceeds of the sale of a surplus property and will be supplemented from further disposals where there are surplus funds generated, in order to aid parishes with their own developments.

Living Our Faith Fund
A programme was initiated in 2008 to raise funds (i) to provide the Diocese with sufficient funds to support independently the training of students for the priesthood and the continuing care of its ordained clergy in their ministry, to fund adult formation programmes and resources and various capital projects, and (ii) to provide parish funds to meet local needs.

Value of Diocesan Buildings
Fund Funds invested in buildings used by the diocese in furtherance of their charitable objects are not available to spend. The value of these operational fixed assets have been transferred into a designated fund to indicate that they are not expendable financial assets.

11. ALLOCATION OF NET ASSETS

ALLOCATION OF NET ASSETS	Fixed Assets	Investments	Cash & Debtors	Current & Long Term Liabilities	Parish Loan Accounts	Total - 31 Aug 22
	£	£	£	£	£	£
Permanent						
Endowment Funds						
Curial	-	115,256	49,988	-	857	166,101
Parochial	508,271	242,436	58,474	-	14,919	824,100
Restricted Funds						
Curial	-	4,043,825	1,178,926	-	(2,101,010)	3,121,741
Parochial	-	769,030	587,546	(714)	25,556	1,381,418
Unrestricted funds						-
Curial	3,035,870	5,601,881	1,313,873	(9,888,692)	1,079,656	1,142,588
Parochial	37,514,707	27,139,706	8,883,297	(308,948)	980,022	74,208,784
Total Net Assets	41,058,848	37,912,134	12,072,104	(10,198,354)	-	80,844,732

12. TRANSACTIONS WITH TRUSTEES

Certain of the Trustees are also priests within the Diocese. As priests they receive income from their office 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. No Trustees receive any remuneration or benefits from their trusteeships in the current or preceding year. No Trustees were paid for providing professional services to the Diocese. Total donations received from Trustees were £17,440.

13. CAPITAL COMMITMENTS

	31 August 2022	31 August 2021
	£	£
Authorised and contracted for	-	£223,601

14. CONNECTED CHARITY

The following charity is a connected charity of The Portsmouth Diocesan Trust:

Charity	Charity Number	Address
Portsmouth Roman Catholic Diocese Priests' Retirement Fund	1061194	St Edmund House Bishop Crispian Way Portsmouth PO1 3QA

15. TRADING SUBSIDIARIES

During the period the Diocese had wholly owned active subsidiary companies incorporated in England and Wales. They were as follows: -

The Portsmouth Diocesan Trading Co Limited
(Company Number: 2746549)
General commercial trading on behalf of the Diocese.

Catholic Resource Centre Limited
(Company Number: 3141601)
Sale of religious material.

Our Lady of Peace Catholic Club Limited
(Company Number: 3340552)
Management of licensed premises on behalf of Our Lady of Peace, Earley.

The results and assets and liabilities of the above companies are reported within the financial statements.

Portsmouth Roman Catholic Diocesan Trust Company Limited (Company Number: 9003096) acts as Member of Caritas Jersey Limited, a Jersey registered charitable company, whose results and assets and liabilities are reported within the financial statements.

Portsmouth Roman Catholic Diocesan Properties Limited (Company Number: 9611450) was incorporated on 28th May 2015 and ownership of the Diocese's freehold properties in Jersey was transferred to it from The Portsmouth Roman Catholic Diocesan Trust in 2019 in order better to comply with Jersey property law.

15. TRADING SUBSIDIARIES (Continued)

A summary of the companies' trading results and balance sheets is set out below: -

Consolidated Profit and Loss Account For the Year Ended 31 August 2022	**31 August 2022 £**	**31 August 2021 £**
TURNOVER	182,366	248,761
Cost of sales	(46,905)	(129,046)
GROSS PROFIT	135,461	119,715
Administrative expenses	(78,616)	(115,860)
	56,845	3,855
Amount gifted to the Charity	(78,999)	(82,000)
Transfer of Fixed Assets	-	-
Tax on profit on ordinary activities	-	-
(LOSS)/PROFIT AFTER TAXATION	(22,154)	(78,145)
Reserves brought forward	3,062,451	3,140,596
RESERVES CARRIED FORWARD	£3,040,297	£3,062,451

Included within turnover are sales to the Diocese amounting to £72,491 (2021 £96,253).

Consolidated Balance Sheet As at 31 August 2022	**31 August 2022 £**	**31 August 2021 £**
FIXED ASSETS		
Tangible assets	3,151,785	3,185,535
CURRENT ASSETS		
Stocks	7,555	11,085
Debtors	50,526	45,111
Cash at bank and in hand	91,939	181,531
	150,020	237,727
CREDITORS: Amounts falling due within one year	(118,008)	(194,310)
NET CURRENT ASSETS	32,012	43,417
CREDITORS: Amounts falling due after one year	-	-
NET ASSETS	£3,183,797	£3,228,952
Share capital	143,500	166,501
Reserves	3,040,297	3,062,451
SHAREHOLDERS' FUNDS	£3,183,797	£3,228,952

16. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year. (2021: Nil).

17. POST BALANCE SHEET EVENTS

On 1 Jan 2023, with the change of the Diocese from a charitable trust to a charitable incorporated organisation, the assets of PRCDTR were transferred to the successor entity, the Catholic Diocese of Portsmouth. At the same time the £4M CBILS loan and £1M Lloyds Bank loan were repaid in full using the proceeds from the sale of £6M of quoted investments.

18. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021

	CURIA - TOTAL	PARISH - TOTAL	RESTRICTED - TOTAL	TOTAL - 2021	TOTAL - 2020
Donations and legacies					
Donations and Offertories	16,822	7,662,014	730,589	8,409,425	10,088,427
Legacies	281,246	548,028	-	829,273	755,131
Other	897,531	1,849,876	159,763	2,907,171	761,573
Other trading activities:			-		
Rent – miscellaneous lettings	-	740,776	-	740,776	1,231,352
Income of trading subsidiaries	-	248,761	-	248,761	257,405
Investment income			-		
Investment income and interest receivable	268,155	54,321	48,156	370,631	208,415
Rent – investment properties	15,575	567,546	-	583,121	650,754
Other incoming resources:			-		
Insurance Claims	-	124,284	-	124,284	151,127
Gain on disposal of tangible fixed assets	-	-	-	-	105,061
Total income	1,479,329	11,795,605	938,508	14,213,442	14,209,245
Expenditure on raising funds					
Expenses of trading subsidiaries	-	(238,820)	-	(238,820)	(376,108)
Finance costs	(121,075)	-	-	(121,075)	(55,798)
			-		
Charitable activities	-		-	-	0
Activities in furtherance of the Roman Catholic Faith	(3,457,616)	(8,362,614)	(802,774)	(12,623,004)	(13,864,222)
Total expenditure	(3,578,691)	(8,601,434)	(802,774)	(12,982,899)	(14,296,128)
Net (outgoing)/incoming resources before transfers	(2,099,362)	3,194,171	135,734	1,230,543	(86,883)
Realised and unrealised gains on investments	589,951	5,360,886	761,616	6,712,453	(1,061,213)
Net income/(expenditure)	(1,509,411)	8,555,057	897,350	7,942,996	(1,148,096)
Transfers between Funds	-	-	-	-	-
Transfers - Schools Building Fund Levy	-	-	-	-	-
Transfers - Diocesan Levy	1,894,585	(1,894,585)	-	-	-
Net movement on funds	385,174	6,660,472	897,350	7,942,996	(1,148,096)
Reconciliation of funds				-	-
Fund balances brought forward	2,181,921	62,431,266	3,855,648	68,468,835	69,616,931
Fund balances carried forward	2,567,095	69,091,738	4,752,998	76,411,831	68,468,835

19. CHARITABLE EXPENDITURE AND SUPPORT COSTS FOR THE YEAR ENDED 31 AUGUST 2021

	Support of Parish Life		Vocation			Education		Evangalisation				
	Locally Incurred Costs	Centrally Incurred Costs	Training New Clergy	Supporting Clergy in ministry	Supporting Retired Clergy	Supporting Catholic Education	Youth and University Chaplaincies	Supporting the Poor and Marginalised - Inspired by the Love of Christ	New Evangelisation	Fundraising	Trading Subsidiaries	Total
Direct Costs	-	-	125,702	428,943	18,258	221,190	40,649	124,801	46,753	54,313	238,820	1,299,429
The Office of the Bishop	-	180,173	-	-	-	-	-	-	-	-	-	180,173
Chancery	-	4,166	-	-	-	-	-	-	-	-	-	4,166
Tribunal	-	37,535	-	-	-	-	-	-	-	-	-	37,535
Hospital Chaplaincies	-	64,319	-	-	-	-	-	-	-	-	-	64,319
Parish Initiatives	-		-	-	-	-	-	-	-	-	-	-
Seminary Fees	-	-	333,083	-	-	-	-	-	-	-	-	333,083
Maintenance of Catholic Schools	-	-	-	-	-	276,661	-	-	-	-	-	276,661
Caritas/ERF		147,103	-	-	-	-	-	-	-	-	-	147,103
Parish Costs												
Clergy	1,545,948	-	-	-	-	-	-	-	-	-	-	1,545,948
Staff	1,814,804	-	-	-	-	-	-	-	-	-	-	1,814,804
Church Running Costs	1,267,827	-	-	-	-	-	-	-	-	-	-	1,267,827
Office and Presbetry Running Costs	1,333,808	-	-	-	-	-	-	-	-	-	-	1,333,808
Parish Centre Running Costs	279,644	-	-	-	-	-	-	-	-	-	-	279,644
General: books, events, donations, fees etc	127,074	-	-	-	-	-	-	-	-	-	-	127,074
Insurance	309,086	-	-	-	-	-	-	-	-	-	-	309,086
Repairs and Maintenance	885,971	-	-	-	-	-	-	-	-	-	-	885,971
Depreciation	798,452	-	-	-	-	-	-	-	-	-	-	798,452
Parochial Restricted Funds	379,010											379,010
	8,741,624	433,296	458,785	428,943	18,258	497,851	40,649	124,801	46,753	54,313	238,820	11,084,093

Support Costs	Localy Incurred Costs	Centrally Incurred Costs	Training New Clergy	Supporting Clergy in ministry	Supporting Retired Clergy	Supporting Catholic Education	Youth and University Chaplaincies	Supporting the Poor and Marginalised - Inspired by the Love of Christ	New Evangelisation	Fundraising	Trading Subsidiaries	
Communications	68,678	68,678	13,736	13,736	-	13,736	13,736	13,736	13,736	54,942	-	274,711
Estates	131,678	-	-	-	65,839	65,839	-	-	-	-	-	263,355
People	100,532	-	1,053	1,053	526	2,105	1,053	1,579	526	526	-	108,954
IT	86,187	-	3,610	3,610	1,805	7,220	3,610	5,415	1,805	1,805	-	115,066
Finance	281,085	13,933	14,752	13,793	587	16,008	1,307	4,013	1,503	1,746	-	348,727
Governance	192,864	9,560	10,122	9,464	403	10,984	897	2,753	1,031	1,198	-	239,276
Curia Property and overheads	137,781	40,534	6,324	6,240	9,872	16,689	3,972	4,219	2,950	8,595	-	237,177
Safeguarding	104,249	-	1,032	2,064	-	1,032	7,225	2,064	2,064	-	-	119,732
Bishops Confrence Levy	-	191,808										191,808
Total	9,844,677	757,808	509,413	478,902	97,290	631,464	72,448	158,581	70,369	123,127	238,820	12,982,899

20. PERMANENT ENDOWMENT FUNDS COMPARATIVE FIGURES FOR THE YEAR ENDED 31 AUGUST 2021

	Balance at 01 Sep 2020	Net Incoming / (Outgoing) Resources	Movement On Investments	Balance at 31 Aug 2021
	£	£	£	£
Parochial Funds				
Properties	363,997	-	-	363,997
Other	146,757	-	26,031	172,788
St Mary's Mission	214,514	-	9,792	224,306
	725,268	-	35,823	761,091
Curial Funds	39,571	-	- 7,757	47,328
	764,839	-	43,580	808,419

21. RESTRICTED FUNDS COMPARATIVE FIGURES FOR THE YEAR ENDED 31 AUGUST 2021

RESTRICTED FUNDS	Balance at 01 Sep 2020	Incoming Resources	Resources Expended	Transfers	Movement On Investments	Balance at 31 Aug 2021
	£	£	£	£	£	£
CURIAL						
Social Welfare	163,776	2,983	-	-	37,359	204,118
Clergy Training	631,428	31,546	-	-	379,812	1,042,786
Bamenda Fund	30,100	55,941	-	-	887	86,928
Clergy Assistance	88,056	15,210	-	-	69,310	172,576
Lourdes Fund	173,248	2,903	(29)	-	29,409	205,531
Youth Funds	782	-	-	-	-	782
Vicariate Triple Trust	54,320	1,244	-	-	15,575	71,139
Edmund Rice Fund	278,635	4,427	(10,038)	-	55,437	328,461
School Building Fund	113,130	240,677	(276,661)	-	-	77,146
Other Restricted Funds	56,611	2,294	-	-	9,880	68,785
Diocesan Caritas	103,230	39,000	(137,035)	-	-	5,195
	1,693,316	396,225	(423,764)	-	597,669	2,263,446
PAROCHIAL						
Parish Fund Raising	377,306	452,283	(353,098)	-	-	476,491
Investment Funds	843,089	-	-	-	120,367	963,456
Foundation Masses	159,862	-	-	-	-	159,862
Caritas Jersey Ltd	17,236	90,000	(25,912)	-	-	81,324
	1,397,493	542,283	(379,010)	-	120,367	1,681,133
	3,090,809	938,508	(802,773)	-	718,036	3,944,580

22. DESIGNATED FUNDS COMPARATIVE FIGURES FOR THE YEAR ENDED 31 AUGUST 2021

	Balance at 01 Sep 2020	Incoming Resources	Transfers/ Resources Expended	Movement On Investments	Balance at 31 Aug 2021
	£	£	£	£	£
CURIAL					
Education Fund	77,125	10,049	-	125,842	213,016
Diocesan Caritas	-	197,208	(67,050)	-	130,158
Insurance Risk Fund	(8,797)	-	-	-	(8,797)
Pastoral Development Fund	1,125,868	-	-	-	1,125,868
Living Our Faith Fund	1,805,096	4,708	-	10,535	1,820,339
Diocesan Buildings Fund	3,075,504	-	-	-	3,075,504
	6,074,796	211,965	(67,050)	136,377	6,356,088
PAROCHIAL					
Living Our Faith Fund	1,131,440	2,354	(256,789)	-	877,005
Diocesan Buildings Fund	39,158,371	-	-	-	39,158,371
Other Parochial Funds	22,141,454	10,273,943	(8,840,354)	4,481,255	28,056,298
	62,431,265	10,276,297	(9,097,143)	4,481,255	68,091,737
	68,506,061	10,488,262	(9,164,130)	4,617,632	74,447,825

23. ALLOCATION OF NET ASSETS COMPARATIVE FIGURES FOR THE YEAR ENDED 31 AUGUST 2021

ALLOCATION OF NET ASSETS	Fixed Assets	Investments	Cash & Debtors	Current & Long Term Liabilities	Parish Loan Accounts	Total - 31 Aug 21
	£	£	£	£	£	£
Permanent Endowment Funds						
Curial	-	-	47,328	-	-	47,328
Parochial	510,650	134,345	116,096	-	-	761,091
Restricted Funds						-
Curial	-	259	2,263,188	-	-	2,263,447
Parochial	-	1,123,318	557,815	-	-	1,681,133
Unrestricted funds						
Curial	3,035,864	9,544,269	(509,487)	(9,645,277)	141,726	2,567,095
Parochial	38,654,621	22,740,190	8,083,144	(244,492)	(141,726)	69,091,737
Total Net Assets	42,201,135	33,542,381	10,558,084	(9,889,769)	-	76,411,831


Please pray that our
endeavours are blessed;
we place them all in the
hands of the Lord.


IN CORDE IESU

PORTSMOUTH ROMAN CATHOLIC DIOCESAN TRUST (TRUST PROPERTY)

England & Wales - Charity number 246871

Accounts

Portsmouth Roman Catholic Diocesan Trust

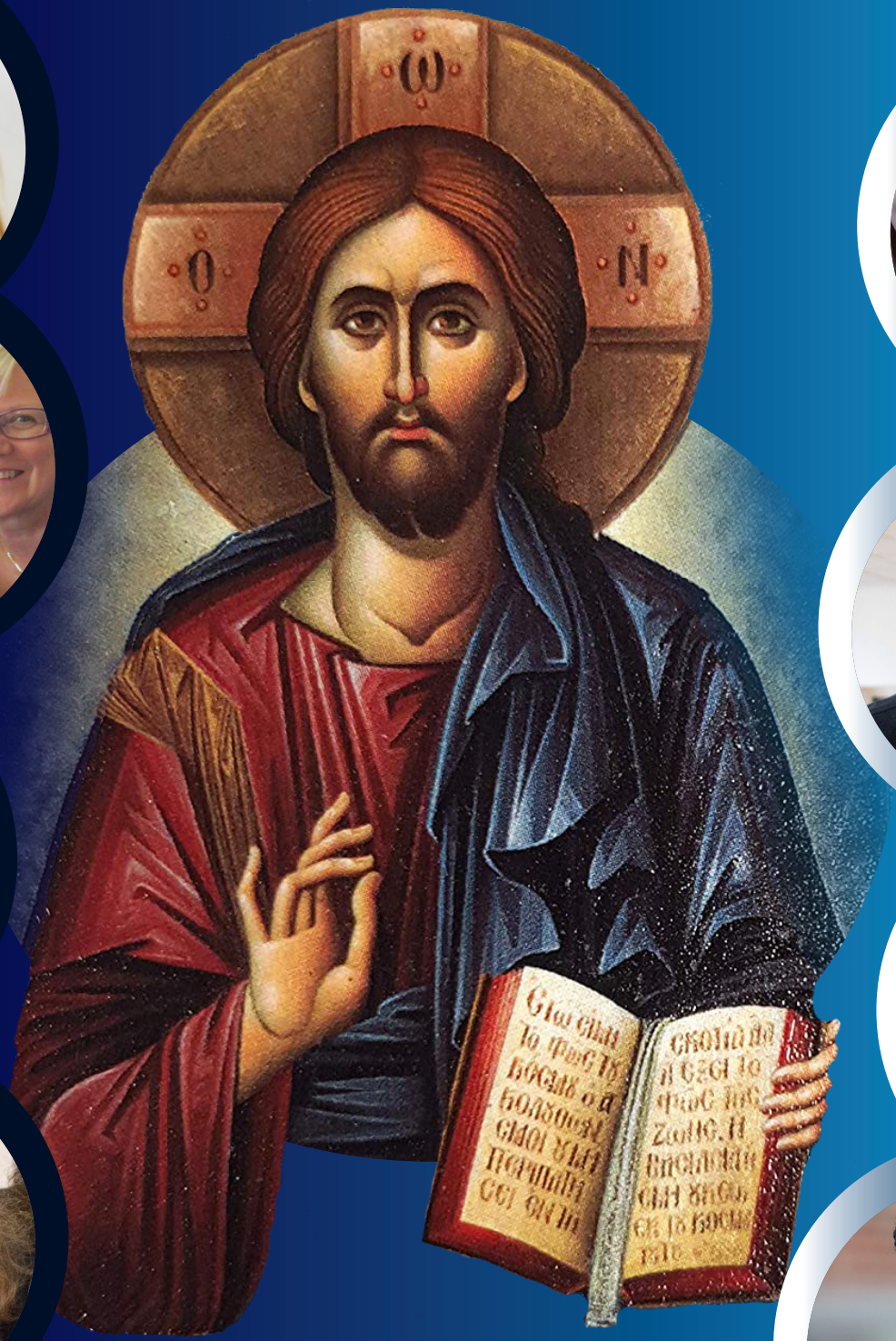
Christ at the Centre





















Annual Review 2021

Charity Information

Registered Charity Name	Portsmouth Roman Catholic Diocesan Trust
Registered Charity Number	246871
Charity Trustee	Portsmouth Roman Catholic Diocesan Trustees Registered
Board of Trustees	Rt Rev Philip Egan Rev Mgr Paul Townsend Rev Canon Michael Dennehy Rev Canon Paul James Smith Rev Benjamin Theobald (Appointed 28 April 2022) Rev Canon Simon Thomson Rev Mark Hogan Rev Robert Stewart (Resigned 09 December 2021) Rev Mr Gerard Dailly Bernard Davis Mike Elks Catherine Knowles (Appointed 02 July 2021) Martin McCloskey (Resigned 23 September 2021) Sue Masser Anthony Murphy (Resigned 23 September 2021)
Bishop of Portsmouth	Rt Rev Philip Egan
Secretary to the Trustees	Hereward Drummond
Chief Operating Officer	Heather Hauschild
Director of Finance	Clive Field

Registered Office
St Edmund's House
Bishop Crispian Way
Portsmouth
PO1 3QA

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Haysmacintyre LLP
10 Queen Street Place
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EC4R 1AG

Bankers
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Southsea
PO5 3QH

Investment Advisers
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25 Luke Street
London
EC2A 4AR

Cazenove
12 Moorgate
London
EC2R 6DA

Solicitors
Stone King LLP
Upper Borough Court
Upper Borough Walls
Bath
BA1 1RG

Principal Insurers
Catholic Insurance Services
Suite 5, Oxford House
Oxford Road
Thame
OX9 2AH

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Bishop Philip's Introduction

"Remain here and watch with me". I have seen the true faithfulness of our people, who have responded to these words with such vigour and creativity.

As I reflect on the life of our diocese over the last year, during these somewhat troubled times, I am reminded of Christ's agony in the garden of Olives, just before his passion.

"And being in agony he prayed more earnestly; and his sweat became like great drops of blood falling down upon the ground" (Lk 22:44)

I have seen Christ's agony in the suffering of our people throughout the year, in the lonely and isolated, in grief-stricken loved ones left behind, in parish communities depleted, families kept apart, people falling into financial difficulty and in the general air of weariness that has lingered on post COVID.

"Remain here and watch with me" (Mt 26:38) Christ asked his disciples. In the anguish of the garden I have seen the true faithfulness of our people, who have responded to these words with such vigour and creativity. They have held their gaze on Christ, and it is here that I have seen the triumph of the Good, in the witness of our faithful who, in keeping him at the centre of their lives, have uttered Jesus' words "thy will be done" (Mt 26:42).

We have seen unparalleled outreach to the homeless, marginalised and isolated through parish initiatives and our social action groups, generosity of time from our vast network of volunteers, who together with the clergy have made our parish churches the bedrock of community life and a place in which to encounter Christ.

And Christ has remained ever faithful. Just as he walks with us in our suffering, he invites us into renewal through the Resurrection. This is truly a time of new life and new opportunities, of transformation. Our Church may be significantly smaller, but it is alive. And it is a time for strategic change.

The Church exists to evangelise. The Church evangelised and baptised the classical culture. It struggled to engage with modern culture. It now has the catch-up task of evangelising post-modern culture. This is new territory. The Church has never before passed through a post-modern culture and it's not easy to find a footing, let alone the right path.

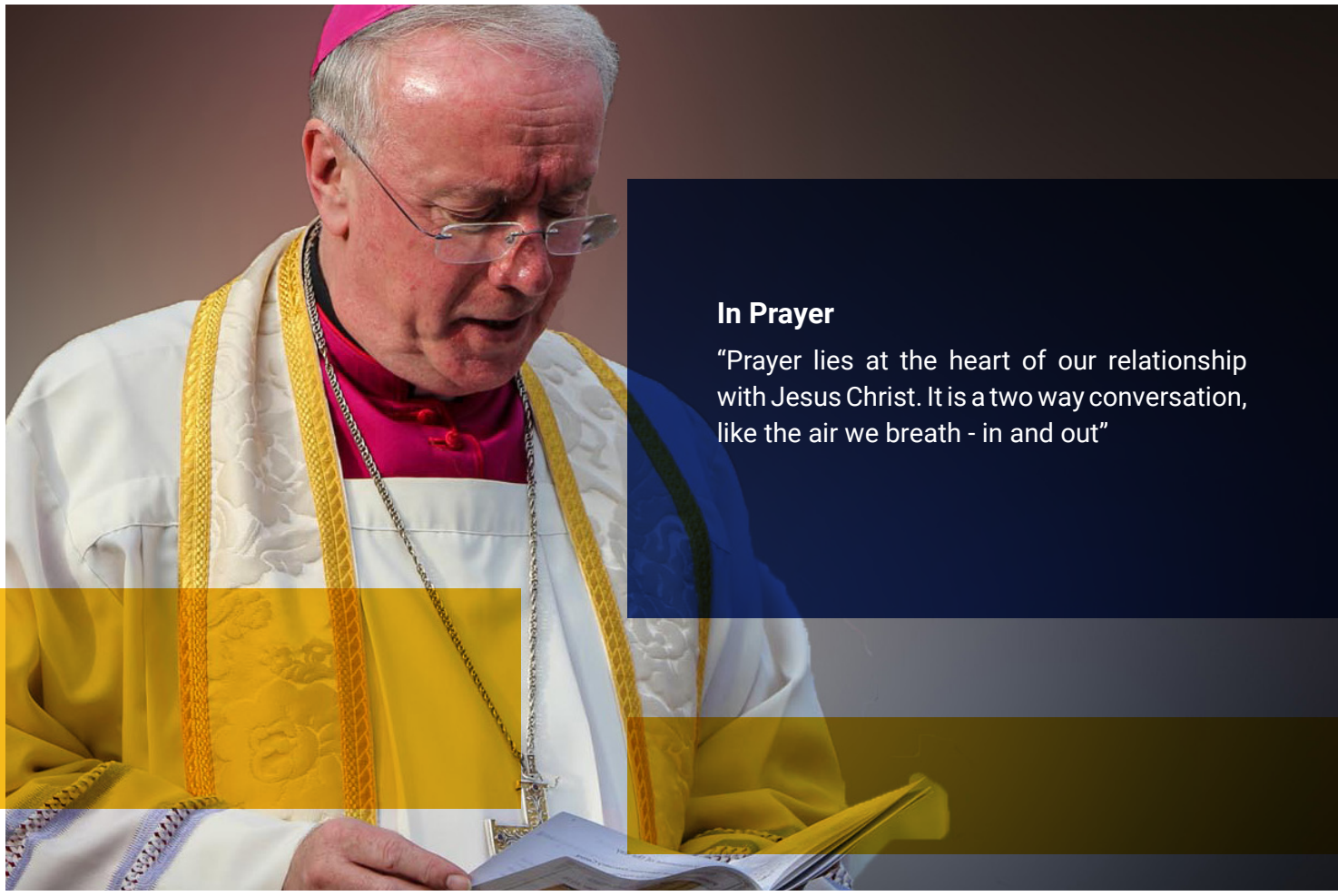
The first goal of evangelisation is individual persons, but the ultimate goal is the conversion of culture. That is our task: to engage with and to baptise the individuals who make up this complex post-modern society and through them to influence and transform culture, the world itself. That's our mission: 'Bringing people closer to Jesus Christ through His Church.' How can we do this?

A lot of what we did pre-COVID, cannot continue. We are at one of those rare axiomatic moments.

In his book Let us Dream, Pope Francis invites us to see the post-COVID situation as a kairos, a time to seize the moment, an opportunity to do things differently and to build a better world. This is the time to dream dreams, to think outside the box, a time to be creative and be led by the Holy Spirit.

In doing this, we must remember the primacy of spiritual renewal. As Catholics it's tempting to focus on changing structures and institutions, changing doctrines and practices, changing parishes and schools.

What is really needed goes much deeper. This is not just about the Church of the Lord; it is about the Lord of the Church. This is really about our relationship with Jesus Christ. It's about



In Prayer

"Prayer lies at the heart of our relationship with Jesus Christ. It is a two way conversation, like the air we breath - in and out"

the Eucharist as the summit towards which our life and work ascend, and as the source of our energy, commitment and activity. This is really about changing ourselves; a deep, radical, spiritual renewal as individuals, about how we think and live, about how we love others, about how we collaborate with one another, and about how to take responsibility. This is about the call to holiness and authenticity, by keeping Christ at the centre of our lives.

Bishop Philip Egan
Bishop of Portsmouth

Our Mission

Our diocesan mission is one that can be summed up in one line: Bringing people closer to Jesus Christ through His Church. It is a broad and open ended mission that incorporates all of the great work being done by clergy and our lay communities across the diocese. Much of this work is carried out at the grassroots level in our parish communities -through our churches, our schools and starting in our homes, through our families.

The mission of the diocese revolves around four main priorities:

Mission and Evangelisation

Through friendship, word, service and example, Jesus sends us out as His ambassadors, to connect with all souls so they can hear the Gospel and meet Him.

Dependence on the Holy Spirit

We are rooted in prayer, and through the sacraments are dependent on God and His providence. Filled with joy and zeal, we deliver new methods to move from maintenance to mission.

Converting Catholics

We help all Catholics, practicing and non practicing, come to a deeper, personal love for Jesus in the Eucharist, to be more intentional disciples, and actively engage in the Church's mission.

Outward Looking Service

Our parishes and schools endeavour to be outward facing service centres, especially for the marginal, the isolated and the poor. Service to our neighbours lies at the heart of our mission.

The four priorities lead to three specific focuses:

Focus on Youth

Handing on the gift of faith, converting, forming and equipping them to be joyful missionary disciples.

Promoting Vocations

We pray for, foster and support vocations to all states of life and all ministries in the Church.

Prioritise Resources

We manage wisely our property and finances and use our God given patrimony more flexibly and intentionally in the service of mission.

Through our mission, our priorities and our areas of focus the diocese continues to achieve impact against our charitable objects.

Our Charitable objects are detailed on p24.



Led by Christ in all that we do

Statement from Our Chief Operating Officer

Looking back at the priorities we set for 2020/2021 I am pleased to say that through the hard work and commitment of many across the diocese we can say that substantial progress was made.

The development of a 10-year plan for the Diocese is in progress. We have developed a ten clear priority areas taking into account all the feedback we received through the survey "A thousand Voices," the pastoral area reviews that were undertaken last summer and though the fruitful meetings we have had with parishioners from around the diocese.

We hope to publish the final plan by the autumn of 2022.

The Living Our Faith Campaign was finalised, and a new initiative called "Closer to Christ" campaign was commenced with particular focus on Seminarians, support for clergy in active ministry and priests who have served the diocese and who are now retired. Parishes also have a share of the fund to enable them to sustain their day-to-day mission. The Closer to Christ campaign has begun well with commitment from the priests who are leading the way in the first wave. The generosity of so many who love the church and want to support our priests is gratefully received.

We achieved further success with grant applications particularly for our historic churches, however a long-standing vacancy has slowed down our success in this area. We hope that a successful round of recruitment will enable us to refocus this area in 2022/23.

Our safeguarding committee was established with members from a variety of professional disciplines. The "One Church" model for safeguarding agreed by the Bishops Conference of England and Wales has been implemented. We are proud of the team who work in this area and thankful for the volunteers who support parishes to be safe places for the young and the vulnerable.

A new finance system was procured to enable the central team to support parishes more effectively and to provide the tools for central reporting and oversight. Training has been undertaken and the system is live in April 2022.

As part of improving governance a new suite of polices has been approved by trustees including those for Human Resources, Information Governance, Communications Fundraising and Property. Cyber security has been a particular focus including surveillance and training.

Partnership working with universities and hospitals has enabled us to review the contractual arrangements in place and we have agreed service level agreements to reflect the service provided by our priests and others in these important ministries.

Our Caritas mission has been developed and a particular energy has been brought to collaborating with schools as well as parishes in our focus on care for creation.

Our response to the challenges described In Laudato Si have been set out in a strategy which will be further developed as part of the Diocese 10-year plan. We made a commitment to disinvestment in fossil fuels by 2027 which was announced at the time of COP26.

As the lead sponsor, working with the Home Office, we have enabled two local groups to welcome and support refugees as part of the Government community sponsorship scheme. The work they are doing to provide welcome and shelter for families from the most difficult



In Service

"Our work is rooted in the service to our parish communities. Providing them with the support that they need to carry out their daily mission to all within the community"

of circumstances requires outstanding commitment and selfless service and we are pleased to support them. We hope we will be able to see an expansion of this programme in coming years.

Our priorities for the coming year are to continue to build on the work already begun and to shape our operating plans in line with the Long term strategic plan so that the charity can most effectively support the mission of the church.

I commend this annual report to you and ask you please to continue to pray for our diocese so that we realise God's will for us in this time that we have been given to serve Him.

Heather Hauschild

Plans for the Future

In 2021-22 we will progress the development of our 10-year strategic plan. This will be informed by the survey completed last year called "A Thousand Voices" which was published in November 2021, and an extensive review by Pastoral Areas of their local situation and the impact of the Covid 19 pandemic. Further engagement led by the the Bishop, with clergy and laity, has taken place to discuss the emerging priorities for this long-term plan. A Vatican initiated Synod on Synodality has also contributed to the process. It is expected that our plan will be finalised by the Autumn of 2022 and the strategy for our catholic schools will be finalised at the same time.

The long-term strategic plan is intended to shape our missionary communities for the next ten years centred on Christ and reaching out into the world.

Our detailed priorities are shaped by our commitment to support the mission of the church through our parish and school communities. The key areas are set out below:

- Complete the planning cycle for our long-term strategic plan and begin the process of implementation including prioritising the work of central administration and support services, to enable our parish communities to develop their local response to the proposals that emerge.
- Commence the application to become a Charitable Incorporated Organisation which is intended to simplify our currently complex charitable structure and ensure that our governance reflects current legislative and regulatory requirements.
- Continue the fundraising initiative called the "Closer to Christ" campaign primarily aimed at supporting vocations and clergy from ordination through to retirement. This is a joint campaign with the Priests Retirement Fund which is a separate charity with which we have strong connections.
- Our focus on other aspects of fundraising including new ways of giving such as contactless giving and a legacy promotion programme as central to our approach to Stewardship.
- Our communications functions and tools will be upgraded with the implementation of a new website and Intranet which will function as a resource Centre for clergy and employees. Our visibility internally and externally using the many media available, will be a focus for development of the communications team.
- A restructure of our estates function will offer a more responsive service to schools and parishes and develop our commercial approach to the management and disposal of our property.
- Cybersecurity is a high priority; we recognise that breaches in cyber security are become increasingly common and more destructive. We will embed a robust approach to ensure the safety of our online resources including training and testing compliance.
- The central procurement and support of IT services is key to enabling us to improve efficiency and safety and the IT manager will lead the rollout to parishes.

- Safeguarding the vulnerable and realising a culture of safeguarding being everybody's business remains core to our church and our safeguarding committee will continue to oversee the detailed implementation of the "One Church Model" so that we can meet the national standards set by the CSSA. Training and support for Parish Safeguarding Ministers will be rolled out.

- There is still much to do to modernise our financial systems to improve oversight over our highly dispersed organisation. We will also refine our long-term financial plans in the wake of the pandemic. This will include updating the parish levy to ease the pressures on our poorest parishes and cover all the central costs

- Working in partnership with others across the diocese and externally with other Christians and agencies in universities schools and hospitals is vital if we are to reflect the Gospel message to the wider world. We will continue to develop the parish administrator's forum as a key link with parishes and we will look to establish other appropriate fora to enable training and development of other employees and volunteers who play a key role in the life of the Diocese.

- Caritas will develop their capacity and capability to support both charity and environmental projects. Fundraising will be a fundamental part of this approach.

- There are many organisationally focused priorities but none of this is fruitful unless Christ is at the Centre of our work and mission.

- Let us pray that all our endeavors will be instrumental in rebuilding His Church after the last two years when the impact of the pandemic has been deeply felt, accelerating a change in the practice of the faith, and bringing the need for renewal into sharp focus. The challenges ahead will take courage and generosity of time talent and treasure from everyone involved, but we look forward with hope to a renewed sense of mission as we place all our work in the hands of the Lord.

Year in Review

Christ the Companion



As we entered another lockdown and eventually moved into the easing of restrictions, the faithful of the Diocese have continued to keep Christ at the centre. Christ accompanies us in our endeavours.

With 87 parishes, serving 3.2 million people across Hampshire, Berkshire, Oxfordshire, the Isle of Wight and the Channel Islands every year, our churches remain the foundation of community life, providing spiritual nourishment through the sacraments, personal development through various sacramental programmes and support through a variety of social outreach initiatives.

In parish life we truly see Christ the Companion at work.

During the last lockdown, all of our parishes ensured that online services continued so that our most vulnerable members were still able to participate from afar. Services included: live streaming masses and other events, online meetings for groups to gather, online catechesis and formation programmes, as well as telephone outreach initiatives and house calls for the isolated.

With the reopening of parish Churches, tireless efforts were made by parish priests and volunteers together with the Curia to ensure Churches remained open in line with government legislation and guidance, keeping people safe and making people feel welcome, through stewardship initiatives, rotas, risk assessments, H&S, and the procuring and installing of necessary equipment.

As restrictions were eased, parish activity soon moved back into full swing, with the administering of sacraments, baptisms, holy communions and confirmations, marriages and even the ordination of 2 priests, Frs Anthony Fyk and Paul Nwune took place in July 2021.

Our hospital chaplaincy team continued to negotiate access into hospitals through the second lockdown in order to visit the sick and the dying and perform last rights.

Parish initiatives such as RCIA, Alpha, Divine Renovation, Marriage and Family life's 'Breakthrough' and Ananias were all re-opened in person and have brought more and more people back to Church as the year has progressed. In fact, Ananais and Divine Renovation epitomise Christ the Companion, for they are personal programmes which seek to accompany the individual in their life-long faith journey.

Aba shields Marriage and Family Life coordinator talks about the importance of the 'breakthrough' programme post COVID. "Through this time of lockdowns and restrictions, which has created intense and anxious home environments, many have felt a strain on their marriage."

She continues, "in the 'breakthrough' programme we offer the opportunity for couples to learn to listen to each other and in a friendly environment,, overcome gridlock in communication, and rediscover the beauty and divinity of their marriage".







Canon John Cooke from Sacred Heart Fareham reflects on the life of his parish during the last year:

Parish life in Fareham and Portchester is never dull - always varied! The community is vibrant and full of the Holy Spirit. The parish is very generous in their support for local community initiatives. Recent outreach projects we have undertaken include Alpha and we have been heavily engaged with CARITAS' Refugee Matters. Parishioners have worked so hard for over two years setting up a house, and we are expecting a refugee family to arrive any day. This passion and drive has been incredible to watch. Alongside this, our Advent Appeal was in support of the Fareham Churches' Covid Emergency Fund which helps those who would otherwise lose their homes to rent arrears because of the pandemic. In total we raised £6,250. This truly is the Gospel, the Good News, in action.

As a parish we have been working on a Ministry of Welcome and Hospitality, looking to ensure those who come to join us since the lockdowns, as well as existing parishioners and new, feel they belong. We have a growing Men's Group who gather monthly for Bible reflection, testimony and worship. With the assistance of Fr Tom Grufferty (retired) we have a newly established Bereavement Group who actively journey with those who are grieving and those who come to the Parish for a funeral of a loved one. Recently, we had a successful "Watch" party joining Divine Renovation with 29 parishioners attending.



Year in Review

Christ the Teacher

We keep Christ at the centre not just of everything we do, but of everything we learn. We turn to him as a friend and as a teacher. The Diocese of Portsmouth strives to hand down the wealth of the Church's Wisdom and Tradition through the education, formation and personal spiritual growth of its faithful. Significant impact has been achieved this year in these areas, from the provision of its schools and university chaplaincies, to the opportunities for formation provided by our parishes and formation teams.

The diocese provides contemporary education to 31,108 children and young people in primary, secondary and sixth form education throughout our 71 Catholic schools and academy trusts. During the year, 2,303 teachers and leaders in education and an additional 1,751 support staff and 800 volunteer governors and directors have delivered an enriching curriculum across a full spectrum of subjects and Catholic schools are now a major component of the education system in England and Wales. Educators have assisted in the Church's mission of making Christ known to all people with 5460 hours of Religious Education taught in our schools along with the fostering of 4855 hours of prayer.

Some of our schools operate in the most deprived areas and improve the outcomes for many young people, 4218 of whom have special educational needs and disabilities. 42% of all pupils are non white British. We have supported 115 pupils in care and 2,860 pupils to receive free school meals.

Schools have shown their resilience and creativity in the way that they adapted during the pandemic. All schools moved to online learning and found creative ways of engaging with parents as well as children. Examples include: the development of virtual parents evening, online presentation evenings and digital liturgies, recorded nativities and passion plays.

School outreach intensified during the period, not only through collective fundraising efforts but also through the delivery of unique and creative initiatives, for example, in the provision of laptops and food for vulnerable families, virtual friendship opportunities for the isolated, the elderly in care homes and for those away from home (in the armed forces or away at sea on merchant vessels) through pen pal letter





writing, the making of cards and gift boxes and the sending of audio and visual recordings and messages.

The Catholic Academies and Schools Office who provide a central service to all schools of the diocese also had to adapt its working practices to provide continual support. Briefings and support meetings for Headteachers were held virtually. 9 briefings engaged with 60 Headteachers.

"Headteachers valued this opportunity to connect with fellow Headteachers for support and to share good practice" explains Catherine Hobbs, Director for Education for the Diocese:

> The ability to engage virtually with foundation governors was a positive development of the year...with 60 governors attending the termly briefings, and this has been adopted into the pattern of working for the Catholic Academy and Schools Office going forward

Virtual training also took place for 25 newly qualified teachers on working in a Catholic school and understanding the liturgical life of the school.

The diocese has also provided spiritual support and formation to the students of six universities in Bournemouth, Portsmouth, Reading, Southampton Solent, Southampton and Winchester through established CathSoc groups and university chaplaincy teams. In Southampton, weekly bible study groups were attended by over 50 students in person, and many more virtually.







Parishes also supported various stakeholder groups within the parish community and outside in the wider local community with online and in person opportunities for formation and education during the period. Included was the delivery of over 31,670 homilies covering a range of contemporary subject matter, all rooted in prayer and scripture. In addition, the Formation for Mission team supported parishes by developing online means of formation during 2020-2021 for adults, catechists and church readers because of the COVID pandemic.

Altogether, 107 online sessions of formation were delivered to 2,556 participants who registered for sessions. Many of the registrants joined online with family members in addition.

For Adults

- Weekly Gospel Webinar - Live online commentary
  1,452 live participants and 13,409 downloads
- Lenten Retreat - Finding hope in scripture - 6 sessions
  YouTube Series **226 participants**
- Back2Basics Course - Reconciliation - 6 sessions
  25 participants
- Back2Basics Course - Holy Mass - 6 Sessions
  105 participants
- Zoom Retreat on St Joseph
  34 participants
- Triduum Retreat - According to the Scriptures
  78 participants
- Formation day for the Catholic Women's Association
  30 participants
- Other occasional sessions and conferences for adults
- Year of the Word Ecumenical Event

For Catechists

- 4 Sets of Readers Workshops to train parish readers
  217 Participants
- Team of Diocesan Listeners set up to offer 1:1 online practice for diocesan readers.
  138 practice sessions organised.
- Weekly Newsletter
  861 Subscribers

For Catechists

- Production of Children's Liturgy Video Resources
- Workshop for First Holy Communion Catechists
  30 Participants
- Online Catechesis 101 - 3 Sessions
  20 Participants
- Online Course for Catechists
- Weekly support for parishes - FHC Programme and Catechesis
- Support Group for Catechists and for parents of children with additional needs
- Maryvale Conference on Directory for Catechesis
  200 Participants
- Catechists Training - 5 sessions to cover essential principles
  32 Participants

> Thankyou for tonights webinar. Really grasped it this week. So much of human behaviour packed in there. Love, justice and our way to the Truth - God - who is the Creator of all. To whom we owe all. I feel this was so beautifully explained. The more I learn - the more I want to know. God Bless You All.

> Thank you so much, the retreat has been wonderful. You have really opened my eyes to the message of hope in the Scriptures. It has been very meaningful, and a wonderful gift to receive in Lent. I have shared several of the talks with my family too, who found them very helpful. Thank you again.

> I can honestly say this has been amazing, fun, educational, and everyone so funny, caring and supportive… thank you for giving me the opportunity to spend time with you and learn.

Year in Review

Christ the Healer

Social outreach is a fundamental arm of the body of the Church. Rooted in Catholic social teaching, the Church-in-action feeds, provides shelter and educates more people every day than any other organisation in the world.

In Portsmouth Diocese, many of our parish communities lie at the heart of some of the most deprived areas in the country, with families and individuals facing terribly difficult circumstances, such as unemployment, homelessness, poverty, crime, poor health or mental illness. We also have a very diverse population with a large immigrant representation, especially in our ports and around our hospital communities.

Throughout the year the fundraising team has worked with parishes' social action projects and procured £1.2 million worth of grants for parishes to serve those in need in the wider community. The impact reports submitted by parishes to funders demonstrate the extent to which our social outreach projects have affected positive transformational change in people's lives.

Moreover, a major part of the Church's mission is to reach out directly with Christ's healing hand to those most in need, to the isolated, marginalised, and poor. Some of the ways in which we do this are through the provision of food banks, homeless shelters, support projects for the rehabilitation of offenders, the settling of refugee families, and support programmes for those who have misused drug and alcohol.

Caritas is the diocesan agency that takes the lead in supporting our parishes with their social action projects, as well as spearheading a variety of projects centrally. Phil Paulo, deputy head of Charity for Caritas talks about their year:

Phil Pa
CARIT
Says





2021 was a year of significant change for Caritas Portsmouth, building on the previous work of need identification and individual project delivery. A new Head of Charity was appointed in May 2021 and a new organisation was implemented thereafter.

This year saw Caritas Portsmouth rising to the challenges of the continuing COVID 19 emergency by diverting much of our outreach work into helping those in need who were especially affected by the isolation and social consequences of various lockdowns and shielding initiatives. Through our modified InSight projects, Caritas volunteers supplied hot take away meals in addition to emergency food parcels in Covid secure conditions to individuals and families in need during the year in four main hubs of Portsmouth, Southampton, Gosport and Basingstoke, in addition to supporting local efforts in many parishes throughout the diocese. We developed and sustained virtual contact systems alleviating loneliness and providing positive impact on mental health. We continued our partnership working with local charitable organisations particularly in addressing the issue of food waste with the effective diversion of excess food from supermarkets to activities where the excess could be used for the benefit of those in need.

Our work in the refugee sector continued with Community Sponsorship schemes progressing in 2 parishes through the support of Caritas and with the Diocesan COO as named lead sponsor. The first family was welcomed this year and a second Syrian family will be welcomed in March 2022. Our other work in this sector concentrated on capacity building in preparation for assistance in other refugee schemes, in liaison with CSAN , JRS and the Refugee Council.

During 2021, Caritas actively sought and expanded working relationships with relevant third parties, embracing the need for greater external expert practitioner assistance to make our work more focused, efficient and impactful. This was evidenced in our work in Reading parishes where Caritas partnered via an SLA with Hope Into Action, a charity experienced in the provision of houses and managed tenancies for vulnerable adults. We welcomed our first tenant in this joint project in late 2021. Other joint working projects will follow including projects working within the care leavers sector and domestic violence. Caritas Portsmouth became a member of NCVO during this year.

Caritas has taken the lead on developing an environmental strategy. Our first initiative was to implement pollinator projects in parishes and schools throughout the diocese. A wide-reaching diocesan environmental strategy was researched and written to achieve a diocesan aim of net zero carbon by 2030, through a combination of small incremental changes and large institutional changes. This was approved by Trustees in December 2021 and Caritas will be leading on the implementation of this strategy during 2022. A Caritas proposal for the diocese to divest from fossil fuel investments was prepared at the end of this period, and this was approved by Trustees in October 2021 as part of a joint national and international initiative.

Year in Review

In the Image of Christ

In our relationship with God, we are called to a deeper child-like sense of trust in Him. As the Good Shepherd, Christ invites each of us to follow him, to rely upon him, to hand over control to him - in order that we might grow in his image and likeness. And he asks of us a definite service with our lives, a 'vocation'.

Discovering our personal vocation, and to live it out through the various stages of life takes much discernment and much support. The diocese of Portsmouth provides support and accompaniment to all those who seek it at all stages of life, through our youth ministry to young people within the parishes and university chaplaincies, to those discerning their vocation through our Vocations Team, to supporting our priests through our Clergy Support Team and supporting our married couples through our Marriage and Family Life Team.

Youth

"Young people aren't here for the Church; they are the Church—the most beautiful and dynamic part of the Church." - Pope Francis

The Diocese of Portsmouth has acted upon Pope Francis' call to "move from a pastoral care for young people to a pastoral care with young people" in its grassroots youth work in parishes.

Our youth groups, set up in parishes across the diocese, offer young people the right environment and tools in which to take their faith more seriously and grow in awareness of God's presence in their lives. They are also given the opportunities to witness to their faith through the organisation of charitable activities. Our youth are the "Church of today", the Church-in-action, and their role is encouraged to be a fully participatory one in the life of the Church, rather than merely passive.

For example, St Swithun Wells parish in Eastleigh runs three youth groups, Stars of Abraham for school years 3 to 6, Grails Seekers for school years 7 to 9 and Student Youth for school years 10 to sixth form. The groups meet weekly, with the younger ones playing games, singing songs, and doing charitable activities, and the older ones sharing supper, listening to talks, watching inspiring films, inviting special guest speakers, as well as organising day trips and outdoor charitable events.

Vocations Promotion

Canon John Cooke, Portsmouth Vocations Director recounts the activity of his team for the year:

For the first part of the year, while we were still in lockdown, we had the joy of hosting the Discernment Year in the 'Sacred Heart House'. This was an intense period of hosting, prayer, formation and teaching - helping to cultivate the understanding of the Lord's call in the lives of the men entrusted to our care. We are glad to say they have since progressed to major Seminary and continue formation.

During that time we continued with our 'routine' promotion activity: weekly intercessions, weekly parish newsletter inserts, regular social media outreach and Good Shepherd material.

Parish Priests are by far the biggest influence on men who enter Seminary and so in April '21, we were given the opportunity to lead an Ongoing Formation for Clergy Day looking at the Priest as a 'natural vocation promoter'.

Since September '21, we have been able to restart our monthly Seeker Evenings for Discerners. We currently have eight seekers in contact with us. Two of the Seekers have been put in touch with Spiritual Directors as a result of our time together and we have one Seeker who has been discerning religious life with us, who has taken the next step to test the call within a religious Community, which is great news. The motivation for our monthly gatherings is that if a person is moving – gathering information,





checking out the Vocation website, reading books, coming to Seeker Evenings, talking with a Spiritual Director and praying – the Lord can guide their movements. He will close some doors to them, and He will open other doors.

Also since the Autumn '21 we were able to resume the monthly Parish visits seeking to reach out to the lay faithful to encourage them to assist with the task of promoting Vocations and raising the profile of our work. It is mainly from these visits that we grow the Prayer Network for Vocations – people who are receiving our monthly Prayer Newsletters (currently 1,175 people from across the Diocese). Where possible we try to tie in visits to University Chaplaincies and any Youth gatherings.

The role of Vocation Promotion in a Diocese is an area that is growing nationally at the moment and as a Diocese we were one of the first to commit resources to this endeavour. As such, our Diocesan promoter has been asked to represent this area and other promoters on the committee for the National Conference of Diocesan Directors of Vocation. The Conference scheduled this autumn is setting aside a day specifically looking at Vocation Promotion (along with the National Office of Vocations).



Accompaniment in vocations to the priesthood

As a consequence of the Diocese's ministry in vocation, some young men choose to give their lives in service of the priesthood. The Vocations Director Canon Gerard Flynn supports these men in making this journey. This entails meeting whit he discerners on a one-one and group basis regularly throughout the year, to nurture their vocation and to equip them with the information and tools required to make an application to seminary, which includes psychological testing. The Vocations Director arranges a selection conference each year to determine which candidates are to be accepted by the Diocese to train at seminary. A candidate training for the priesthood spends on average seven years in human, pastoral, intellectual and spiritual formation. The Vocations Director supports each seminarian both spiritually and practically throughout their time in seminary. He also arranges placements in parishes so that they can get hands on experience in pastoral priestly ministry.

The diocese currently has ten seminarians living and training at four seminaries in England and Italy: David Bateman and Ambrose Chou at St Mary's College, Oscott; Rev Deacon James Lewis, Francis Ezeani and Nathan King at Allen Hall, Chelsea; Ryan Browne, Edward Hauschild, Ryan Hawkes and Jack Ryan at the Venerable English College, Rome; Tom Hiney at the Beda College, Rome.





Clergy Support

The Department for Clergy promotes the work of the church in the Diocese of Portsmouth through providing support to clergy from ordination to resignation from office and throughout retirement. The team is led by Monsignor Canon Paul Townsend, Head of Department and Vicar General with the assistance of two part time staff. A small team of volunteers support the retired clergy. The positions of Head of Clergy Human Development and Head of Clergy Intellectual Development were vacant for six months of the year with new appointments made to commence Autumn 2021.

The Department for Clergy promotes the health and wellbeing of clergy throughout their active ministry and retirement, supporting 67 diocesan priests in active ministry, 31 priests from overseas or religious orders and 45 retired priests. It is a confidential service which respects individual privacy whilst seeking practical, positive outcomes to support clergy meet the challenges of their vocation. The team contributes to the formation and wellbeing of priests and deacons by supporting and resourcing their human, spiritual, intellectual, and pastoral development.

In 2020/21 29 priests received regular support. Two newly ordained and five first appointments to Parish Priest. Six priests have joined the diocese from overseas this year. The Clergy support team assist with cultural integration, pastoral ministry and practical support. Three complex cases have required a multidisciplinary team approach. Assistance was given to four priests suffering long term health issues and a further five that suffered physical or psychological health issues due to Covid. Short term focused work supported four priests with specific parish matters.

A member of the Department for Clergy has worked closely with four priests planning retirement. Practical and emotional needs are discussed. Consideration is given to a range of issues ranging from domestic skills, setting up utility contracts for the first time, to role changes, loneliness and isolation. Assistance with understanding personal finance and with pension credit applications and other government paperwork is provided by Mr Alan Sendall, treasurer of the Priests' Retirement fund.

The Covid pandemic continued to have an impact on the work of the department. Some of the Clergy training programme moved online and other planned sessions were deferred. Frequent telephone consultations were available to all clergy and individual personal meetings were reintroduced as restrictions allowed. For much of the year only essential face to face visits could take place.

Impact in Numbers

A single prayer for another is an act of good. Supporting a couple's first steps in marriage. Comforting the bereaved. Welcoming new life in Baptism. Sustaining Centres for liturgy and the sacraments. Educating, forming and accompanying the young as they grow. With Christ at the heart.

1269 New Baptisms

240 Catechumens

673 Confirmations

260 Marriages

1,215 Funerals

1,481 First Holy Communions



91 Parishes

2,303 Teachers

71 Schools

67 Active Priests

31 Religious or Overseas Priests

15,075 Online



10 million
hours of community service

School Inspections

88% good or better (Ofsted 8 inspections)

100% good or better (Section 48 8 inspections)

62% outstanding RE and Catholic Life (Section 48)

487 Weekly Masses

927 people at home receiving communion

700+ Sustained Projects

£158,089 raised for external good causes

31,108 Pupils Educated in Catholic Schools

72 parishes live streaming Masses

15,075 average weekly Mass attendance

25,324+ hours of online liturgies, support groups and formation

15,726 Weekly Average Mass Attendance

885 Other Core Mission Groups

66 Welcome & Hospitality Groups

Year in Review

Christ the Servant

The Diocese supports the work of its parishes through the Framework for Collaboration (Curia), which consists of a network of teams and departments to assist in the pastoral delivery of projects and initiatives. Full details of the work of these teams and their impact can be found on the diocesan website at www.portsmouthdiocese.org.uk//about-us/diocese/framework-for-collaboration.

Our Diocese is a large charitable organisation, which employs dedicated professionals to support the efforts of the Bishop, Priests, Deacons, and Lay People working to Bring People Closer to Jesus Christ through His Church. The diocesan offices at St Edmund's House, on the Cathedral site in Portsmouth, houses the 'Department for Support and Administration'. The Department provides extensive support to the diocesan curia and to our parishes in areas such as pastoral care, capacity building and governance. We employ approximately thirty members of staff on a full and part-time basis across eight departments – Safeguarding, Finance, HR, Governance, Estates, Communications, Fundraising and IT. The Chief Operating Officer has overall responsibility for the work of the Department for Support and Administration and is the Canonical Finance Officer for the diocese. (Can. 494)

Communications

The communications team developed a new diocesan website during the year and introduced a quarterly newsletter for parishes that demonstrated good news and impact stories at the grassroots level. The team also developed a communications network for parish administrators, with virtual and in person forums and annual development days, and a dedicated fortnightly digital newsletter providing information, good practice, training and development.

Fundraising

The fundraising team supported our parishes in attaining £1.2m in grant funding for both capital and community mission-based projects. It also developed digital fundraising platforms for every parish and the main diocesan groups. These platforms have raised £450,000 during the period. In addition, multiple promotional resources and communications were developed for parishes to support their communications and fundraising efforts with local communities and parish members.

Finance

The finance dept secured a new Finance Director who was able to strengthen the team and develop a series of policies and procedures to support and improve parish accounting processes. This saved parishes time and money in the way that they managed their finances throughout the year.

HR, Governance, IT

The dept developed a series of policies and procedures to support clergy, staff and volunteers working on behalf of the organisation in the areas of HR, It and GDPR management. Training workshops were delivered to a range of stakeholders across various subject matter including Cyber Security, Microsoft Teams and Sharepoint, Dealing with mental health. The IT team have rolled out an IT blueprint for parishes to support them to implement GDPR compliant systems and to improve operations.



Focus on
Estates





In March 2020 the Diocese received a School Capital Allocation of £2,863,153, followed by an additional 'pandemic bonus' allocation in August of £1,329,702.22 giving us a final VASCA grant total £4,192,856. As our schools were particularly challenged by managing their Covid response, the tactical decision was made to prioritise external works and reduce the number of smaller internal projects.

In addition to a couple of major boiler and heating projects, we have taken the opportunity to accelerate our school roofing programme and significantly reroofed 8 of our schools, and carried





at major water main, drainage and playground resurfacing at a further 5 schools.

We also had the excitement of opening up two new school buildings, a Religious Studies and Performing Arts Block at St Edmunds Portsmouth, which includes a living wall to bring a green lung into the city which was jointly funded by the School and VASCA grant, and the new Science and Technology Block at St George Catholic College in Southampton, funded by a £5.5M PSBP2 grant from the Department for Education.

Due to the impact of the pandemic on parish income, spending on the church estate was focused this year on maintaining our parishes in wind and weathertight condition, replacing failed boilers and other essential works, the Trustees approved £997,270 on these projects across 45 parishes.

While carrying out unavoidable expenditure on our parish estate there is a continuing need to review the demographic location of the Catholic population in the Diocese to ensure that churches are full and thriving communities. The diocesan estate is therefore kept under review to ensure that buildings are put to best use.

We have within our Diocese, 27 listed churches, of which 2 (and now 3) are Grade 2* recognised as amongst the most important 8% of heritage buildings in the country. We also have 12 churches under consideration for listing and 22 other listable structures.

This year we had two significant regradings. St Boniface in Southampton was not only listed, but also selected by English Heritage as one of its 'highlights of the year'

Particular attention is being given to our heritage churches where again we have been successful in obtaining heritage grant aid for our churches and further funding opportunities are being explored. In addition to additional funding for our Grade 2* The Annunciation in Bournemouth taking our grant up to £253,000, we also received £66,000 towards the repair of St Thomas of Canterbury in Newport, a church which is not only a fine example of a Georgian church with a complete galleried interior, largely unaltered in the Victorian period, but also a very early, possibly the earliest, example of a purpose-built Catholic church not associated with a private estate.



Focus on

Safeguarding

The Head of Safeguarding is responsible for setting the safeguarding strategy for the Diocese and ensuring the effective delivery of the safeguarding functions.

What we do

Supported by a team of safeguarding professionals, the central team manages a number of areas of business including:

- Providing strategic reports and assurance to the Safeguarding Sub Committee and the Board of Trustees.
- Management of all allegations and concerns of a safeguarding nature.
- Operational case work and investigations.
- Management of safeguarding plans for those who pose a risk to children and/or vulnerable adults.
- Ensuring adherence to Safe Recruitment procedures, including the management of the DBS process and counter signatory services.
- Providing induction, training and ongoing support to our team of Parish Safeguarding Ministers.
- Facilitating training to all those working with children and/or vulnerable adults across the Diocese.
- Providing safeguarding support and oversight of the Community Refugee Sponsorship groups.

Key Actions this Year

In June 2021 a report outlining the required restructure of the safeguarding office was submitted for approval by the Trustee Board. The restructure was required to enable to the safeguarding office to meet the current demands of the Diocese and to ensure practice is at the required standard as identified by the national review of safeguarding structures.

Following approval of the restructure by the Trustees, we have advertised and recruited to 2 newly created Safeguarding Officer posts and 1 newly created full time Safeguarding & DBS post. The increased resources will enable the central team to better meet the needs of the Diocese and embed a culture of safeguarding.

The transition from the Catholic Safeguarding Advisory Service (CSAS) to the Catholic Safeguarding Standards Agency (CSSA) was completed in June 2021. The CSSA is now the regulatory body for the Catholic Church and a set of national safeguarding standards has been agreed.

In accordance with the national review, we have restructured our Safeguarding Commission and refreshed the Terms of Reference. The group is now known as the Safeguarding Sub-Committee and has a Lay Trustee Chairperson. The structure reflects the legal responsibilities of Trustees in terms of safeguarding governance and oversight of the charity.

There are 8 national safeguarding standards against which the Diocese will now subject of oversight and audit, both internally and externally, to ensure we are meeting with the requirements. The standards are:

1. Embed safeguarding in the Church body's leadership, governance, ministry and culture.
2. Communicate the Church's safeguarding message.
3. Engage with and care for those who report having been harmed.
4. Effectively manage allegations and concerns.
5. Manage and support subjects of allegations and concern (respondents).

6. Implement robust human resource management.
7. Provide and access training and support for safeguarding.
8. Quality assurance compliance to continuously improve practice.

The Diocese is already performing well in relation to a number of these standards, but we continue to develop and improve our practice and identify our areas for learning and development.

With the increased resources in the central team, we will be able to be more visible within our parishes and church communities, to have more regular engagements with our clergy members and volunteers and support the aims of embedding a culture of safeguarding.

Training is one of the areas where we need to develop our practice. During the pandemic, we responded quickly in moving our training delivery to an online platform to ensure those working in a role with children and/or vulnerable adults could complete the safeguarding training required to support and enable them in their roles.

Following the restructure of the safeguarding office, one of the Safeguarding Officer posts has been assigned the portfolio for training. Engagement work has commenced with parishes to complete a training needs analysis.
The Catholic Safeguarding Standards Agency (CSSA) has developed a Learning Management System (LMS) and created a number of modules relevant to the roles being undertaken by our clergy members, staff, and volunteers across the Diocese.

The LMS, to be launched in April 2022, will provide a platform for training which can be accessed online for learners to complete individually or to join a session led by a trainer. In addition, the sessions will be delivered face to face and tailored for local learning. We know how important it is to receive face to face training.

We continue to work with the CSSA to streamline the DBS process. We now process applications online which has enabled us to work more efficiently and deliver a more timely service. The majority of our DBS applications are completed within 48 hours of submission.

Making our parishes and church communities safe spaces for all is our priority.

Anyone who reports concerns or allegations to us is responded to sensitively, respectfully and professionally. All concerns and allegations are managed in accordance with the national policies and practice guidance for the Catholic Church and in a timely manner.

The Safeguarding Office is a safe point of contact for survivors and victims of abuse within the Catholic Church. We support survivors who were abused when they were children and those who have been abused as adults. We recognise that speaking out about abuse can be very difficult



and distressing and we are here to support victims and survivors to share their experiences.

In providing support we work with Safe Spaces which is a free and independent support service, providing a confidential, personal and safe space for anyone who has been abused by someone in the Church, or as a result of their relationship with the Church of England, the Catholic Church of England and Wales or the Church in Wales.

Financial Review

Prioritising our Resources

Overview

In 2021 the Roman Catholic Diocese of Portsmouth generated an overall surplus - a net increase in funds - of £7.9 million, thus increasing net assets from £68.5 million to £76.4 million. This positive outcome was primarily due to three factors.

First, the performance of the Diocesan Investment Portfolio, which increased in value by £2.1 million.

Second, the Diocesan investment properties have increased in value in line with the property market overall. Further, a review of properties has identified an additional 10 properties that, based on usage at the end of August 21, require reclassification as investment properties. These 10 properties have added £3.6m as an unrealized gain.

Third a reduction of £1.3m in total expenditure from £14.3 to £13.0 million. The primary driver for the reduction in overall expenditure was cost efficiencies from new ways of working initially enforced and then embraced following the Covid pandemic. Expenditure was £15.5m in 2019.

Meanwhile income remains steady relative to 2020 at £14.2m. However, 2021 income was £1.1m below the pre-covid level of £15.3m in 2019.

Income - Parochial

Looking at income for the preceding three financial years, up to and including 2021, of the now 87 parishes in the diocese, a group of 21 contribute just over 50% of the total Parochial Income. The surplus generated by these Parishes is enough to surpass the deficit generated by the remaining 75% taken as a whole. This does not mean that the majority are generating a deficit. The annual accounts of individual parishes in 2021 showed 24 parishes making a deficit for the year, the total loss for the 24 parishes was £458K. This was an improvement on the previous year, when 48 of our parishes - hit suddenly and more comprehensively by the pandemic - suffered a deficit.

Expenditure - Parochial

The percentage split of Parish spending remains almost identical to 2020 with 19% being spent Staff, and 11% on major repairs. Spending on general repairs and maintenance is down from 6% to 5%, whilst light heat & power and Clergy Stipend continue to account for around 5% each of total expenditure. Of the major repairs, £1.1m of this spending has been capitalised. However, the cash burden of continuing to repair and maintain such a broad portfolio of properties - some of which are under-utilised - remains acute

Income - Curial

The main source of curial income is the Levy raised on the Parishes, which generated £1.9 million. As in previous years this was insufficient to cover net expenditure of £2.1 million. The Levy, at 16% of overall Parish income in 2021, remains comparable to that of other Dioceses. Other sources of revenue include Legacies, Academies and Schools Office income, Grants and Furlough Income.

Expenditure - Curial

Curial expenditure continues to exceed revenue generated by the Levy and other Sources. However, the Curial deficit before investment gains has decreased from £829K in 2020 to £204K in 2021 and is relatively low compared to the Diocesan average nationally. The main costs are personnel and clergy training which made up exactly 50% of total curial costs.

Personnel costs have increased year on year, reflecting the belief that the effectiveness of an organisation results from the effectiveness of its people.

Investments

The diocese holds £13.1 million in quoted investments. The target level of return set for these stocks and shares is CPI plus 4%. As mentioned, these increased in value by £2.1 million over the course of the financial year.

The trustees of the diocese have agreed an ethical policy for the portfolio. The following is an extract from the investment policy:

"Where the issuer of a security (share, stock or bond) or deposit taker (bank) is directly and substantially (more than 5% of activity of that entity) involved in activities which constitute grave moral evil such investments are to be entirely excluded on the grounds that holding such securities would constitute formal co-operation in that evil. These would include but not be limited to, murder, procured abortion, contraception, sexual activity outside marriage, acts which undermine the dignity and sanctity of human beings (for example the exploitation of workers, migrants, the weak and the elderly) from conception to natural death, corrupting the young, heresy and sacrilege."

The Bishop and Trustees require that our investment managers keep under review the environmental stewardship of entities in which the diocese holds investments or deposits and instructs them to refer any activities which might constitute a breach of the duty of the stewardship of creation to them.

The Diocese is also in the process of establishing an investment committee to encourage the parishes, some of whom have significant investment holdings, to participate in investment decisions, and to access the expertise of Catholics members of the Diocese who work or have worked within the field of investment.

Reserves

The reserves policy states that the diocese should hold general funds (unrestricted, non-parish funds) equal to six months of mission support costs. The target level of general funds was set at £730K.

Total reserve of the diocese were £76.4 million at the end of 2020/21 financial year. The value of the churches, halls, and presbyteries of the diocese, at £42 million, account for 55% of total diocesan reserves. As these assets cannot be spent they were transferred out of general fund into a new designated fund. After this transfer, the general funds reduced to be in deficit by £3.9 million at 31 August 2020. By August 2021 the deficit (after gains on investment) had reduced slightly to £3.8 million. This was £4.53 million below the target level of reserves.

To return general funds to a balanced position the diocese is investing into fund raising. Grants of £806k have been secured in 2021 mainly towards the cost of maintaining the Diocesan Estate and its Listed Buildings. The Closer to Christ Campaign was launched in 2021 with the aim of raising £10.5m over five years. Early indications from the pilot parishes are that this overall goal is attainable.

A ten-year strategic plan has been drawn up, consulted on broadly across the Diocese and approved. Once implemented this plan will contribute to the revenue generation required to achieve the target level of reserves. As part of this overall strategy a Capital Projects Officer has been appointed help to unlock value within the Diocesan Estate.

Risks

A full risk register is in place detailing operational and corporate risks.

The key risks for the trust are:

Finance

Covid -19 continues to have an impact on income and associated church activity.

The risk to Diocesan finance reflects the ability of the Diocese to meet ongoing obligations, exacerbated by year-on-year reductions in practicing Catholics, as well the cost of living crisis, which may impact donations and offertory income.

The Government backed CBILS loan provided some short-term assistance, and a major fundraising campaign was initiated with a specific focus on Seminarians, clergy in active ministry and priests in retirement in partnership with the Priests Retirement Fund, which is a separate charity.

A component of the campaign is also designated to bring parish planned giving back up to pre covid levels.

There is exposure to commodity price risks due to the impact of increases in energy prices on the heating and lighting of our parishes. The membership of the National Inter-Diocesan Fuel Management procurement group helps to mitigate this risk by bringing the purchasing power of 20 of the UK's 22 Dioceses to bear.

The diocese is exposed to equity risk through its investment holdings. However, the policy of holding investment assets for the long term mitigates the impact of short-term fluctuations.

The Diocese is exposed to interest rate risks on the CBILs loan at base rate plus 2.25%. The risk could be mitigated by early repayment of the loan.

There are risks due to dispersed decision making on financial expenditure, and the robustness of financial reporting for non-central activities. These risks are mitigated by the centralizing of all Curia budgets and controls on permitted upper spending limits for parishes.

Compliance

The organisation is highly dispersed, reliant on largely volunteer support with autonomous units of decision making at parish level therefore compliance with trust policy remains a risk. Support and regular communication are provided to parish administrators and parish priests and a full suite of policies has been updated and communicated.

The People Of God

Along with reductions in church attendance the ageing profile of clergy and relatively small number of vocations remains a long-term risk. Active vocations promotion is in place and clergy support is provided in a structured way.

The Diocese is developing a Long-term strategic plan which covers all aspects of diocesan life, so that the church is visible, welcoming, and supportive to all, has focus on the young as well as older generations and revitalises its missionary zeal. Laity have been engaged and consulted in the development of the priorities.

Governance

The trust model was established in 1934 and over time has become complex. The Trustees have authorised the transition to an incorporated charity in order to simplify and streamline governance as part of the risk management strategy


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Structure, Governance and Management

Constitution

The Portsmouth Roman Catholic Diocesan Trust is a charitable trust established by a Trust Deed dated 04 September 1934. Following a Deed of Revocation dated 5 December 2002, the Trust is governed under a Trust Deed dated 5 December 2002 and the subsequent amendments made on 07 April 2004.

The Portsmouth Roman Catholic Diocesan Trust is registered under the Charities Act 2011, its charity number is 246871.

Trustee

The Portsmouth Roman Catholic Diocesan Trust has a sole corporate trustee: The Portsmouth Roman Catholic Diocesan Trustees Registered (PRCDTR). The Portsmouth Roman Catholic Diocesan Trustees Registered is a body corporate under Part 12 of the Charities Act 2011 established on the 11 September 1934 and granted corporation status by the Lord Chancellor on 27 November 1934.

The individuals who form the Portsmouth Roman Catholic Diocesan Trustees Registered are the trustees of the Portsmouth Diocesan Trust, a charitable trust registered under the Charities Act 2011, its charity number is 246872.

The Trustees of the Portsmouth Diocesan Trust who formed the corporate trustee of the Portsmouth Roman Catholic Diocesan Trust during the year ended 31 August 2021 and who were in office on the date of this report are detailed on p2.

The trustees board met 5 times during the year.

Linked Charities

Under a Charity Commission Scheme, dated 20 July 2001, all charities which have the Portsmouth Roman Catholic Diocesan Trustees Registered as trustee, except for the Roman Catholic Priests' Retirement Fund, are linked for the purposes of registration and reporting. The Portsmouth Roman Catholic Diocesan Trust is the reporting charity, it has 95 linked charities.

The Portsmouth Roman Catholic Priests' Retirement Fund shares the same corporate trustee as the Portsmouth Roman Catholic Diocesan Trust but remains separate.

The Appointment of Trustees

The sole corporate trustee of the Portsmouth Roman Catholic Diocesan Trust does not change. The individuals who form the Portsmouth Roman Catholic Diocesan Trustees Registered are appointed trustees for the Portsmouth Diocesan Trust by a resolution of the Board.

Trustee vacancies are advertised through the appropriate diocesan communication channels. All candidates applying to become a trustee will be interviewed by the Bishop and Secretary to Trustees. Any successful applicants are co-opted as advisory members of the board at the next full meeting for a period of six months. At the end of the six months, they are appointed trustees by a resolution of the Board.

The individuals who form the Portsmouth Roman Catholic Diocesan Trustees Registered will herein be referred to as the Trustees.

Trustee Induction and Training

The Secretary to Trustees is responsible for ensuring that an appropriate induction training programme is arranged for new trustees, within 3 months of appointment.

The induction is expected to include clarification of legal responsibilities, Charity Commission requirements of charity trustees, strategic issues, governance issues, familiarity with the Trust Deed and structure of the charity, and other relevant induction material to allow trustees to understand the Charity's purpose, activities, financial position and current risks.

Trustees are encouraged to undertake regular training throughout their appointment which they feel are relevant of their role, and to keep up to date with current legislation.

Trustees Expenses

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

However, no Trustee received any renumeration from the Charity, nor had any expenses reimbursed by the Charity, in connections with their duties as Trustees during the year. No Trustee had any beneficial interest in any contract with the Charity.

Management Team

The Trustees are responsible for the overall management, oversight and strategic direction of the Diocese. To achieve this, they have appointed a Chief Operating Officer who has delegated responsibility for the day-to-day running of the Diocese. The Chief Operating Officer is supported by a senior leadership team who have delegated areas of responsibility such as finance, estates, safeguarding, HR, IT, communications, governance, fundraising, charity outreach, and clergy support.

Setting Pay

Renumerated roles in the Curia and central administration, have been benchmarked against several charity sector benchmarks, including other dioceses. The Diocese is a lower-quartile employer, although the Trustee Board may choose to apply a recruitment or retention premium to a particular post in certain circumstances.

Organisation

The Trustee Board is supported in decision making by detailed scrutiny and recommendations provided by sub committees: Finance, Audit and Risk; HR and Remuneration; Vocation Vicariate; Education Vicariate and Evangelisation Vicariate; which meet regularly throughout the year.

The diocesan curia is organised into a Framework for Collaboration, with three vicariates, that for Vocation, leading to that for Education, leading to that for Evangelisation, reflecting the threefold ministry of the Bishop who acts in the name of Our Lord Jesus Christ as priest, prophet and king.
Each Vicariate is responsible from one aspect of the Bishop's threefold ministry: Vocation, Education and Evangelisation. Each is headed by an Episcopal Vicar, who, together with the Vicars General, are the sole members of the Bishop's Council, all of whom have been appointed Trustees. Each Vicariate Committee is chaired by the Episcopal Vicar for that vicariate.

The purpose of the Finance, Audit and Risk Committee is to provide strategic oversight to the administration of the temporal goods of the Diocese and its parishes: its land and buildings, money, investments and the discharge of its legal and contractual obligations. The FAR Committee is chaired by the Vicar General, Moderator of the Curia.
The HR and Remuneration Committee considers remuneration across the Diocese and makes recommendations to the Board. It is chaired by the Vicar General, Moderator of the Curia.

The Safeguarding Committee is responsible for matters which relate to safeguarding and is chaired by a non-clergy trustee.

The Chancery and Tribunal continue to operate independently of the Curia, the Judicial Vicar has been appointed as a Trustee.

The structure of the Diocese presents a harmonious balance between the charity's legal responsibility and the Diocese's responsibility to Canon Law. The Council of Priests meets regularly to consult on matters of Canon Law and advises Trustees.

Relationships with Other Organisations

Other Regulators

In addition to the Charity Commission for England and Wales the Portsmouth Roman Catholic Diocesan Trust is overseen by the Jersey Charity Commissioner and the Guernsey Register.

The Portsmouth Roman Catholic Diocesan Trust is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice.

Safeguarding in the Diocese is overseen by the Catholic Safeguarding Standards Agency; the CSSA national safeguarding policies are in operation across the Diocese.

Other Organisations within the Diocese

- The Portsmouth Roman Catholic Diocesan Trust has a close relationship with other charities which operate as part of the Diocese, these include:
- The Portsmouth Roman Catholic Priest's Retirement Fund, charity number 1061194, is a charitable trust which looks after our priests in retirement. It is currently undertaking a joint fundraising venture with the Portsmouth Roman Catholic Diocesan Trust.
- The Portsmouth Roman Catholic Diocesan Properties Limited, charity number 1168798 is a charitable company limited by guarantee which holds the Diocese's property in Jersey.
- Caritas Jersey LTD, charity number 150, is a charitable company limited by guarantee and is the hub of Catholic Social Action in Jersey. The Portsmouth Roman Catholic Diocesan Trustees Registered is one of the company members.
- The Portsmouth Roman Catholic Diocesan Trust works closely with Catholic schools across the Diocese, mostly through the Vicariate for Education, and in some cases owns the school estate.

Other Organisations outside the Diocese

In carrying out its work and mission, The Portsmouth Roman Catholic Diocesan Trust works in collaboration with many and varied organisations such as the Catholic Trust for England and Wales (CATEW), the Bishop's Conference for England and Wales (CBCEW), CAFOD, other Catholic dioceses, hospitals, prisons, universities, foodbanks, and a variety of other charities and organisations.

Charitable Purposes

- The provision maintenance and upkeep of churches and public chapels for the celebration of divine worship according to the rights and ceremonies of the Roman Catholic Church and of presbyteries and houses for the residence of Priests and Deacons attached to any such churches or chapels or otherwise and belonging to or connected with the Roman Catholic Church in the Diocese.
- The provision maintenance and carrying on of the religious services of the said Church in such churches and public chapels or other places of a like character.
- The provision maintenance and upkeep of houses of study halls and colleges for the education and training of priests and persons desirous of becoming priests of the said Church in the Diocese or elsewhere in Great Britain and abroad.
- The education and training' of priests, deacons and persons desirous of becoming priests of the said Church by such means as the Trustees think fit.
- The payment of stipends to the priests and deacons of the said Church and of salaries and wages in connection with any such institutions as aforesaid
- The maintenance, support and provision of medical and surgical aid for infirm and aged priests and deacons of the said Church and the burial of deceased priests and deacons of the said Church.
- The provision of holidays and rest for priests and deacons of the Roman Catholic .. Church in the Diocese but so the contributions made by the Trustees under this and the preceding sub-clause shall be made only to or in respect of persons whose own means (if any) are in the opinion of the Trustees inadequate for such purposes.
- The relief of poor persons professing the Roman Catholic religion in the Diocese or nearly related to priests or deacons of the said Church.
- The provision maintenance and upkeep of schools and colleges to be conducted in accordance with the principles of the said Church for the general ·education whether religious or secular (or both) of children and young persons whether-or not members of the said Church and of catechetical or other religious education.
- The provision maintenance and upkeep of houses of residence for teachers and for students in any such houses of study halls schools and colleges as aforesaid.

- The provision maintenance and upkeep of homes for infirm and aged priests and deacons of the said Church in the Diocese being in the opinion of the Trustees without adequate means of support and of houses and accommodation for infirm and aged poor persons preference being given to those professing the Roman Catholic Religion

- The provision maintenance and upkeep of cemeteries or burying places for the interment of deceased members of the said Church and other persons authorised by the Trustees.

- The provision maintenance and upkeep of parish rooms and halls in connection with any such churches or chapels as aforesaid to be used for the advancement of the Roman Catholic religion in the Diocese or otherwise for the enlightenment education and religious and moral benefit of members of the said Church in the Diocese.

- The provision and maintenance of hospitals and sanatoria for poor persons members of the said Church.

- The acquisition of sites for and of ground to be held with buildings for any of the purposes aforesaid and the erection restoring altering enlarging maintaining and repairing of any buildings for any such purpose and the laying out maintenance and upkeep of grounds in connection with any such buildings.

- The development of any part of. any land held as Trust Property and the maintenance of any works for the time being carried on thereon under the powers hereof.

- The making of donations or subscriptions to any charitable institution trust or organisation for Roman Catholic or other purposes in Great Britain or abroad or direct to any Bishop or official person engaged in any such work or to any other charitable institution or organisation necessary or proper in the carrying on of the charitable work of the Trustees.

- The maintenance and upkeep of the charitable institutions works and undertakings now carried on or for the time being established under the trusts hereof.

- For any such charitable purpose or purposes as in the opinion of the Bishop may be calculated to lead to the advancement or maintenance of the Roman Catholic religion.

Fundraising Activity

The Diocese follows the Code of Fundraising Practice and the guidance for all aspects of fundraising and has produced policies and procedures for all fundraising activity which are regularly reviewed by the fundraising department and trustees.

The fundraising activities of the diocese take various forms; including fundraising through campaigns, planned regular giving via digital means and cash, securing grants from instututional, corporate and non profit organisations and via community fundraising.

During the reporting period there were no complaints received in relation to fundraising activity.

The dicoese ensures that the vulnerable are protected by adhering to the code of Fundraising Practice, ensuring diocesan policies and procedures are in place for fundraising activities, and regularly working with the safeguarding and governance teams to ensure that good practice is followed in accordance with the law.



Public Benefit

The Trustee Board has due regard to the Charity Commission's guidance on public benefit in exercising its powers and duties.

The Trustee Board ensures the Charity benefits the public by bringing meaning to people's lives, providing opportunities to strengthen relationships with God, providing a moral and ethical framework for life; through community and social cohesion in its pastoral work; and through its work supporting the poor and the marginalised.

Statement of Trustees Responsibilities

The purpose of this statement is to distinguish the Trustees' responsibilities for the accounts from those of the auditors as stated in their report. The Charities Act 2011 requires the Trustees to prepare for each financial period financial statements which give a true and fair view of the Charity's financial activities during the period and of its financial position at the period end. In preparing the financial statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP;
- 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that this basis applies.

The Trustees are responsible for ensuring proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Trust Deeds and the disclosure regulations. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

Approved by the Board of Trustees on 23 June 2022 and signed on its behalf by:

Rt. Rev Philip Egan **(Trustee)**

Rev PJ Smith **(Trustee)**


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Independent Auditors Report

to the Trustees of the Portsmouth Roman Catholic Diocesan Trust

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 August 2021 and of the group's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work

we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 3, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

Use of our report

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

Haysmacintyre LLP
Statutory Auditors
27 June 2022

10 Queen Street Place
London
EC4R 1AG

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








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Financial Accounts

Consolidated Statement of Financial Activities

for the Year Ended 31 August 2021

	Notes	Unrestricted Funds Curial	Unrestricted Funds Parochial	Restricted Funds	Total 2021	2020
		£	£	£	£	£
Income from:						
Donations and legacies						
Donations and Offertories		16,822	7,662,014	730,589	8,409,425	10,088,427
Legacies		281,246	548,027	-	829,273	755,131
Grants, Furlough Etc		897,531	1,849,876	159,763	2,907,170	761,573
Other trading activities:						
Rent – miscellaneous lettings		-	740,776	-	740,776	1,231,352
Income of trading subsidiaries	16	-	248,761	-	248,761	257,405
Investment income						
Investment income and interest receivable	1	268,155	54,321	48,156	370,632	208,415
Rent – investment properties		15,575	567,546	-	583,121	650,754
Other incoming resources:						
Insurance Claims		-	124,284	-	124,284	151,127
Gain on disposal of tangible fixed assets		-	-	-	-	105,061
Total income		1,479,329	11,795,605	938,508	14,213,442	14,209,245
Expenditure on						
Raising funds						
Expenses of trading subsidiaries		-	238,820	-	238,820	376,108
Finance costs		121,075	-	-	121,075	55,798
Charitable activities						
Activities in furtherance of the Roman Catholic Faith		3,457,616	8,362,614	802,774	12,623,004	13,864,222
Total expenditure	2 & 3	3,578,691	8,601,434	802,774	12,982,899	14,296,128
Net (Outgoing)/Incoming Resources before transfers		(2,099,362)	3,194,171	135,734	1,230,543	(86,883)
Realised and Unrealised Gains on investments		589,951	5,360,886	761,616	6,712,453	(1,061,213)
Net income/(expenditure)		(1,509,411)	8,555,057	897,350	7,942,996	(1,148,096)
Transfers between Funds		-	-	-	-	-
Transfers - Schools Building Fund Levy		-	-	-	-	-
Transfers - Diocesan Levy		1,894,585	(1,894,585)	-	-	-
Net movement on funds		385,174	6,660,472	897,350	7,942,996	(1,148,096)
Reconciliation of funds						
Fund balances brought forward		2,181,921	62,431,266	3,855,648	68,468,835	69,616,931
Fund balances carried forward		£2,567,095	£69,091,738	£4,752,998	£76,411,831	£68,468,835

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 20.

Consolidated Balance Sheet

As at 31 August 2021

	Notes	Curial Funds £	Parochial Funds £	Year ended 31 August 2021 £	Year ended 31 August 2020 £
Fixed Assets					
Tangible assets	5	3,035,864	39,165,271	42,201,135	42,233,875
Investments	6	9,544,529	23,997,852	33,542,381	26,601,325
		12,580,393	63,163,123	75,743,516	68,835,200
Debtors: due after more than one year	7	698,463	-	698,463	135,643
Current Assets					
Debtors and prepayments	7	438,783	8,873	447,656	827,757
Cash at bank and in hand		663,782	8,748,183	9,411,965	5,345,890
		1,102,565	8,757,056	9,859,621	6,173,647
Creditors: due within one year	8	(4,477,142)	(244,492)	(4,721,634)	(5,778,942)
Net Current (Liabilities)/ Assets		(3,374,577)	8,512,564	5,137,987	394,705
Creditors: due after more than one year	8	(5,168,135)	-	(5,168,135)	(896,713)
Parish Loan Accounts					
Due from parishes		(6,138,095)	6,138,095	-	-
Due to parishes		6,279,821	(6,279,821)	-	-
		141,726	(141,726)	-	-
NET ASSETS		£4,877,870	£71,533,961	£76,411,831	£68,468,835
Unrestricted Funds					
General Funds		(3,788,993)	-	(3,788,993)	(3,892,874)
Designated Funds	11	6,356,088	69,091,737	75,447,825	68,506,061
		2,567,095	69,091,737	71,658,832	64,613,187
Restricted Funds	10	2,263,447	1,681,133	3,944,580	3,090,809
Permanent Endowment Funds	9	47,328	761,091	808,419	764,839
RESERVES		£4,877,870	£71,533,961	£76,411,831	£68,468,835

Charity Balance Sheet

As at 31 August 2021

	Notes	Curial Funds £	Parochial Funds £	Year ended 31 August 2021 £	Year ended 31 August 2020 £
Fixed Assets					
Tangible assets	5	3,035,864	35,979,736	39,015,600	38,923,415
Investments	6	9,544,529	23,997,852	33,542,381	26,601,325
		12,580,393	59,977,588	72,557,981	65,524,740
Debtors: due after more than one year	7	698,463	-	698,463	135,643
Current Assets					
Debtors and prepayments	7	438,783	-	438,783	813,439
Cash at bank and in hand		663,782	8,519,329	9,183,111	5,184,746
		1,102,565	8,519,329	9,621,894	5,998,185
Creditors: due within one year	8	(4,477,142)	(50,182)	(4,527,324)	(5,566,213)
Net Current (Liabilities)/Assets		(3,374,577)	8,469,147	5,094,570	431,972
Creditors: due after more than one year	8	(5,168,135)	-	(5,168,135)	(896,713)
Parish Loan Accounts					
Due from parishes		(6,138,095)	6,138,095	-	-
Due to parishes		6,279,821	(6,279,821)	-	-
		141,726	(141,726)	-	-
NET ASSETS		£4,877,870	£68,305,009	£73,182,879	£65,195,642
Unrestricted Funds					
General Funds		(3,788,993)	-	(3,788,993)	(3,892,874)
Designated Funds	11	6,356,088	65,862,785	72,218,873	65,232,868
		2,567,095	65,862,785	68,429,880	61,339,994
Restricted Funds	10	2,263,447	1,681,133	3,944,580	3,090,809
Permanent Endowment Funds	9	47,328	761,091	808,419	764,839
RESERVES		£4,877,870	£68,305,009	£73,182,879	£65,195,642

Cash Flow Statement

for the Year Ended 31 August 2021

	2021	2020
Reconciliation of Net Incoming Resources to Cash Inflow from Operating Activities	**£**	**£**
Changes in resources before revaluations	1,230,543	(86,883)
Returns on investment	(370,632)	(208,415)
Depreciation	907,399	958,714
Loss/(gain) on disposal of Tangible Fixed Assets	87,942	(105,061)
(Increase)/decrease in debtors	(182,719)	724,950
(Decrease)/increase in creditors	(714,886)	1,615,222
	957,647	2,898,527
Net cash inflow from operating activities	957,647	2,898,527
Cash flows from investing activities		
Returns on investment	370,632	208,415
Payments to acquire tangible fixed assets	(1,144,951)	(806,188)
Receipts from sales of tangible fixed assets	-	280,586
Payments to acquire investments	(3,284,953)	(2,156,757)
Receipts from sales of investments	3,238,700	2,374,375
	(820,572)	(99,569)
Cash flows from financing activities		
New bank loans received	4,000,000	1,000,000
Bank loan repayments	(71,000)	(54,000)
	3,929,000	946,000
Change in cash and cash equivalents in the year	4,066,075	3,744,958
Cash and cash equivalents at the beginning of the year	5,345,890	1,600,932
Cash and cash equivalents at the end of the year	£9,411,965	£5,345,890
Reconciliation of cash flow to movement in net funds/(debt)		
Increase in cash in the year	4,066,075	3,744,958
Net cash inflow from movements in bank loans	(3,929,000)	(946,000)
Change in cash and cash equivalents in the year	137,075	2,798,958
Net funds at the beginning of the year	4,399,890	1,600,932
Net funds at the year end	£4,536,965	£4,399,890

Analysis of net funds/(debt)	**1 Sept 2020**	**Cash flows**	**Other**	**31 Aug 2021**
	£	**£**	**£**	**£**
Cash and bank balances	5,345,890	4,066,075	-	9,411,965
Bank loans due within one year	(215,855)	71,000	(455,145)	(600,000)
Bank loans due after one year	(730,145)	(4,000,000)	455,145	(4,275,000)
	£4,399,890	£137,075	£-	£4,536,965

Statement of Accounting Policies

For the Year Ended 31 August 2021

The financial statements have been prepared in accordance with statutory requirements and with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019 and with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS102) (Effective 1 January 2015).

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. The Portsmouth Diocesan Trust meets the definition of a public benefit entity under FRS102.

(a) Basis of preparation
The financial statements represent the Portsmouth Diocesan Trust together with its wholly owned trading subsidiary companies (consolidated on a line-by-line basis) listed in note 18. No separate Statement of Financial Activities has been presented for the Charity alone.

(b) General information
The financial statements represent the Portsmouth Diocesan Trust together with its wholly owned trading subsidiary companies (consolidated on a line by line basis) listed in note 16. Since the consolidated balance sheet is not materially different from the Trust balance sheet only a consolidated balance sheet and consolidated notes to the accounts have been presented.

(c) Preparation of accounts on a going concern basis
Having considered future budgets and cash flows, the trustees confirm that they have no material uncertainties about the entity's ability to continue as a going concern. In coming to this conclusion trustees have considered the effect of COVID-19 and the resources that the charity has available. To accommodate the issues around COVID-19 the charity is making use of government support, has arranged for increased cash flow facilities and has adjusted long term plans for expected long term impact of the virus on the country and the economy.

(d) Legacies, Donations and Grants
Legacies and donations are recognised the Diocese becomes legally entitled to them, 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 receivable.

(e) Investment Income
Investment income is accounted for as it accrues.

(f) Taxation
As a registered charity, the Diocese is exempt from income tax, corporation tax and capital gains tax derived from its charitable activities. Gift aid is credited to the category of income to which it relates.

(g) Expenditure
Costs of raising funds comprise those costs associated with attracting voluntary income and grants 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 activities.

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.

(h) Schools Building Programme
Any grants obtained on behalf of school governors are netted off against total costs and only the residual cost to the Diocese is included in the financial statements.

(i) Tangible Fixed Assets

Prior to 1 January 1997 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 Trustees considered that the then insured values should be discounted by 90% and in subsequent years be depreciated at 2% per annum, on the building value only. Properties acquired after 31 August 1996 are capitalised at their actual cost of acquisition.

The Diocese owns a number of properties that are occupied and run by independent charities in the form of Voluntary Aided Schools and Catholic Academies. The school properties (land and buildings) are vested in the name of the Trustees. The Trustees 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 any 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 there is no capital value to the Diocese in the stock of school buildings.

Thus school properties have not been capitalised. There is a potential value, or contingent asset, in the event of a closure of a school (either connected to a re-organisation or not). Such an asset is recognised only upon the occurrence of a closure/re-organisation and the site's development value becoming certain, such as upon the granting of planning permission. The recognition of this value is accounted for as an incoming resource in the year in which this value becomes measurable and certain. The inclusion of any value of school properties normally arises from a scheme under s554 Education Act and until then there is legally a duty to repay or recycle the proceeds from the sale of former school sites.

Prior to 4 September 1934, the date of the original Trust Deed of the Charity, most parish properties were acquired on trusts related to individual parish missions and were formally brought under the legal control of the Trustees by virtue of Charity Commission schemes dated 4th and 7th February 1936. These assets are included in Parochial Funds.

There are a few properties held on trusts created after 1934 which are different from those in the 1934 and 2002 trust deeds. These assets are also included in Parochial Funds.

The estimated cost of furniture, equipment and motor vehicles held at 31 August 1996 has been capitalised in the financial statements. Subsequent additions in excess of £5,000 are capitalised at cost. Individual works of art, historical treasures and plate are not capitalised.

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 property (excluding land)	50 years
Leasehold property	50 years or, if less, the term of the lease
Furniture and equipment	5 to 20 years

(j) Significant judgements and key sources of 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.

(k) Pensions

All eligible staff may join a personal pension scheme of their choice to which the Diocese makes a matching contribution of up to five per cent of salary. As a defined contribution scheme, no liability falls upon the Diocese, as employer, to make good a shortfall of funding other than contributions due.

(l) Financial instruments

The Diocese only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and investments in stocks and shares. The measurement basis used for these financial instruments is detailed below.

Investments

Investments are valued at fair value on the balance sheet date. Investment properties are stated at market value or a Trustees' valuation, as advised by a qualified Chartered Surveyor. 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 period. No distinction is made between realised and unrealised gains in the financial statements.

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

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method. The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and investments in stocks and shares. The measurement basis used for these financial instruments is detailed below.

(m) Parochial Funds

Each Parish is considered by Canon Law to be a juridical person with corresponding rights and obligations, including the holding and use of funds. The use of these parochial funds is the responsibility of the Parish Priest, Diocesan Finance Council and the Trustees in varying ways depending on the amount and significance of the funds. However, for the purposes of civil law parishes are not distinct legal entities and, unless there are distinct and express special trusts clearly evidenced in law, parochial funds are therefore shown as unrestricted but designated funds.

(n) Permanent Endowment Funds

The capital of Permanent Endowment Funds must be maintained intact with any income arising being available for restricted or general charitable purposes of the Diocese, according to the terms of the original gift.

(o) Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objectives. Designated funds are funds set aside by the Trustees for specific purposes (see note 11). Restricted funds are used for specific purposes as stated by the grantor. Expenditure which meets these criteria is charged to the fund (see note 10).


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CATHOLIC CATHEDRAL OF ST. JOHN

Notes to the Accounts

for the Year Ended 31 August 2021

1. INVESTMENT INCOME AND INTEREST RECEIVABLE	Year ended 31 August 2021	Year ended 31 August 2020
	£	£
Arising on quoted investments	369,239	204,801
Rent on Investment Property	583,121	650,754
Bank Interest	1,393	3,614
	£953,753	£859,169

2. CHARITABLE EXPENDITURE	Support of Parish Life		Vocation			
	Locally Incurred Costs	Centrally Incurred Costs	Training New Clergy	Supporting Clergy in ministry	Supporting Retired Clergy	Ca
	£	£	£	£	£	
Direct Costs	-	-	125,702	428,943	18,258	
The Office of the Bishop	-	180,173	-	-	-	
Chancery	-	4,166	-	-	-	
Tribunal	-	37,535	-	-	-	
Hospital Chaplaincies	-	64,319	-	-	-	
Parish Initiatives	-		-	-	-	
Seminary Fees	-	-	333,083	-	-	
Maintenance of Catholic Schools	-	-	-	-	-	
Caritas/ERF						
Parish Costs						
Clergy	1,545,948	-	-	-	-	
Staff	1,814,804	-	-	-	-	
Church Running Costs	1,267,827	-	-	-	-	
Office and Presbytery Running Costs	1,333,808	-	-	-	-	
Parish Centre Running Costs	279,644	-	-	-	-	
General: books, events, donations, fees etc	127,074	-	-	-	-	
Insurance	309,086	-	-	-	-	
Repairs and Maintenance	885,971	-	-	-	-	
Depreciation						
Parochial Restricted Funds	379,010					
	8,741,624	433,296	458,785	428,943	18,258	

3. SUPPORT COSTS	Support of Parish Life		Vocation			
	Locally Incurred Costs	Centrally Incurred Costs	Training New Clergy	Supporting Clergy in ministry	Supporting Retired Clergy	Ca
Communications	68,678	68,677.75	13,735.55	13,735.55	-	
Estates	131,678	-	-	-	65,839	
People	100,532	-	1,053	1,053	526	
IT	86,187	-	3,610	3,610	1,805	
Finance	281,085	13,933	14,752	13,793	587	
Governance	192,864	9,560	10,122	9,464	403	
Curia Property and overheads	137,781	40,534	6,324	6,240	9,872	
Safeguarding	104,249	-	1,032	2,064	-	
Bishops Confrence Levy	-	191,808				
Total	9,844,677	757,808	509,413	478,902	97,290	

NB: NOTE 3 - The apportionment of support costs against the different Diocesan Departments and Teams is done on members; Finance and Governance - based on direct costs; Curial Property & Overheads - based on share of overhead co

For full comparative figures see Note 21 (a)

Education		Evangelisation		Fundraising	Trading Subsidiaries	Total
Supporting atholic Education	Youth and University Chaplaincies	Supporting the Poor and Marginalised - Inspired by the Love of Christ	New Evangelisation	Fundraising	Trading Subsidiaries	Total
£	£	£	£	£	£	£
221,190	40,649	124,801	46,753	54,313	238,820	1,299,429
-	-	-	-	-	-	180,173
-	-	-	-	-	-	4,166
-	-	-	-	-	-	37,535
-	-	-	-	-	-	64,319
-	-	-	-	-	-	-
-	-	-	-	-	-	333,083
276,661	-	-	-	-	-	276,661
			-	-	-	147,103
-	-	-	-	-	-	1,545,948
-	-	-	-	-	-	1,814,804
-	-	-	-	-	-	1,267,827
-	-	-	-	-	-	1,333,808
-	-	-	-	-	-	279,644
-	-	-	-	-	-	127,074
-	-	-	-	-	-	309,086
-	-	-	-	-	-	885,971
						379,010
497,851	40,649	124,801	46,753	54,313	238,820	11,084,093

Education		Evangelisation		Fundraising	Trading Subsidiaries	Total
Supporting atholic Education	Youth and University Chaplaincies	Supporting the Poor and Marginalised - Inspired by the Love of Christ	New Evangelisation	Fundraising	Trading Subsidiaries	Total
13,735.55	13,735.55	13,735.55	13,735.55	54,942.20	-	274,711
65,839	-	-	-	-	-	263,355
2,105	1,053	1,579	526	526	-	108,954
7,220	3,610	5,415	1,805	1,805	-	115,066
16,008	1,307	4,013	1,503	1,746	-	348,727
10,984	897	2,753	1,031	1,198	-	239,276
16,689	3,972	4,219	2,950	8,595	-	237,177
1,032	7,225	2,064	2,064	-	-	119,732
						191,808
631,464	72,448	158,581	70,369	123,127	238,820	12,982,899

n the following basis: Communications and Estates - based on work done; People and IT - based on number of team osts.

Notes to the Accounts (continued)
for the Year Ended 31 August 2021

4. STAFF	Year ended 31 August 2021	Year ended 31 August 2020
	£	£
The average number of total employees (not full-time equivalents) of the Diocese during the period and their aggregate emoluments are shown below		
Staff Costs:		
Wages and salaries	3,088,349	2,837,134
Social security	335,382	185,356
Pension costs	63,572	80,119
Redundancy costs	23,731	7,651
	£3,511,034	£3,110,260
Monthly Average Number of Employees:	No	No
Departments	39	39
Parishes	203	201
	242	240
Employees with emoluments greater than £60,000:		
	2021	**2020**
£60,001 - £70,000	**3**	**1**
£70,001 - £80,000	**1**	**0**
£80,001 - £90,000	**0**	**2**
£90,001 - £100,000	**1**	**1**

Key management personnel received salary, benefits and pension contributions of £456,374 (2020: £400,838) during the year. This reflects changes to staffing arrangements.

5. TANGIBLE FIXED ASSETS	Freehold Buildings	Leasehold Buildings	Furniture & Equipment	Total
	£	£	£	£
COST OR VALUATION				
At 1 September 2020	53,217,021	533,228	2,859,162	56,609,411
Additions	1,144,951	-	-	1,144,951
Disposals	-	(148,007)	-	(148,007)
Transfers to Investments	(231,232)	-	-	(231,232)
At 31 August 2021	54,130,740	385,221	2,859,162	57,375,123
DEPRECIATION				
At 1 September 2020	11,937,209	108,461	2,329,866	14,375,536
Charge for the period	843,784	6,024	57,591	907,399
On disposals	-	(60,065)	-	(60,065)
Transfers to Investments	(48,882)	-	-	(48,882)
At 31 August 2021	12,732,111	54,420	2,387,457	15,173,988
NET BOOK VALUE				
At 31 August 2021	£41,398,629	£330,801	£471,705	£42,201,135
At 31 August 2020	£41,279,812	£424,767	£529,296	£42,233,875

Fixed assets with a Net Book Value of £3.2 million were held by the trading company. This is predominantly property owned in Jersey that has been transferred to a trading company to better comply with Jersey laws.

At 31 August 2021 the Charity had future minimum lease payments under non-cancellable operating leases as follows:

Land and Buildings	2021	2020
	£	£
Not later than 1 year	0	25,000
Later than 1 year and not later than 5 years	0	0
Later than 5 years	0	0
Total	0	25,000

The Diocese also owns a number of properties, which are occupied and run by independent charities in the form of Voluntary Aided Schools and Catholic Academies. The Trustees consider that these properties have no capital value to the Charity – see Accounting Policy (f). The total re-instatement cost of these schools is approximately £300m. A list of the schools in the Diocese is set out on the Diocesan website (www.portsmouthdiocese.org.uk).All fixed assets are used in direct furtherance of the Charity's objects.

6. INVESTMENTS	Investment Properties	Quoted Investments	Total
Fixed Assets	£	£	£
Market value at 1 September 2020	15,635,000	10,966,325	26,601,325
Additions	-	3,284,953	3,284,953
Disposals	-	(2,661,935)	(2,661,935)
Transfer from Tangible Fixed Assets	182,350	-	182,350
Revaluation gains	4,672,650	1,463,039	6,135,689
Market value at 31 August 2021	£20,490,000	£13,052,382	£33,542,382

All quoted investments (other than cash) are quoted on a recognised UK Stock Exchange or are valued by reference to investments listed on a recognised Stock Exchange. No figure for the cost of the investment properties owned at 1 January 1997 is available; the value at which they were first recognised in the accounts was £1,014,500. The majority of investment properties were revalued at 31 August 2019 by Daniel Harrison Surveyors. £13.4m of investment properties have been valued since March 21 by Savills, Lancasters, Leaders, College & County, Ross Nicholas and Homebase Property Management. The Trustees do not believe that there is a material movement in the value of investment properties since the date they were last revalued.

Notes to the Accounts (continued)

for the Year Ended 31 August 2021

7. DEBTORS	31 August 2021	31 August 2020
	£	£
Due after more than one year		
School and other loans	£698,463	£135,643
Due within one year		
School and other loans	252,536	385,978
Legacies Receivable	-	-
Other debtors and prepayments	195,120	441,779
	£447,656	£827,757

8. CREDITORS	31 August 2021	31 August 2020
	£	£
Due after more than two years		
School and other loans	3,697,711	£600,145
Due between one and two years		
School and other loans	1,470,424	£296,568
Due within one year		
School and other loans	4,165,760	5,061,381
PAYE	47,360	72,062
Other creditors and accruals	508,514	645,499
	£4,721,634	£5,778,942

A loan of £1,000,000 from Lloyds Bank was taken out in October 2019 for a five year commitment period at an interest rate of 1.7% above LIBOR. After an initial 12 month holiday period quarterly repayments are being made with the loan to be repaid in full on the fifth anniversary unless the Bank agrees to extend the commitment period. A Lloyds CBILS five year loan of £4,000,000 was taken out in February 2021, with interest and capital repayments beginning in March 2022 and is underwritten against a portion of the investment portfolio.

9. PERMANENT ENDOWMENT FUNDS	Balance at 1 September 2020	Net Incoming/ (Outgoing) Resources	Movement On Investments	Balance at 31 August 2021
	£	£	£	£
Parochial Funds				
Properties	363,997	-	-	363,997
Other	146,757	-	26,031	172,788
St Mary's Mission	214,514	-	9,792	224,306
	725,268	-	35,823	761,091
Curial Funds	39,571	-	7,757	47,328
	£764,839	£-	£43,580	£808,419

For full comparative figures see Note 21 (c)

10. RESTRICTED FUNDS	Balance at 1 September 2020	Incoming Resources	Resources Expended	Transfers	Movement On Investments	Balance at 31 August 2021
	£	£	£	£	£	£
CURIAL						
Social Welfare	163,776	2,983	-	-	37,359	204,118
Clergy Training	631,428	31,546	-	-	379,812	1,042,786
Bamenda Fund	30,100	55,941	-	-	887	86,928
Clergy Assistance	88,056	15,210	-	-	69,310	172,576
Lourdes Fund	173,248	2,903	(29)	-	29,409	205,531
Youth Funds	782	-	-	-	-	782
Vicariate Triple Trust	54,320	1,244	-	-	15,575	71,139
Edmund Rice Fund	278,635	4,427	(10,038)	-	55,437	328,461
School Building Fund	113,130	240,677	(276,661)	-	-	77,146
Other Restricted Funds	56,611	2,294	-	-	9,880	68,785
Diocesan Caritas	103,230	39,000	(137,035)	-	-	5,195
	1,693,316	396,225	(423,763)	-	597,669	2,263,447
PAROCHIAL						
Parish Fund Raising	377,306	452,283	(353,098)	-	-	476,491
Investment Funds	843,089	-	-	-	120,367	963,456
Foundation Masses	159,862	-	-	-	-	159,862
Caritas Jersey Ltd	17,236	90,000	(25,912)	-	-	81,324
	1,397,493	542,283	(379,010)	-	120,367	1,681,133
	£3,090,809	£938,508	£(802,773)	£-	£718,036	£3,944,580

For full comparative figures see Note 21 (d)

10. Restricted Funds (continued)

CURIAL

Social Welfare Fund
This is a fund dating from 1952 for the promotion of Social Welfare generally.

Clergy Training Fund
A fund for the training of students to the priesthood, which is the recipient of a specific annual Diocesan collection for this purpose. A transfer is made to the General Fund from which the training costs are paid.

Bamenda Fund
A fund to provide assistance to the Diocese of Bamenda in Cameroon, Africa that is the recipient of a specific annual Diocesan collection. There is a Trustees' committee charged with monitoring and making the appropriate grants.

Clergy Assistance
This fund provides financial support for clergy in need and is the recipient of a specific annual Diocesan collection.

Youth Funds
Funds collected specifically for youth purposes including Lourdes Pilgrimages and Summer Schools.

Diocesan Caritas
Caritas Diocese of Portsmouth supports and promotes the love of neighbour in the parishes and schools of the Diocese.

Vicariate Triple Trust
The purpose of the Trust is primarily to assist parishes in providing church furnishings.

Edmund Rice Fund
This donation was received in 2005, primarily for education purposes in Reading and surrounding areas, and the local pastoral area is developing support for appropriate chaplaincies in the area.

School Building Fund
This Fund was established in 2001, to provide a central fund to meet the governors' liabilities on expenditures in Voluntary Aided schools. The equalisation fund is targeted as half from all parishes on the mainland, whether feeder parishes or not, and the balance being raised by the schools from parental contributions.

Other Restricted Funds
Other restricted funds consist of donations and other contributions for specific purposes other than those listed above, each not exceeding a period end balance of £50,000.

PAROCHIAL

Parish Fund Raising
These are funds that parishes raise for separate funds and charities, and account for as a restricted fund.

Investment Funds
These are mainly legacies left specifically for expenditure within individual parishes or churches.

Foundation Masses
Legacies left for mass intentions of the deceased, are held as separate funds within the parishes.

Caritas Jersey Ltd
Caritas Diocese of Portsmouth supports and promotes the love of neighbour in the parish of Jersey.

11. DESIGNATED FUNDS	Balance at 1 September 2020	Incoming Resources	Transfers/ Resources Expended	Movement On Investments	Balance at 31 August 2021
	£	£	£	£	£
CURIAL					
Education Fund	77,125	10,049	-	125,842	213,016
Diocesan Caritas	-	197,208	(67,050)	-	130,158
Insurance Risk Fund	(8,797)	-	-	-	(8,797)
Pastoral Development Fund	1,125,868	-	-	-	1,125,868
Living Our Faith Fund	1,805,096	4,708	-	10,535	1,820,339
Diocesan Buildings Fund	3,075,504				3,075,504
	6,074,796	211,965	(67,050)	136,377	6,356,088
PAROCHIAL					
Living Our Faith Fund	1,131,440	2,354	(256,726)	-	877,068
Diocesan Buildings Fund	39,158,371				39,158,371
Other Parochial Funds	22,141,454	10,273,943	(8,840,354)	4,481,255	28,056,298
	62,431,265	10,276,297	(9,097,080)	4,481,255	68,091,737
	£68,506,061	£10,488,262	£(9,164,130)	£4,617,632	£74,447,825

For full comparative figures see Note 21 (e)

Education Fund
This fund is utilised for the support of schools and other educational purposes within the Diocese.

Insurance Risk Fund
This fund has been designated to assist parishes and others to comply with safety requirements.

Pastoral Development Fund
This fund has been set up from the proceeds of the sale of a surplus property and will be supplemented from further disposals where there are surplus funds generated, in order to aid parishes with their own developments.

Living Our Faith Fund
A programme was initiated in 2008 to raise funds (i) to provide the Diocese with sufficient funds to support independently the training of students for the priesthood and the continuing care of its ordained clergy in their ministry, to fund adult formation programmes and resources and various capital projects, and (ii) to provide parish funds to meet local needs.

Value of Diocesan Buildings
Fund Funds invested in buildings used by the diocese in furtherance of their charitable objects are not available to spend. The value of these operational fixed assets have been transferred into a designated fund to indicate that they are not expendable financial assets.

12 ALLOCATION OF NET ASSETS	Fixed Assets	Investments	Current Assets	Current Liabilities	Parish Loan Accounts	31 August 2021 Total
	£	£	£	£	£	£
Permanent Endowment Funds						
Curial	-	-	47,328	-	-	47,328
Parochial	510,650	134,345	116,096	-	-	761,091
Restricted Funds						
Curial	-	259	2,263,188	-	-	2,263,447
Parochial	-	1,123,318	557,815	-	-	1,681,133
Unrestricted funds						
Curial	3,035,864	9,544,269	(509,487)	(9,645,277)	141,726	2,567,095
Parochial	38,654,621	22,740,190	8,083,144	(244,492)	(141,726)	69,091,737
Total Net Assets	£42,201,135	£33,542,381	£10,558,084	£(9,889,769)	£ -	£76,411,831

For full comparative figures see Note 21 (f)

Notes to the Accounts (continued)
for the Year Ended 31 August 2021

13 TRANSACTIONS WITH TRUSTEES

Certain of the Trustees are also priests within the Diocese. As priests they receive income from their office 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. No Trustees receive any remuneration or benefits from their trusteeships. No Trustees were paid for providing professional services to the Diocese.

14 CAPITAL COMMITMENTS

	31 August 2021 £	31 August 2020 £
Authorised and contracted for	£223,601	£-

15 CONNECTED CHARITY

The following charity is a connected charity of The Portsmouth Diocesan Trust:

Charity	Charity Number	Address
Portsmouth Roman Catholic Diocese Priests' Retirement Fund	1061194	St Edmund House Bishop Crispian Way Portsmouth PO1 3QA

16 TRADING SUBSIDIARIES

During the period the Diocese had wholly owned active subsidiary companies incorporated in England and Wales. They were as follows: -

The Portsmouth Diocesan Trading Co Limited - General commercial trading on behalf of the Diocese. (Company Number: 2746549)

Catholic Resource Centre Limited - Sale of religious material.
(Company Number: 3141601)

City Centre Parish Gift Shop Ltd - Sale of religious and other material.
(Company Number 4861772)

16. Trading Subsidiaries (continued)

Our Lady of Peace Catholic Club Limited - Management of licensed premises on behalf of Our Lady of Peace, Earley.
(Company Number: 3340552)

Waterside Fair Trading Limited - Sale of religious and related material.
(Company Number: 3454820)

The results and assets and liabilities of the above companies are reported within the financial statements.

Portsmouth Roman Catholic Diocesan Trust Company Limited (Company Number: 9003096) acts as Member of Caritas Jersey Limited, a Jersey registered charitable company, whose results and assets and liabilities are reported within the financial statements.

Portsmouth Roman Catholic Diocesan Properties Limited (Company Number: 9611450) was incorporated on 28th May 2015 and ownership of the Diocese's freehold properties in Jersey was transferred to it from The Portsmouth Diocesan Trust during the year in order better to comply with Jersey property law.

A summary of the companies' trading results and balance sheets is set out below: -

Consolidated Profit and Loss Account For the Year Ended 31 August 2021	31 August 2021	31 August 2020
	£	£
TURNOVER	248,761	257,405
Cost of sales	(129,046)	(150,153)
GROSS PROFIT	119,715	107,252
Administrative expenses	(115,860)	(157,741)
	3,855	(50,489)
Amount gifted to the Charity	(82,000)	(56,067)
Transfer of Fixed Assets	-	3,372,687
Tax on profit on ordinary activities	-	-
(LOSS)/PROFIT AFTER TAXATION	(78,145)	3,266,131)
Reserves brought forward	3,140,596	(125,535)
RESERVES CARRIED FORWARD	£3,062,451	£3,140,596

Included within turnover are sales to the Diocese amounting to £96,253 (2020 £65,383).

16. Trading Subsidiaries (continued)

Consolidated Balance Sheet As at 31 August 2021	31 August 2021 £	31 August 2020 £
FIXED ASSETS		
Tangible assets	3,185,535	3,310,460
CURRENT ASSETS		
Stocks	11,085	9,969
Debtors	45,111	38,253
Cash at bank and in hand	181,531	161,144
	237,727	209,366
CREDITORS: Amounts falling due within one year	(194,310)	(212,729)
NET CURRENT ASSETS	43,417	(3,363)
CREDITORS: Amounts falling due after one year	-	-
NET ASSETS	£3,228,952	£3,307,097
Share capital	166,501	166,501
Reserves	3,062,451	3,140,596
SHAREHOLDERS' FUNDS	£3,228,952	£3,307,097

17. FINANCIAL INSTRUMENTS	2021 £	2020 £
Financial assets measured at fair value	13,052,382	10,877,486
Financial assets measured by amortised cost	778,306	1,655,543
Financial liabilities measured by amortised cost	9,334,127	2,462,594

18. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year. (2020: Nil)

19. POST BALANCE SHEET EVENTS

There were no post balance sheet events.

20. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Local Mission	Unrestricted Mission Support	Restricted Funds	Total Funds 2020	Total Funds 2019
		£	£	£	£	£
Income from:						
Donations and legacies						
Donations and Offertories		8,466,576	24,063	1,597,788	10,088,427	10,026,348
Legacies		724,480	10,125	20,526	755,131	442,245
Charitable Activities	2	1,153,251	300,255	146,389	1,599,895	1,765,658
Income from trading subsidiaries	18	162,736	-	94,669	257,405	233,418
Investment income	3	691,214	80,614	87,341	859,169	888,066
Other income		433,255	110,902	-	544,157	558,089
Gain on disposal of fixed assets		-	105,061	-	105,061	1,375,088
Total Income		**11,631,512**	**631,020**	**1,946,713**	**14,209,245**	**15,288,912**
Expenditure on:						
Raising funds						
Expenses of trading subsidiaries		277,392	-	98,716	376,108	299,657
Fundraising		-	83,848	-	83,848	-
Charitable activities						
Support of Parish Life		10,653,780	-	995,047	11,648,827	12,659,528
Vocation						
Training New Clergy		-	37,571	308,246	345,817	463,848
Clergy Support		-	406,448	18,431	424,879	433,737
Supporting Retired Priests		-	114,930	-	114,930	97,496
Education				-		
Supporting Catholic Education		-	384,946	327,762	712,708	829,643
Youth and University Chaplaincies		-	280,881	-	280,881	362,937
Evangalisation				-		
Supporting the Poor and Marginalised - Inspired by the Love of Christ		-	47,166	156,037	203,203	274,348
New Evangelisation		-	104,927	-	104,927	116,253
Total expenditure	**4**	**10,931,172**	**1,460,717**	**1,904,239**	**14,296,128**	**15,537,447**
Net (Outgoing)/Incoming Resources before transfers		700,340	(829,697)	42,474	(86,883)	(248,535)
Realised and Unrealised (Losses) on Investments		(987,450)	(4,078)	(69,685)	(1,061,213)	(563,738)
Net income/(expenditure)		**(287,110)**	**(833,775)**	**(27,211)**	**(1,148,096)**	**(812,273)**
Transfers between Funds						
Transfers - Curial Services		1,528,897	(1,528,897)	-	-	-
Transfers - Diocesan Levy		(2,152,976)	2,152,976	-	-	-
Net movement on funds		(911,189)	(209,696)	(27,211)	(1,148,096)	(812,273)
Reconciliation of funds						
Fund balances brought forward		63,342,454	2,391,617	3,882,860	69,616,931	70,429,204
Fund balances carried forward		**62,431,265**	**2,181,921**	**3,855,649**	**68,468,835**	**69,616,931**

21a,b CHARITABLE EXPENDITURE FOR YEAR ENDED 31 AUGUST 2020

	Support of Parish Life		Vocation			
	Locally Incurred Costs	Centrally Incurred Costs	Training New Clergy	Supporting Clergy in ministry	Supporting Retired Clergy	Ca
	£	£	£	£	£	
Direct Costs	-	-	59,758	393,057	30,938	
The Office of the Bishop	-	179,312	-	-	-	
Chancery	-	10,665	-	-	-	
Tribunal	-	41,781	-	-	-	
Hospital Chaplaincies	-	46,716	-	-	-	
Parish Initiatives	-	32,099	-	-	-	
Seminary Fees	-	-	258,900	-	-	
Maintenance of Catholic Schools	-	-	-	-	-	
Parish Costs						
Clergy	1,535,930	-	-	-	-	
Staff	1,946,654	-	-	-	-	
Church Running Costs	929,511	-	-	-	-	
Office and Presbytery Running Costs	926,511	-	-	-	-	
Parish Centre Running Costs	166,868	-	-	-	-	
Other Costs	1,324,722	-	-	-	-	
Insurance	391,965	-	-	-	-	
Repairs and Maintenance	2,095,344	-	-	-	-	
Depreciation	802,425	-	-	-	-	
	10,119,930	310,573	318,658	393,057	30,938	
Support Costs						
Communications	23,480	23,479	4,695	4,695	-	
Estates	131,616	-	-	-	65,808	
People	112,142	-	1,174	1,174	587	
IT	122,974	-	5,151	5,151	2,575	
Finance	296,628	9,103	9,340	11,521	907	
Governance	22,938	704	722	891	70	
Curia Property and overheads	173,617	30,095	4,543	5,322	14,045	
Safeguarding	154,951	-	1,534	3,068	-	
Bishops Conference Levy	-	116,597	-	-	-	
Total	11,158,276	490,551	345,817	424,879	114,930	

Education		Evangelisation		Fundraising	Trading Subsidiaries	Total
Supporting atholic Education	Youth and University Chaplaincies	Supporting the Poor and Marginalised - Inspired by the Love of Christ	New Evangelisation	Fundraising	Trading Subsidiaries	Total
£	£	£	£	£	£	£
260,933	245,445	175,821	88,452	55,395	376,108	1,685,907
-	-	-	-	-	-	179,312
-	-	-	-	-	-	10,665
-	-	-	-	-	-	41,781
-	-	-	-	-	-	46,716
-	-	-	-	-	-	32,099
-	-	-	-	-	-	258,900
327,762	-	-	-	-	-	327,762
-	-	-	-	-	-	1,535,930
-	-	-	-	-	-	1,946,654
-	-	-	-	-	-	929,511
-	-	-	-	-	-	926,511
-	-	-	-	-	-	166,868
-	-	-	-	-	-	1,324,722
-	-	-	-	-	-	391,965
-	-	-	-	-	-	2,095,344
-	-	-	-	-	-	802,425
588,695	245,445	175,821	88,452	55,395	376,108	12,703,072
4,695	4,695	4,695	4,695	18,783	-	93,912
65,808	-	-	-	-	-	263,232
2,349	1,174	1,761	587	587	-	121,535
10,301	5,151	7,726	2,575	2,575	-	164,179
17,255	7,194	5,154	2,593	1,624	-	361,319
1,334	556	399	200	126	-	27,940
20,737	5,927	4,579	2,757	4,758	-	266,380
1,534	10,739	3,068	3,068	-	-	177,962
-	-	-	-	-	-	116,597
712,708	280,881	203,203	104,927	83,848	376,108	14,296,128

21. COMPARATIVE FIGURES FOR THE YEAR ENDED 31 AUGUST 2020

21c PERMANENT ENDOWMENT FUNDS

	Balance at 31 Aug 2019	Net Incoming/ (Outgoing) Resources	Movement on Investments	Balance at 31 Aug 2020
	£	£	£	£
Local Mission Funds				
Properties	371,654	(7,639)	(18)	363,997
Other	145,260	2,984	(1,486)	146,757
St Mary's Mission	214,398	681	(565)	214,514
Total	731,312	(3,975)	(2,069)	725,268
Mission Support Funds	42,094	(1,150)	(1,373)	39,571
	773,406	**(5,125)**	**(3,442)**	**764,839**

21d RESTRICTED FUNDS

	Balance at 31 Aug 2019	Incoming Resources	Resources Expended	Transfers	Movement on Investments	Balance at 31 Aug 2020
					£	£
MISSION SUPPORT						
Social Welfare	165,085	4,336	-	-	(5,645)	163,776
Clergy Training	898,319	70,054	(305,896)	-	(31,049)	631,428
Bamenda Fund	34,889	93,831	(98,463)	-	(157)	30,100
Clergy Assistance	98,981	10,891	(18,431)	-	(3,385)	88,056
Lourdes Fund	173,286	5,167		-	(5,205)	173,248
Youth Funds	782	-	-	-	-	782
Vicariate Triple Trust	71,882	1,807	(16,911)	-	(2,458)	54,320
Edmund Rice Fund	281,841	6,432	-	-	(9,638)	278,635
School Building Fund	194,220	246,672	(327,762)	-	-	113,130
Other Restricted Funds	59,290	270	(1,200)	-	(1,749)	56,611
Diocesan Caritas	1,075	159,729	(57,574)	-	-	103,230
	1,979,650	599,189	(826,237)	-	(59,286)	1,693,316
LOCAL MISSION						
Parish Fund Raising	110,507	1,235,248	(968,449)	-	-	377,306
Investment Funds	837,308	12,738	-	-	(6,957)	843,089
Foundation Masses	160,706	1,205	(2,049)	-	-	159,862
Caritas Jersey Ltd	21,283	94,669	(98,716)	-	-	17,236
	1,129,804	1,343,860	(1,069,214)	-	(6,957)	1,397,493
	£3,109,454	**£1,943,049**	**(1,895,451)**	-	**(66,243)**	**3,090,809**

21e DESIGNATED FUNDS AS AT 31 AUGUST 2020

	Balance at 31 Aug 2019	Incoming Resources	Transfers/ Resources Expended	Movement on Investments	Balance at 31 Aug 2020
				£	£
MISSION SUPPORT					
Education Fund	64,739	14,600	-	(2,214)	77,125
Insurance Risk Fund	(8,797)	-	-	-	(8,797)
Pastoral Development Fund	1,125,868	-	-	-	1,125,868
Living Our Faith Fund	2,331,535	15,390	(539,965)	(1,864)	1,805,096
Value of Diocesan Buildings - Fund	-	-	3,075,504	-	3,075,504
	3,513,345	29,990	2,535,539	(4,078)	6,074,796
LOCAL MISSION					
Living Our Faith Fund	1,282,884	8,468	(159,912)	-	1,131,440
Value of Diocesan Buildings - Fund	-	-	39,158,371	-	39,158,371
Other Parochial Funds	62,059,570	11,623,044	(50,553,710)	(987,450)	22,141,454
	63,342,454	**11,631,512**	**(11,555,251)**	**(987,450)**	**62,431,265**
	66,855,799	11,661,502	(9,019,712)	(991,528)	68,506,061

21f ALLOCATION OF NET ASSETS AS AT 31 AUGUST 2020

	Fixed Assets	Investments	Current Assets	Current Liabilities	Parish Loan Accounts	Total 31 Aug 2020
					£	£
Permanent Endowment Funds						
Mission Support	-	39,571			-	39,571
Local Mission	510,455	186,435	28,378		-	725,268
Restricted Funds						
Mission Support	-	3,104,519	(1,411,203)		-	1,693,316
Local Mission	-	793,492	604,001		-	1,397,493
Unrestricted funds						
Mission Support	3,075,504	5,270,954	5,136,770	(6,255,498)	(5,045,808)	2,181,922
Local Mission	38,647,916	17,206,354	1,951,344	(420,157)	5,045,808	62,431,265
Total Net Assets	**42,233,875**	**26,601,325**	**6,309,290**	**(6,675,655)**	**-**	**68,468,835**

Catholic Diocese of Portsmouth
Bringing people closer to Jesus Christ through His Church



PORTSMOUTH ROMAN CATHOLIC DIOCESAN TRUST (TRUST PROPERTY)

England & Wales - Charity number 246871

Accounts

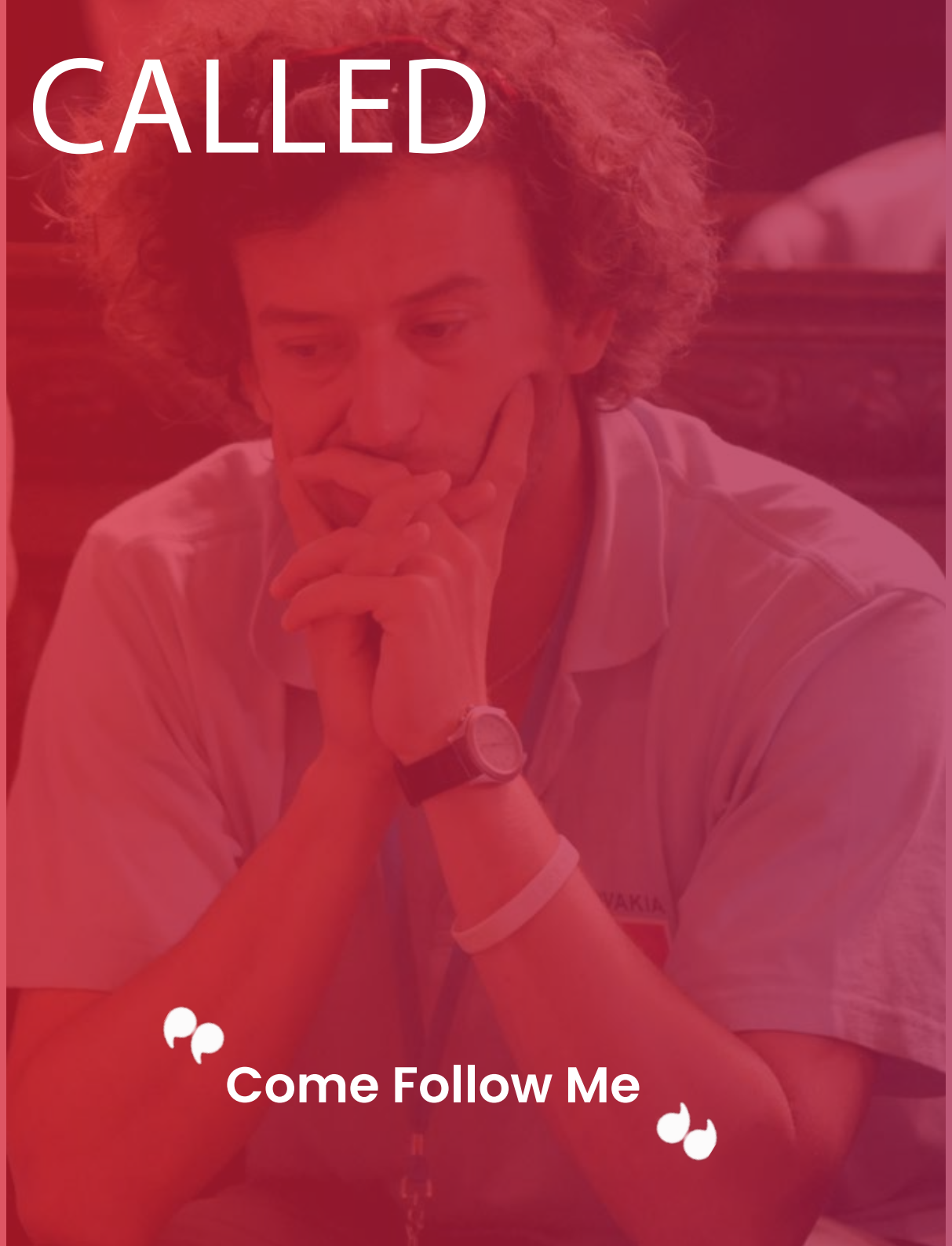
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PORTSMOUTH



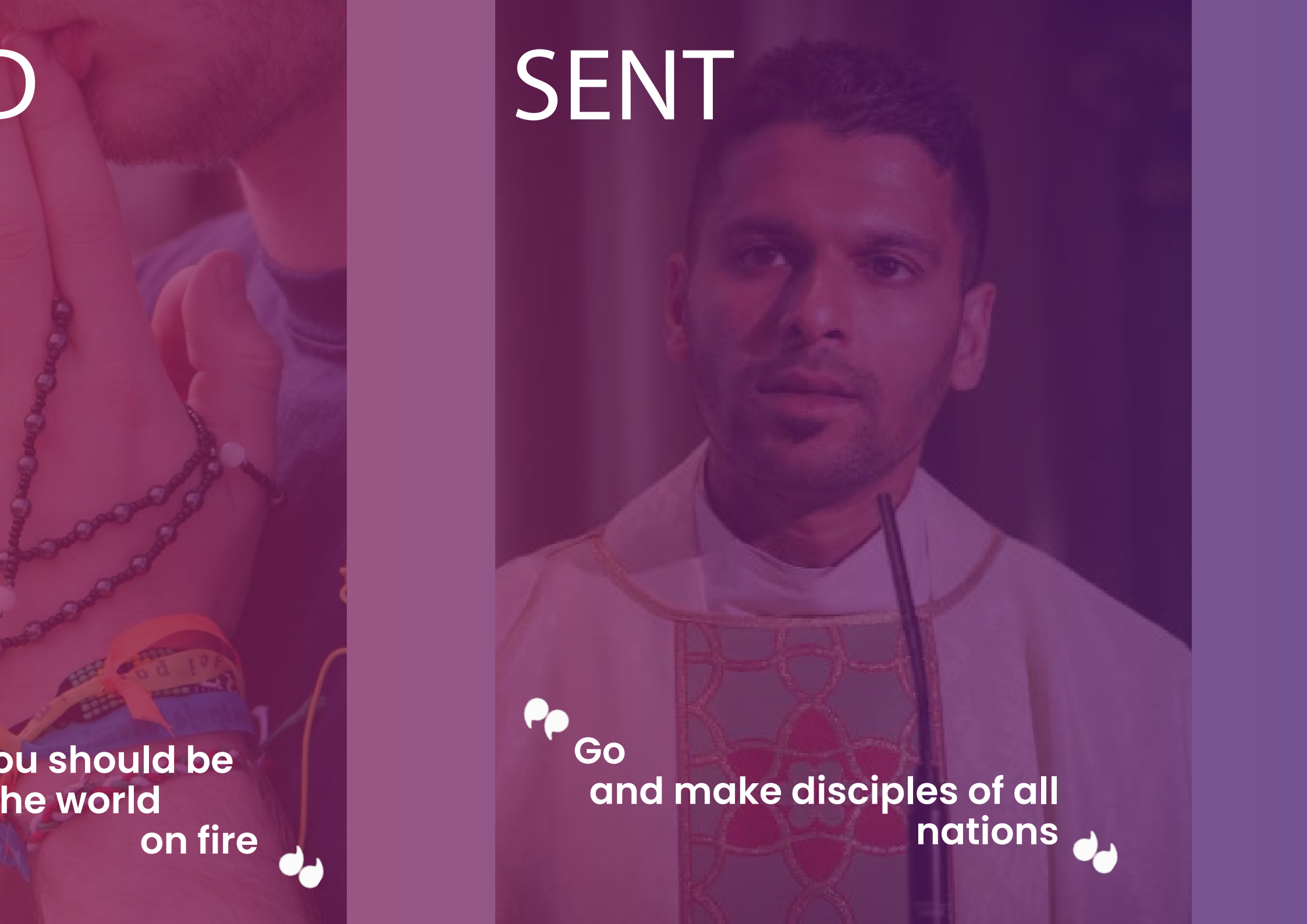
ANNUAL REPORT

2019/2020

Bringing people closer to Jesus Christ through His Church


CALLED
Come Follow Me


FORMED
If you are
what yo
you will set t

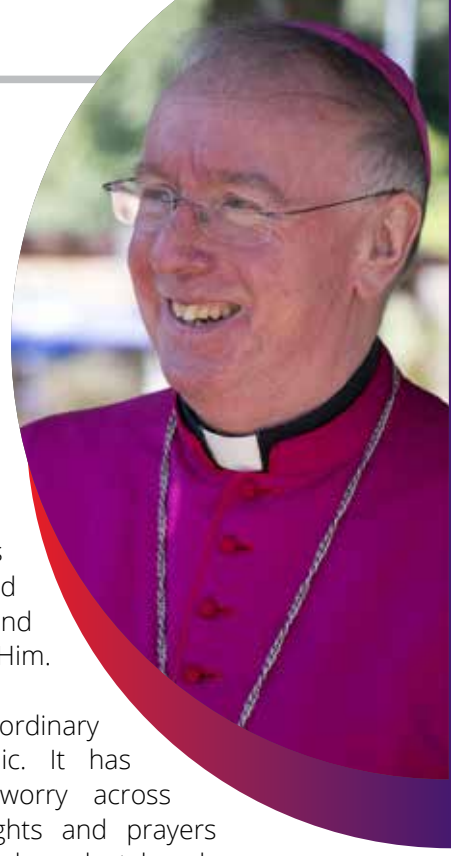

D
ou should be
he world
on fire
SENT
Go
and make disciples of all
nations

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Bishop's Report



Twenty centuries ago on the shores of Lake Galilee, a Man of God appeared, a miracle-worker, a Person of extraordinary fascination and mystery with a profound knowledge of Scripture and Jewish tradition, and with authority and wisdom. He chose and called to Himself a small band of disciples, whom over the next years He taught and formed. He was arrested and cruelly put to death, but three days later, rose from the dead and appeared to His disciples. He sent the Spirit of God into their hearts and charged them to go out into all humanity to preach the Good News: that in Him, died and risen, a new world-order has arrived, the gift of eternal life, the gift of salvation from suffering, sickness, sadness and death. That Message the Church in our Diocese of Portsmouth seeks to proclaim today to the people of our time and place - a task summed up in our mission statement: Bringing People Closer to Jesus Christ through His Church.

Our Mission for the period 2020 - 2030 is to:

1. Go out on mission to all
2. Convert Catholics
3. Be totally dependent on the Holy Spirit
4. Become outward looking servants

There are three areas of focus:

1. Vocations
2. Youth
3. Prioritising Resources

Jesus's three-fold method of calling – forming – sending is the structure of our Diocese (the 'Framework for Collaboration') with its three vicariates of Vocation (calling), Education (formation) and Evangelisation (sending). These three vicariates, with their teams and departments, seek to carry out the work and mission of our Diocese, serving its clergy and lay, its parishes and schools. They are there to help us all grow in discipleship of Christ: as disciples called by Him, disciples formed by Him (a life-long process) and disciples sent out on mission by Him.

2020 has been an extraordinary year with the COVID pandemic. It has brought much sadness and worry across our faith community. My thoughts and prayers are with our parish families who have lost loved ones.

Our faith is a great comfort during challenging times, providing solace and hope. I would like to thank our priests and the scores of volunteers for all they have done to keep churches open and to make the Sacraments, teaching and communion of the Church available. I also acknowledge their creativity. Much activity has gone online, liturgies livestreamed and prayer-groups and bible-study 'zoomed.' I am grateful to our schools, heads and teachers in particular, for all they have done, not least the many heart-warming acts of care and support for poorer families and individuals.

As the bishop, I have been supporting our priests directly by phone and zoom as well as in person where possible and have been closely involved in the formation-programme of our students in the House of Discernment at Sacred Heart, Fareham. I have continued to communicate personally with our faithful by developing the weekly Enews and have initiated

a new diocesan quarterly newsletter Viva Voce which is distributed to schools and parishes throughout the diocese. I have also begun releasing short video messages with catechesis on various aspects of our Catholic faith and worship as well as delivered talks and papers on the New Evangelisation, the Origins of the Bible, the Church in Today's Society, Covid the Spiritual Impact, the Future of Catholic Education and on Living Laudato Si. Also, a real highlight of the year for me was the ordination of a new priest for our Diocese, Fr Matthew King, and two transitional deacons, Anthony Fyk and Paul Nwune.

As the Church emerges from the pandemic, our Diocese has enormous potential. On behalf of the Lord, I express profound gratitude to everyone for their work, and not least to my closest collaborators, the Bishop's Council formed of the two Vicars General, Canons Paul Townsend and Michael Dennehy, and the three Episcopal Vicars, Fr. Rob Stewart, Fr. PJ Smith and Fr. Mark Hogan. I am especially thankful to Heather Hauschild, the Chief Operating Officer, to Chris Smith, Director of Communications, to our diocesan support and administration team, and to those who work with me in Bishop's Office: Fr. Philip Carroll, Kirsten McGuire and Deacon Craig Aburn.

Let us pray that all this good work done for the Lord will bear much fruit, helped by the intercession of our dear patrons Mary Immaculate, St. Edmund of Abingdon and Bl. Pier Giorgio Frassati.

In Corde Iesu

+ Philip

Bishop of Portsmouth





Bringing people closer to Jesus Christ through His Church

Chief Operating Officer's Statement

Heather Hauschild
Chief Operating Officer

Our work so far

This has been my first full year as Chief Operating Officer, and I am grateful for the opportunity to reflect on all the progress we have made in the last twelve months.

It almost goes without saying that this year has been particularly challenging for us all; the impact of COVID-19 on our communities and the practice of our faith has been profound. Our parishes have risen to the challenges presented by the pandemic. They have been innovative and resourceful in adapting the ways in which we serve the community and bear witness to the Gospel to the new reality. The many examples contained in this report are a testament to the generosity and resilience with which the people of our Diocese have responded to the crisis, for which we should be justly proud. While there are promising signs that within the next year, life will be able to return to normal, it is likely that we will be dealing with the long-term effects of the pandemic for years to come.





The Department for Support and Administration has also had to adapt our practices and work due to COVID. We have had to reorder our priorities in light of this and I wanted to highlight the following successes over the last 12 months:

Our first priority has been to support parishes as effectively as we can, especially in providing guidance and advice to navigate the constantly changing government COVID regulations. This has helped to ensure the safety of our parishioners and where possible, continue to deliver Mass in our communities.

We introduced a new IT system across the Diocese to enable home-working and virtual meetings and managed the complex staffing arrangements that needed to be made, when a number of our employees across the Diocese were placed on furlough. This government scheme alleviated a considerable amount of cost pressure for parishes while our churches were closed and income was substantially reduced. We are thankful to our generous and loyal employees who have been so understanding and flexible in these uncertain times.

A Safeguarding review was undertaken in January 2020 by the Social Care Institute for Excellence (SCIE) to assess the robustness of our arrangements and to identify areas for improvement. An action plan was developed, and good progress has been made in the implementation of the suggestions, most notably in the delivery of a revised training programme for clergy and DBS online, which means that the backlogs in securing DBS certificates have been eliminated.

We are delighted to have recruited some excellent professionals to our Safeguarding Commission, to support us in our ongoing work to ensure the protection of the most vulnerable members of our community. We are now working to implement the recommendations of a review authorised by the Catholic Bishops Conference for England and Wales as part of a 'One Church' model. This work will formalise the Safeguarding Commission as a subcommittee of the Trustees.

I am particularly proud of the excellent work that our Estates and Fundraising Development team has done to raise £1.2 million at the time of writing, from applications to grant and trust making bodies. Their work has enabled us to finance a variety of local projects including the work of Caritas Portsmouth, our Parish Social Outreach groups, and the local food banks. We have also been able to support the care and restoration of some of our listed buildings. This funding has been a great help to our parish communities.

Since the start of the pandemic I have been participating in the local area Faith Working Group, which was established to include all of the faith communities in Hampshire in the response to the challenges we are all facing. My priority has been to work with the authorities and the representatives of other faith groups to ensure the needs of our community were considered when decisions were made.

I have also been engaging closely with our Hospital Chaplains and the NHS trusts in which they operate. We have worked hard during the pandemic to raise the profile of Catholic Chaplaincy in our hospitals, so that the efforts of our Chaplains in providing support and consolation to the sick and in bringing the sacraments to those in end-of-life care was recognised as an essential part of the care provided. I am also pleased that we have been able to negotiate a Service-Level Agreement with the University Hospital Southampton Trust to strengthen the provision of hospital chaplaincy in Southampton.

Last year we were able to meet with clergy and members of local finance committees, to discuss the financial position of the Diocese in greater detail. The financial report describes the reality that we are facing a challenge both centrally and, in most parishes, because over the last few years, income has not kept pace with expenditure. Weekly Mass attendance has decreased year-on-year, and average contributions per-head have also gone down. The COVID pandemic has exacerbated the existing problem because our churches have been closed or severely restricted for an extended period of time.

While the economic outlook is precarious, we are at a turning-point. We have an opportunity to strengthen our Diocese, through the commitment, generosity and self-sacrifice of our clergy and lay faithful. Our attention is now firmly focused on the future and ensuring our faith community has the resources in place to achieve our priorities.

This will allow us to address those areas which are central to our Diocese such as providing continued support for clergy, including the increasing number of priests coming to retirement age, investing in the ongoing formation of the laity, and ensuring the upkeep of our parishes and refurbishment of our churches. As a result, we can look forward to a Catholic community which can care for those in need, with a priesthood that is supported and renewed by new vocations, and parishes that are sufficiently resourced.

Our Workforce

Our Diocese is a large charitable organisation, which employs dedicated professionals to support the efforts of the Bishop, Priests, Deacons, and Lay People working to Bring People Closer to Jesus Christ through His Church. The diocesan offices at St Edmund's House, on the Cathedral site in Portsmouth, houses the 'Department for Support and Administration'. The Department provides extensive support to the diocesan curia and to our parishes in areas such as pastoral care, capacity building and governance. We employ approximately thirty members of staff on a full and part-time basis across eight departments. The Chief Operating Officer has overall responsibility for the work of the Department for Support and Administration and is the Canonical Finance Officer for the diocese. (Can. 494)

The running cost of the central departments is covered by regular donations and a percentage of parish contributions for which we are extremely grateful. The annual parish levy is calculated based on the previous year's income and helps to ensure the Diocese can continue to support its entire faith community. Other costs such as insurance, legal support and money paid to the national Bishops' Conference of England and Wales are also funded by these income streams. The work of these internal functions are imperative for the ongoing management and governance of the Diocese of Portsmouth.

We work closely with other dioceses to share learning best practice and develop collaborative solutions to some of the common issues we face.

Our priorities for the coming year

In the next year, our attention must continue to be on our central mission; Bringing People Closer to Jesus Christ through His Church. We will be building a plan for the next ten years, focused on spiritual renewal. From an administrative standpoint, we will be concentrating on the responsible management of the Church's material and financial assets to support our core mission. To inform this process, we will be closely considering the results of our diocesan survey, which yielded over 1,800 responses, along with our clergy survey (to be conducted later this year). The priorities detailed below will enhance the faith of each community and the lives of our parishioners.

Our detailed priorities for the next year are as follows:

- Contribute to the development of the 10-year plan.
- Finalise our Living Our Faith Campaign (please see insert attached), with all remaining funds now assigned to projects across the Diocese.
- Establish a new fundraising initiative for the support of clergy and men in all stages of the priesthood, laity formation and to support parish recovery post-COVID.
- Maintain our focus on grant and trust applications to build new income streams which will assist across the broad range of our missionary activity.
- To Fully implement the 'One Church' model for safeguarding and meet the standards for the safeguarding of vulnerable people set out in that model.
- Progress the many areas of estate development that have already begun so that assets can be used appropriately to support the mission of the church.
- In collaboration with the Caritas Board and a dedicated group of volunteers, to produce a detailed environmental strategy so that the aspirations and challenges described in "Laudato Si" can be realised in our Diocese
- Procure a new finance system to replace our existing arrangements so that we can more effectively support parishes with their financial management and provide the necessary tools for central reporting and oversight.
- Continue to improve our governance, revise outdated polices and specifically ensure our Information governance and cyber security arrangements are as robust as possible.
- Address the ongoing need for training and support for clergy, employees, and volunteers. We have been asked to prioritise mental health support and signposting and IT training as well as routine safeguarding and other practical training.
- Continue to work in partnership with others including in hospitals, universities, local authorities and other faith groups. We will also continue working and sharing best-practice with the other dioceses in England and Wales.

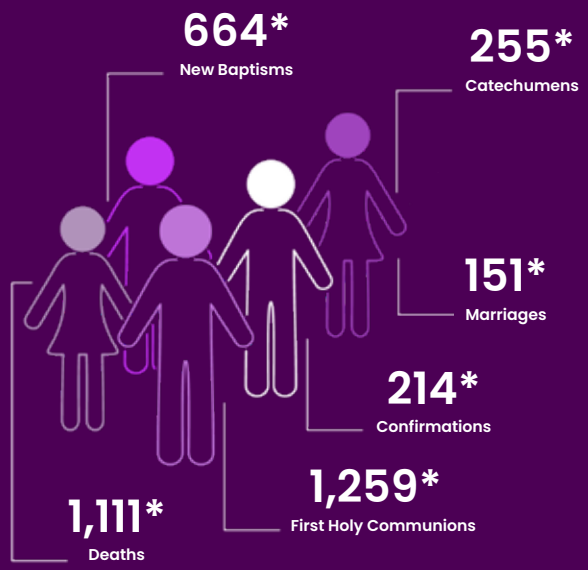
I am grateful for the hard work of the Department for Support and Administration over the last twelve months, and for the work of our staff across the Diocese. There is still a great deal of work to be done, both to weather the current challenges and to take advantage of the opportunities over the next ten years. With a spirit of Faithfulness to Christ's call to follow Him and a generous response to the needs of His Church, we will safeguard the future of our community. I commend this annual report to you and ask you please to pray for our Diocese and for us as we continue our work for the Glory of God.





30,327

Weekly Parish Attendance





(*Due to COVID restrictions)

Parish Life

At the heart of the community

> **We provide vital Home Care Services, working with other Christians and other Faiths as well as voluntary agencies**
> Southampton

The parish is the central place in which the Catholic community comes together to celebrate and share in the Mass, liturgies, sacraments, formation and life of the Church.

The Diocese's 87 parishes and 71 Catholic schools lie at the heart of communities across Hampshire, Berkshire, Oxfordshire, the Isle of Wight and the Channel Islands, reaching out to 3.2 million people each year.

It is through the parish network that the diocese meets its charitable objectives, aided by the Framework for Collaboration teams and supported by the central curial services.

Parishes provide an inclusive hub for people of all walks of life to meet, form friendships, receive religious services, education and formation and provide a structure for parishioners to reach out to the wider community to serve in acts of social action, in particular to serve the poor, the isolated, the vulnerable and those most in need.

It is through the provision of the liturgies and sacraments that Catholics are sustained to live out their faith, personally encountering Christ through the Eucharist and in the sacrament of reconciliation.

Parishes deliver a host of events, initiatives and programmes both within the Christian community and to the wider community. Clergy and parishioners engage across various vital areas. For example, offering chaplaincy to 51 Hospitals, providing vital care and support, often in times of great difficulty or in end of life situations. Chaplaincy is provided to 4 prisons, comprising a prison population of 2,071 inmates with various spiritual needs. Minority group chaplaincy provides support to many people from different nationalities including Poland, India, Philippines, Nigeria, Ghana, Cameroon, Venezuela and China, meeting spiritual and social needs in various languages. Parishes provide pastoral care services to the travelling community, for youth ministry ranging from pre school to young adulthood and chaplaincy to refugees and seafarers, particularly in our parishes situated in ports.

This financial year has provided some interesting opportunities and challenges, covering 6 months of mission based activity across a pre COVID environment

10 million

hours of community service



and 6 months of COVID based mission. During this time, 88% of parish communities of the Diocese have provided foodbank services to the wider community. 65% have provided direct support groups for the elderly and 44% have developed direct action groups to work with the homeless and refugees, whilst 60% of parishes provide direct support for children in poverty. 76% of all parishioners have volunteered on projects supporting the local community.

Fr Tom Kleinschmidt from St Boniface in Southampton reflected on the simple ways that his parish has used this year of isolation due to COVID to encourage 'personal encounter'. "When we first went into lockdown back in March" explained Father Tom, "it was very difficult to adjust, but what we started to do was to contact every single person in our address list. It was a beautiful initiative" he continued, "we had a team of parishioners calling everyone, and because they were self-isolating they were so happy to receive word from the parish and know that we were praying for them and likewise, that we were counting on their prayers." Many other parishes have reached out to parishioners and vulnerable groups across the wider community in similar ways, offering accompaniment via zoom or by telephone and providing opportunities for connection. In Eastleigh they have been running youth activities online, enabling families to get together via the web and providing a forum for women to share their experiences, joys and challenges.

James Lewis, a seminarian from Allen Hall reflects that for him, "one of the most memorable moments during Covid has to be the Novena to the Holy Spirit led by Canon Michael Dennehy at English Martyrs, Reading."

He goes on to say, "for 9 days at 6:30 am, parishioners and their friends, from the UK and from further afield came together on zoom to pray. One hundred parishioners took turns to lead the singing and the prayers. On the final day, Bishop Philip joined us with over 250 people in attendance. An experience I will never forget!"





We have Zoom groups for children, youth, families, parishioners, elderly..

Fr Raffaele - St Swithun Wells



I am amazed to see all the new ways in which the Church (that's me and you!) steps up to its mission in the midst of the pandemic: in my personal prayer, in the home, as a family, in my marriage, in my parish, amongst my friends and in the people I see around me that are in need.

Miriam - St Boniface

We are engaging with the local council in providing support and information for the vulnerable. We are also working on a local project to provide deliveries of prescriptions, for which our church hall is a significant distribution hub

Fr Daniel - Hinksey

My parish is a community that is open-minded, welcoming and where hospitality and sharing are central.

RESPONDENT # 493*

*2021 Diocesan Faith Survey

87

parish communities

During Lockdown



55
parishes live streaming Masses
15,075 average weekly Mass attendance

762,188+
hours of online liturgies, support groups and formation

The power of parishes to bring communities together and help them thrive is evident. The impact of COVID-19 has made the social value of churches even more relevant. Church buildings are the 'key places' where we will start to rebuild our communities.

Looking to the future, the Diocese in collaboration with its clergy and laity will look to establish a development plan for each pastoral area based on the needs of the community, and encourage local Evangelisation Strategy Teams (EST) to develop action plans accordingly to ensure the maximum impact in line with our charitable objectives and the social good.

47
Pastoral Councils

21
Evangelisation Strategy Groups

66
Welcome and Hospitality Groups

885*
Other Core Groups

£11,648,827
Total Spending

* includes Bereavement, SVP, Healing, Catenian, Leadership, Justice and Peace, CAFOD, Does not include all individual project led groups

Vocation

...fostering a culture of vocation

A key priority for the Diocese is to focus on the area of vocation, but what does this mean? Catholic teaching shows us that each and every individual is created in the image and likeness of God and that each of us is unique. The word vocation comes from the Latin 'Vocare' - to call. Through Baptism we are called to be saints. This is the universal vocation to holiness. Each of us is then called to a particular state of life - married life, single life, priesthood or religious life. Each person lives out this vocation through the day to day activities of life, through work, service, friendships and in family. Our vocation is nourished through the life of the Church, and in particular by receiving the sacraments and developing a prayerful relationship with Jesus Christ. A key responsibility of the Diocese and our charitable objectives is to support people to live out their calling from God, their vocation.

The Diocese provides this support in many different ways - access to the Mass, sacraments, formation, education, parish life and the opportunities for outward looking service and mission. Parishes also use a variety of initiatives and programmes to help parishioners to foster their talents, providing training, support and development opportunities.

The Called and Gifted programme is one way in which the Diocese meets its objectives. The Called and Gifted Discernment Process has the specific goal of enabling Catholics within parishes to discern the presence of charisms in their lives. The process could be viewed as the Bishop's project to call forth, develop and invest in the giftedness of his people. Parishioners then put into practice the talents at their disposal impacting a multitude of service areas across parish life, serving in administration, sacramental preparation, social action, teaching and leadership roles. Since its roll out across parish communities the team have supported 2,013 individuals through the process, delivering 46 day long group workshops, 1,595 individually tailored interviews and developed 1,595 individual pathways for programme attendees.

The pre Discipleship team provides one to one accompaniment that focuses on the spiritual journey that all Catholics go through before they become disciples. Based on the work of Sherry Weddell, who identifies preliminary stages in one's faith journey, of "trust, curiosity and openness", before reaching "discipleship", the team looks at ways to engage people of these initial stages, in a formation of faith with a view to empower people to go out and make a difference within the parish and wider communities. The team has provided group training on how to accompany people on their faith journey. They have provided retreat days, an annual conference and have delivered inset training days to school leaders. In addition, a team of 70 intercessors provides prayer support for 1,500 unique prayer requests over the course of the year.





410
People experienced Ananais Accompaniment or Retreats

2013
succesful participants

100+
courses and workshops



The pre Discipleship team also supports parishes to deliver the Alpha programme. Alpha is a parish tool for evangelisation based on hospitality, rooted in open conversation. The same Alpha content is run all over the world, by Christians of all traditions, sharing the good news of the life, death and resurrection of Jesus. The basic tenet is that everyone is welcome. Running for several weeks at a time, 20 to 30 guests meet to share a meal, watch an informative film about an aspect of Christianity and then gather into small groups for discussion and fellowship. Since inception, over 100 Alpha courses have been delivered across parishes and online - that equates to supporting 3000 new enquirers. The online delivery of Alpha has continued during the COVID Pandemic.

The Marriage and Family Life Team continues to deliver a preparation programme for those couples who wish to get married; covering spiritual, theological and practical content, with formed and trained catechists. The team provides support to couples who wish to learn about natural fertility awareness. Throughout the COVID pandemic many marriages and relationships have unfortunately suffered. 'Breakthrough' is a project that is offered to couples through a series of workshops, combining psychology and Catholic teaching, aimed at overcoming 'gridlock' in communication within marriage.

The Vocations Promotion team has been extremely busy over the past year. Fr John Cooke and Clare Ryan have seeked to form relationships with young discerners to help guide them to the clarity and beauty of the Lord's invitation and giving them the confidence to embrace it. Pre COVID this was facilitated via monthly 'Seeker Nights' and individual appointments. This has been particularly tricky in these COVID times, but they have worked creatively around this, reaching out using social media, via email and phone calls. They have also been able to go on 'socially distanced' walks with enquirers, where possible.

In tandem with this work, we have also had the joy of hosting the pre seminary year in the Sacred Heart House' where young men discern if they are being called to the priesthood. This has been a very intense period of hosting, prayer, formation and teaching - helping to cultivate the understanding of the Lord's call in the lives of the men entrusted to our care. This dovetailed with our hosting of the Seminarians in the first lockdown, who were sent home early from their year in Shrewsbury. Working with these men has been the highlight of our COVID year. Although priestly vocation is our primary task, we also work with young women too and have had one pursue her vocation to a religious community this year, and have directed another to discern consecrated virginity.

Alpha

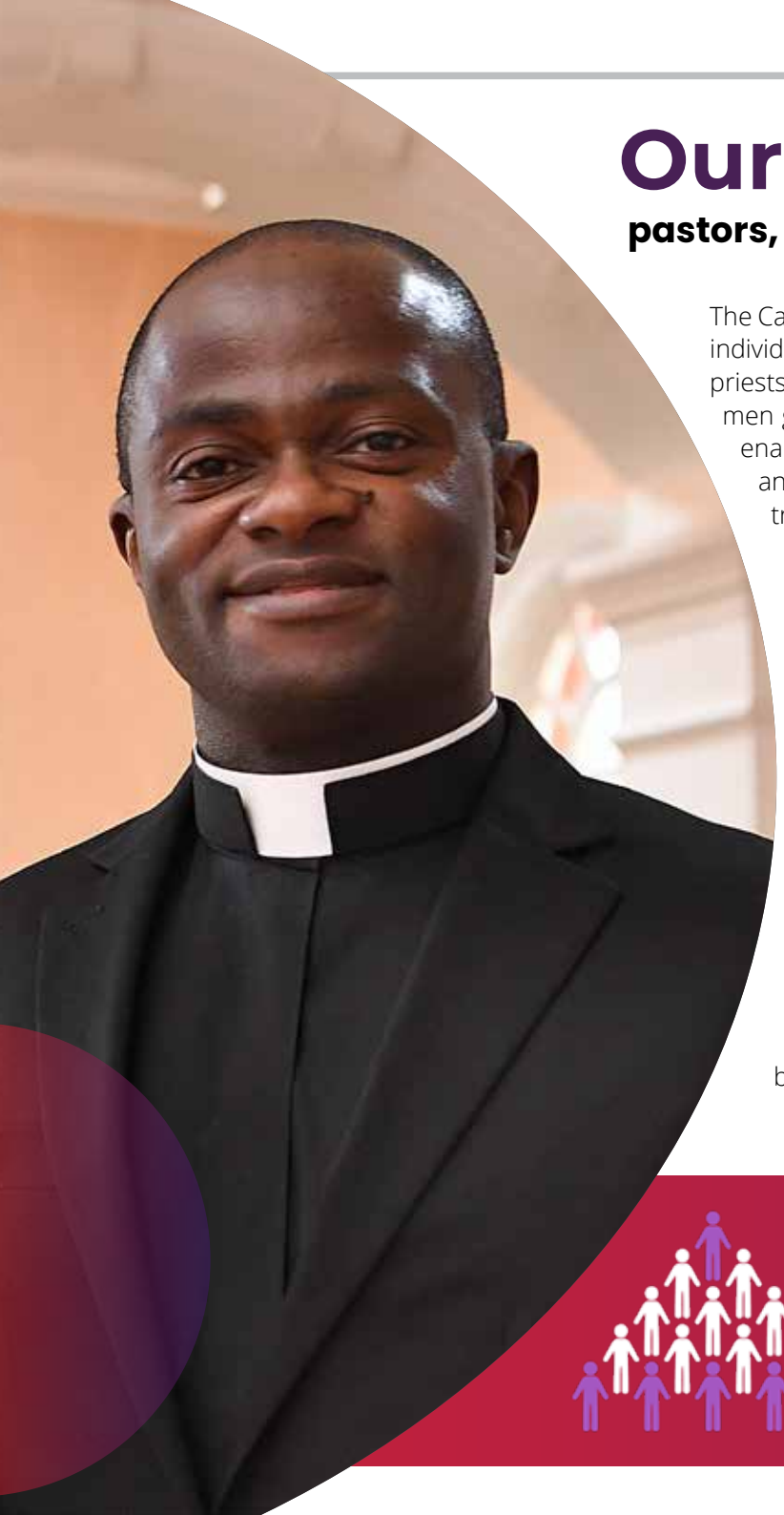
For me, this is what the life of the church should be about. It's given me a wonderful opportunity to deepen my relationship with Jesus and to get to know people I hadn't met before. It's given me more confidence to share the joy of my faith with others inside and outside the church.

Called and Gifted

We have witnessed family conversions to the faith, including our youth; callings to priesthood and diaconate, the changing of unjust cultures in the workplace, people bringing God's healing to others, new ways of making the faith alive and relevant for our youth, to name just a few

Marriage

Lockdown restrictions drew me into a more intentional communion, rediscovering His presence in the Word, in my relationships, in the present moment. I have a renewed thankfulness for the Sacraments; they truly are a gift.



Our priests

pastors, shepherds, leaders

The Catholic Church is made up of the Body of Christ, each individual person living out their vocation, and led by our priests; who are pastors, shepherds and leaders. These men guide our communities and offer us inspiration. To enable our parishes to be impactful, purposeful, active and beacons of the Holy Spirit, our priests need to be truly men of God. They need to be men of prayer, knowledge, wisdom and experience. They must display a range of skills and abilities, enabling them to adapt from one situation to another in order to carry out their pastoral ministry. With this responsibility comes professional responsibilities too, the need to run a large estate, with health and safety requirements; the need to manage a financial budget; the need to line manage staff.

"Upon this rock I build my Church". The life of a priest is one of sacrifice and service because it is the life of Christ. "In persona Christi Capitis" the priest administers the sacraments; like Christ, he is the shepherd who guides and cares for the flock entrusted to him; as a mediator between God and humanity, he is called to sanctify God's people, bringing them ever closer to Him.

A challenge that the Diocese has is to provide priests with the best training and support so that they can fulfill their roles as joyful, healthy and holy priests.

The Department for Clergy

The work of the Department for Clergy is based on two Vatican documents providing detailed guidance about the initial and ongoing formation of priests. (Pastores Dabo Vobis and Ratio Fundamentalis). In both, ongoing formation is seen as essential for priests at all stages of life and ministry, with a continuum between seminary work and ongoing formation as diocesan priests. Different approaches are taken with those recently ordained compared to priests in their middle age and retired priests, but all are expected to take responsibility for their ongoing formation in the four dimensions of formation; human, spiritual, intellectual and pastoral. It is essential that each member of the clergy accepts personal responsibility for all four aspects of ongoing formation. The Department for Clergy exists to enable or support this personal responsibility.

The Department for Clergy is led by the Head of Department and Vicar General Canon Paul Townsend who has been involved in ongoing formation for thirty years. The Diocese has 67 active ministry diocesan priests, 51 retired and another 31 from religious orders, the Ordinariate or from



67
Active Diocesan Priests



31
priests from overseas and religious orders

overseas dioceses including 6 from our sister diocese Bamenda. 9 parishes are served by religious orders with five having a very long history in the Diocese. (Where religious orders live in community whilst running a parish they have been counted as one priest in the statistics).

Canon Paul has a small team of one employed part time (3 days a week) and several volunteer human development professionals from various backgrounds including psychology, behaviour change, work with older persons, and adult learning. The team is blessed with personnel who have vast experience in administration, pastoral care, the management of change and conflict, collaboration and the care of people with behavioural or psychological issues. Our work with a small number of priests with significant challenges is regularly reviewed in case conferences, work which is supported by St. Luke's Institute in Manchester.

The team provides seven distinct services and supports other teams in the diocesan framework. These can be seen in the bullet points on the next page.

In addition, the diocesan pastoral supervisors scheme is provided with administrative and logistical support and there are collaborative relationships with the Safeguarding team and the Curia teams.

In 2019/20 a total of 23 active ministry priests were receiving regular support from the team including 1 priest recently ordained and 3 in years two, three and four post ordination, and 3 recently appointed as parish priests. They have been supported through monthly or 6 weekly visits (or during lockdown zoom meetings) to them and their parish priests.

The summer moves period is a busy time for the team and this year most of those parish priests who were moving, took up the offer of short focused support during transition. In addition those assistant priests who moved have received support. This ranges from practical assistance, the administrative challenges of changing address and health support structures, emotional well-being during transition (including working on the topics of stress, loss and disorientation), facilitating new working relationships, and the pacing of change.

The annual clergy training programme provides ten days of seminars and a 3 day residential conference. Subjects cover those four domains of formation and last year included topics on pastoral challenges, scripture, developments in marriage preparation, hospital chaplaincy, medical ethics, school liaison and the mandatory safeguarding training as well as days of prayer and the biennial diocesan clergy retreat at Douai Abbey. This year's training programme had to convert to online learning during lockdowns.

The work of the Department for Clergy is supported by the Department for Support and Administration Services. Priests are regularly supported across various business areas including finance, estates management and development, communication, human resources, safeguarding, fundraising and general administration.







23

priests receiving regular support in active ministry



It is a privilege to see how the priesthood is so crucial to the lives of some people. There is immense 'joy' of being with people at important stages of life, especially baptism, marriage, 'conversion', and death. Being able to 'make a difference' to others when they are in most need.

Fr Vincent

I begin each morning by miraculously changing bread and wine into the Body and Blood of Jesus Christ and distributing Holy Communion to the regular devout parishioners who attend daily Mass. I have met and continue to meet regularly with some of the most beautiful, genuine and selfless people anyone would be blessed to meet.

Fr Chris

It's about wanting to bring Jesus to others and to bring others to Jesus, wanting to save souls, wanting to bring as many people as possible to that true and eternal happiness which is only in heaven which we can even taste and have a glimpse of on this earth.

Fra Rosario

The Seven Distinct Services of the Clergy Support Team

01 Annual clergy training programme

02 Individual support to priests who are recently ordained (up to four years post ordination) and their parish priests

03 Individual support to priests on their first appointment as parish priests

04 Individual tailored support to priests who are facing significant and or complex challenges

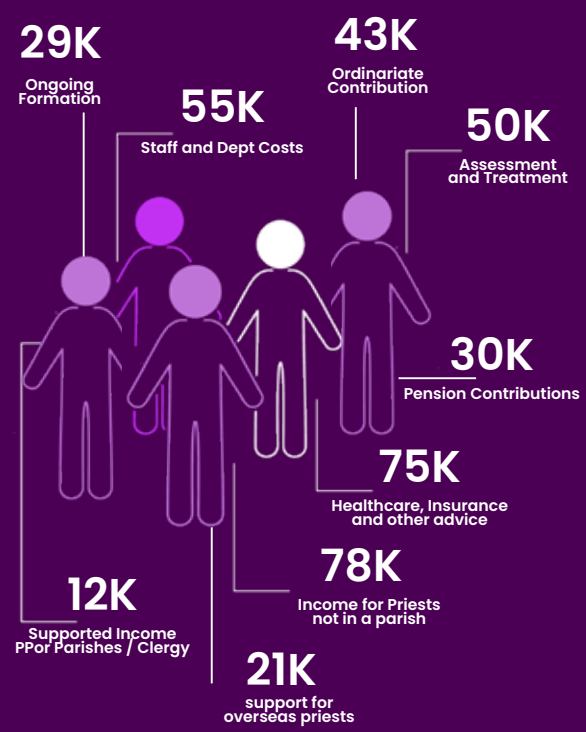
05 Individual support and group induction for priests in transition between parishes or new to the diocese from overseas (including language assessments and tuition)

06 Individual support and practical assistance to priests in transition to retirement

07 Retreats and Prayer - A week's retreat for all clergy every two years at Douai Abbey. Days of Prayer during Lent and Advent

£425K

Department for Clergy Costs 2019/2020



Highlights of the Year

Support to new parish priests

Support to newly ordained

Confidential services to priests covering personal issues and challenges

General Contact during lockdown

Provision of Ongoing Formation via ZOOM

Clergy number predictions for Trustees

12 men training for priesthood

7 men discerning priesthood

2 diaconate ordinations 2020

1 priesthood ordination 2020

1 diaconate ordination for 2021

2 priesthood ordinations for 2021



7 Years

£210,000

external training costs per man

Building the Future

Preparing Men for the Sacred Priesthood

Part of our diocesan strategy is to ensure that the mission of our Diocese continues long into the future, and that the many ways in which the Church impacts on our local community and on so many individual lives continues to grow. To do this we need to find, train and prepare men who will become the priests of the future; future pastors, shepherds and leaders.

The Vocations Promotion Team has been instrumental in sowing important seeds in the hearts of many individuals and work with parishes and schools to raise awareness of the need and importance of the priesthood. Parishes and schools have also been successful in creating a culture of vocation, the environment for vocations to the priesthood to flourish. Any enquirers who want to learn more about the ministry of the priesthood and wish to discern whether or not they are called to service as a priest are put into direct contact with the Vocations Director, Canon Gerard Flynn who accompanies each man personally along, what can be a long journey, sharing his time, energy and expertise.

In his privileged role as Vocations Director, Canon Gerard has noted that "formation is different for every man, every year, and, in fact, every day." In his role, he is keenly aware that for each man, "the Holy Spirit works with him as the principal agent of his formation and that "the seminary and the Diocese have a great responsibility in supporting that work."

It can often take a number of months or even years before a young man is ready to apply for seminary formation for the Diocese. Once accepted, via the selection process, each young man joins a seminary community that suits the personality, temperament and aptitude of the candidate. The Diocese currently has seminarians training in five seminaries - Oscott College in Sutton Coldfield; Allen Hall, Chelsea; Wonersh, Surrey; Venerable English College, Rome and at the Beda College, in Rome. Students who need some time to transition and prepare for seminary life also spend a year in pre seminary at Valladolid in Spain or at a house of formation in Shrewsbury. This year due to COVID, the transition year, called a 'Propaedeutic' year, has been provided by Fr John Cooke, the diocesan vocations promoter, within the parish of Fareham.

Seminary Life

The seminary community is composed of a community of students sponsored by dioceses from across the United Kingdom who devote themselves to personal formation for priestly ministry under the attentive guidance, supervision and evaluation of a formation faculty of priests and religious.





In this house of formation, seminarians deepen their awareness of the meaning and challenges of priesthood through their theological studies, through prayerful reflection on the revealed Word of God and the Tradition of the Church and its meaning for the modern world, as well as through a variety of pastoral service opportunities and human development. Usually, the seminary journey lasts for up to seven years before a man is ordained as a priest.

Seminary formation is demanding because it is ultimately where a man is formed mind, body, and soul into the image of Jesus Christ. Seminaries are not places where men walk around in silence all day chanting in Latin. Rather, they are places of joy, camaraderie, and deep learning! Today's seminarians experience the best formation the Church offers! The best formation and preparation comes at a cost. It costs £210,000 to train each seminarian for the duration of his formation. The majority of this expense takes the form of seminary fees.

Our success in recruiting new priests means that the Diocese of Portsmouth currently has 12 men in seminary formation with a total cost of £2.73 million. As the current cohort of priests age, the demand for more young men to come forward and dedicate their lives to the mission and service of the Church will only increase and therefore so will the need to resource their formation financially. It is estimated that the Diocese will need to invest millions of pounds on seminarian formation over the next ten year period to meet the current diocesan needs for delivering its pastoral objectives.

Canon Gerard is looking to the future with hope and optimism for the challenge ahead and also recognises that "the work ahead is made easier by the prayers of so many kind people throughout the Diocese who pray daily for the chaps." One wonderful example, he explains is Vivien Ungoed-Davies, of St Colman's, Cosham, "who worked for eleven years, until very recently, in the Parish Vocations Group praying for and writing generous letters to them all. Such kind and heartfelt efforts are really appreciated by the men on their formation paths."

Canon Gerard has now had the joy of doing this work long enough to have rejoiced at a good number of ordinations to the Sacred Priesthood of men that he has personally accompanied for six, seven or more years. He asks that "everyone joins him in praying for them all and most especially this year for Rev Deacons Anthony Fyk and Paul Nwune who will, please God, be ordained to the Sacred Priesthood at 11 am on Saturday 31st July at St John's Cathedral and for James Lewis who will be ordained to the Diaconate at the same Mass."

Rev Anthony Fyk, Venerable English College, Rome

We usually think of a seminary as a place of academic studies. However, it is more than that. It is a crucial time of preparation for ministry in the Diocese to serve the needs of the faithful. It is time spent with Our Lord in prayer, study, work and fraternity. Underpinning this is the four pillars of formation of spirituality, academics, human formation, and pastoral work. All four of these pillars are integrated in our day-to-day life and timetable at Seminary. These opportunities shape and form us to become more like Christ, the Good Shephard.

Whatever situation we unexpectedly found ourselves in this past year, the formation process has continued, whether in the seminary or the Diocese. This has been a blessing. Formation and the spiritual life has not been 'locked down' but has continued to take place through different manners and forms. Spending more time in the Diocese during the first 'lockdown', was a blessed opportunity to learn more of the history of the Diocese, priestly life, and pastoral realities. To witness the faith and support of parishioners has been a highlight.



£345,817
Total Spending 2019/20

It is wonderful to be a seminarian and to study in the seminary. It is where you find men endowed by God with different gifts and talents. It is not only a place of academic pursuit, but also a place for fun, joy, and happiness. The social and spiritual life of the seminary community is amazing, and you meet people from different backgrounds who have left everything to follow Christ and to give their lives for the service of others.

This year, during COVID the weekly online seminarian 'get together' for prayer has been amazing. The seminarians came together to pray as one family, with love and joy of seeing each other, building friendship, and checking on each other. It would not have been possible without the wonderful support of Canon Gerard Flynn our vocation director and Bishop Philip Egan. I admire them for organising this, and for moving our seminarians into parishes to support the parish priests during lockdown across the different parishes of our Diocese.

Rev Paul Nwune, Transitional Deacon and seminarian at Wonersh

Who's Who?



King, Nathan
South Africa
Sacred Heart House
Discerner



Ezeani, Francis
Nigeria
Sacred Heart House
Propaedeutic Year



Bateman, David
Portsmouth
St. Mary's, Oscott
Year Four



Chou, Ambrose
Portsmouth
St. Mary's, Oscott
Year Three



Farvin, Gonsalves
Reading
St. Mary's, Oscott
Year One



Browne, Ryan
Southbourne
VEC, Rome
Year Two



Fyk, Anthony Rev
Canada
VEC, Rome
Year Six



Hauschild, Edward
Southampton
VEC, Rome
Year Four



Hawkes, Ryan
Basingstoke
VEC, Rome
Year One



Ryan, Jack
Park Gate
VEC, Rome
Year One



Nwune, Paul Rev
Nigeria
Wonersh, Surrey
Year Six



Hiney, Tom
Army Chaplaincy
Beda, Rome
Year One



Lewis, James
Christchurch
Allen Hall
Year Five



Edward Hauschild

Venerable English College, Rome

I am a "home grown" seminarian: I was born in Poole, Baptised at St Michael and All Angels Leigh Park (before the Church burned down: make of that what you will) and grew up in Chandlers Ford (attending Mass and serving as an Altar boy at St Edward the Confessor's Church). When not studying in Rome, I live in Southampton and serve Mass at St Edmund's and Holy Family churches. Last summer I received the ministry of Acolyte from Bishop Philip, and will (God willing) be admitted to Candidacy for Holy Orders this coming July.

I am so grateful to the diocese for giving me the opportunity to study in Rome. There is something special about preparing for priesthood at the very heart of the Church, so close to the successor of St Peter, alongside lay people, clergy, and religious from every corner of the universal Church. In my lecture hall, before COVID closed the University (twice) I sit between Jesuits from Kenya and Burma, seminarians from the United States, Augustinian friars from Brazil, and lay students from all over Italy. Studying together (and praying together) we're constantly reminded of this beautiful community to which we belong: a Universal Church which is called to proclaim the Gospel of Jesus Christ to every corner of the world for the salvation of souls!

It's inspiring too, to be able to walk in the footsteps of the holy martyr-priests who went before us. My own college boasts forty-four martyrs for the Catholic faith; ten raised to the altars as Saints and twenty-seven Beati. The missionary zeal, devotion to Christ and his Church, love for the people of England, and total detachment from the things of the world stand as models and examples for all of us in formation. It is my sincere hope, when I am (God willing) ordained as a priest, to bring back to England that same fire of faith with which the Martyrs burned so brightly, following the example of Our Blessed Lord, who says in chapter 12 of St Luke's Gospel "I am come to cast fire on the earth."



4

Diocesan Properties rented by PRF



17

PRF Owned Properties

Serving the Retired

Supporting our priests after a life of service

Our priests give their lives in service to the people of the Diocese, to the people of God and beyond the parish borders. Under obedience to the Bishop they are sent to where the need is the greatest. They often move frequently, leaving behind friends and colleagues and the projects they have helped to build.

Priests can retire from the age of 75, but often many carry on in ministry beyond this point, and even when they finally do step away from full time parish life, a life where they are available 24/7, many of them still support the Diocese as they can, hearing confessions, supplying for priests who need a holiday and providing chaplaincy to hospitals, schools and prisons.

We are very thankful to our priests and for their sacrifice. This is why we are proud of the support service that the Diocese has in place to care for our priests in retirement - Our way of saying thank you to them and showing them that we can give something back to them in return for all they have given to the many people across the communities of our Diocese.

The care that the diocese provides for its retired clergy is the envy of many other dioceses and is widely regarded as a gold standard.

Priests Retirement Fund

Canon David Hopgood oversees the welfare of retired priests using the services of the Department for Clergy and the stewardship of the PRF capital fund provided by Mr Alan Sendall.

51 priests are in retirement with another 8 due to retire in the next four years. 12 of those 51 live outside the Diocese, most having returned to be nearby family. 8 of the retired priests are in residential care and another 4 in semi-independent retired clergy flats near Basingstoke, in Windsor, in Guernsey and in Leeds.

If a priest decides to stay within the diocese post retirement and needs financial assistance the PRF will invest in an appropriate property that facilitates independent living for



51

priests in retirement



the priest in a place of their choice. That choice is often problematic for priests as they have spent their entire ministry following the requests of the Bishop to move parishes, and at 75, making their first decisions about where to live can be difficult.

The Department for Clergy make contact with the priest usually a year or more before retirement and work with them on the limits to their choice in terms of budget and also future health needs as well as thinking through which parish to be in, near which church and with whom as personal networks of support. Nearer the retirement date practical and emotional needs are discussed and worked with, ranging from cooking and domestic skills, setting up phone, broadband and TV contracts for the first time, to role changes, loneliness and isolation, celebrating Mass less often, being useful, health issues and all the familiar issues to do with ageing. Assistance with understanding their finances and assistance with pension credit applications and other government paperwork is provided by Mr Alan Sendall, the PRF treasurer.

Fellowship with all diocesan priests continues through visiting, participation in clergy training and retreats, and the provision of holiday and other supply cover for parish priests. Our retired clergy really do keep the show on the road in terms of filling in the gaps for Sunday Masses. It is good that the active clergy of the Pastoral Areas include the retired in their social gatherings, meetings and joint liturgies.

All through the year retired priests are supported we hope particularly within the parish where they reside, but also by amazingly generous parishioners from previous parishes. In addition they are regularly visited by a member of the Department for Clergy who is often the person who first spots that more support may be needed as the priest becomes frail or isolated. Then placements in either residential care or nursing care or in our semi-independent flats become options along with the complex assessment process for local authority funding for those placements.

Forecasts show that to maintain the level of support offered to priests in their retirement with the predicted numbers over the next ten years, the Priests Retirement Fund will need to source a further £3 million. The Diocese is committed to the service it provides for its retired clergy and is working with the PRF to achieve this target.



18
priests who have their own accommodation

12
Care Homes and Semi Independent intermediary care homes

£114,930
Total Retirement Spending

Prison Chaplaincy is one of the most humbling and rewarding experiences of my 62 years as a priest.

You meet people where they really are!



Canon Peter Wilkie

Ordained in 1953 Lives in Winchester

Canon Peter, ordained in 1953 in Kingston-on-Thames, is the oldest ordained priest of the Diocese. He has had various roles over the years, including administrator to the Bishop, prison chaplain for twenty years, hospital chaplain and parish priest. He retired in 2005 and lived for many years in Milford on Sea. Since 2015, he has resided in a cottage in Winchester by the parish of St Peter's.

When I came to Winchester, Father Paul asked me if I would like to work, and I said I would be delighted to help, so I used to hear all the confessions on a Saturday morning and I said Mass at Stockbridge on a Sunday until about 6 weeks ago, when I had a fall in my bedroom and broke six ribs, had a pierced lung and spent a week in hospital and am still a little handicapped for walking.

The support I've received has been absolutely marvellous. Father Paul has such a concern and care for the clergy, it is quite wonderful. I've got Sue, Mary-Ann and Artur who are absolutely lovely. As soon as I became invalided, they helped me with my shopping and the place seems to be packed day after day with visitors.

The cottage I live in is a beautiful bungalow with one big room downstairs, a lovely kitchen and two bedrooms upstairs. It has a little courtyard outside the back which is wonderful. I can sit out in the sunshine and grow tomatoes!

I'm terribly happy in my retirement, I love people coming in to talk, and just class myself as very fortunate. We really have the most marvellous retired clergy care. I get regular enquiries to check that everything is OK and if I need anything or want anything. I get invitations to do various things. They care for my shopping. If I need transport, I only have to phone Artur and he comes immediately; if you feed him biscuits, he will do anything for you!

The whole team couldn't be nicer. The support is fantastic.

> **The support I have received in retirement has been excellent. I am always busy and feel very well supported. I am very happy and contented.**



Education

Empowering young people in the image of Christ

Young people are not the Church of the future, they are the Church of now! The life of Jesus Christ as a young person, is one that Pope Francis invites us to consider in his exhortation, "Christus Vivit," his official follow up text to the Synod on Young People, the Faith and Vocational Discernment that took place in 2018. In this long letter to young people, the pope urges them "to contemplate the young Jesus as presented in the Gospels, for he was truly one of you, and shares many of the features of your young hearts" (No. 31)

By seeing Christ in young adults, the Church is called to acknowledge that young Catholics are not simply the "Church of tomorrow," as many will often say, but they are the Church of the present. Citing his address at World Youth Day in Panama, Francis describes young people as the "now of God" (No. 178). This is something that was also brought up in the final statement of the synod, which emphasises that "Young Catholics are not merely on the receiving end of pastoral activity: they are living members of the one ecclesial body, baptised persons in whom the Spirit of the Lord is alive and active. They help to enrich what the Church is and not only what she does. They are her present and not only her future" (No. 54).

A recognition that Christ is already active in young members of the church calls for a rethinking of youth ministry and a move to more participatory models where young people can become, as the Second Vatican Council called for, "the first apostles to the young" (Apostolicam Actuositatem, No. 12). For Francis, this means moving away from models where young people are passive recipients and a priest, religious or lay minister is the only agent. Instead of top-down approaches, Francis calls for a model based more on synodality, collective discernment and accompaniment.

Young people as 'The Living Church'

Young people are visible in the Church. They are involved in parish life, school and university communities and the wider community, witnessing to their relationship with Jesus Christ through the sacraments, fighting for social justice, involved with social action projects and reaching out to those most in need, and witnessing to each other through their faith and discernment of the times as they find their way in the world. Young adults are visible in key roles across the Diocese and volunteer through many of the groups that are present.

The Diocese supports young people to respond to the invitation of faith in various ways. It provides the parish as the foundation for receiving the sacraments, participating in Mass and for personal growth through formation and catechesis. The Diocese provides education through its school network and provides chaplaincy across the region's universities. There are also various opportunities for young people to experience the faith outside of the Diocese at events or through initiatives or via youth ministry opportunities.

Catholic Academies and Schools



Our Catholic schools, and our Catholic academies, alongside Catholic schools nationally are now a major component of the education system in England and Wales. As society has changed so too our Catholic schools have changed to meet the contemporary needs of children and young people. Consequently, our Catholic schools have grown in quality and public esteem.

In Pope Benedict's talk to children from our Catholic schools in 2010 he reminded them that "A good school provides a rounded education for the whole person. And a good Catholic school, over and above this, should help all its students to become saints". Our Catholic schools work alongside the family to not only ensure that all pupils reach their potential academically, but that during their time at the school they grow in their relationship with and love of God. Inspired to become the best model of the person God created them to be, they are challenged to respond to the call to transform by their words and actions the world in which they live.

The 71 Catholic schools and academies within the Diocese of Portsmouth:

- assist in the Church's mission of making Christ known to all people;
- assist parents, who are the primary educators of their children, in the education and religious formation of their children;
- are at the service of the local Church - the Diocese, the parish and the Christian home;
- Look outward in service to all

The Catholic schools serve a total of 31,639 pupils and their families through a network of over 2,000 trained and experienced leaders in education, supported by over 800 volunteer governors and Directors who ensure outstanding governance in the performance of their duties.

The Catholic Academies and Schools Office (CASO) ensures on behalf of the Bishop that all the Catholic schools of our Diocese (independent, maintained voluntary aided and maintained academies) operate as 'Catholic schools' in accordance with both canon and civil law.

The Department seeks to develop our schools as key diocesan tools of evangelisation in union with the local parishes, pastoral areas and deaneries. The Department promotes excellence in Catholic education, providing direction and consultation in all diocesan schools and their governing bodies, especially in religious education, collective worship and religious education resources, all of which are at the heart of the curriculum and purpose of a Catholic school.

The Bishop, Vicar for Education, Director of Education and the Chief Operating Officer are now developing the education strategy for the next ten year period to safeguard Catholic education for the next generation and to ensure that the mission and impact of Catholic education continues to thrive.

71 Catholic Schools

31,639 Pupils

88% good or better (Ofsted 8 inspections)

100% good or better (Section 48 8 inspections)

62% outstanding RE and Catholic Life (Section 48)



£141 million

invested by the Government into our provision of Catholic education



£384,946

Total CASO Spending



£8.8 million

spent on developing school buildings

Catholic Academies and Schools Office (CASO)

The Diocese invests substantially in the provision of Catholic education. This investment is in addition to the funding that is provided by the government in recognition of the service and commitment from the Diocese in providing this service to the wider local communities.

The CASO office employs 4 staff that provide a service to schools. Schools contribute to the cost of these services. Services include:

Policy Governance

Through termly briefings for Headteachers, partnership briefings for Foundation Governors, and monthly newsletters, CASO updates schools on changes to education policy and facilitates the sharing of good practice between schools.

Formation

CASO provides training for new headteachers, foundation governors, teachers new to the diocese, newly qualified teachers, RE Leaders, heads of RE, teachers of RE, seminarians and priests. It also provides tailor made support on specific issues, e.g. delivery of the RE curriculum, the appointing of headteachers and senior leaders, pastoral issues, or support following disappointing results or an OFSTED outcome.

Interconnection

CASO liaises across 12 local authority areas, including education representatives from local authorities, the Department for Education and the Catholic Education Services.

Collaboration

Headteachers and governors serve on our education steering and stewardship groups which help to discern the priorities for our work and how we can further support each other by working in partnership.

In addition to this CASO undertake Section 48 inspections of our diocesan Catholic Schools, inspecting the provision for religious education and the quality of Catholic life and ethos. This year, 8 inspections have taken place. In addition, a series of external Ofsted inspections have also taken place.

Due to the impact of COVID over the last year many of the usual services have had to be reshaped to meet the immediate needs of schools.

In addition, 56 primary teachers from across the Diocese gathered over two days to develop their understanding of the RE curriculum and liturgy in school, including creative ideas to engage their pupils.

An Annual day for Headteachers, Deputy Headteachers, Governors and Chaplains took place aimed at providing support, challenge, dialogue and formation for senior leaders. The theme this year was virtues.

Families from across the Diocese enjoyed the weekly prayer service, games and activities provided by CASO during lockdown, which helped them to understand better the Sunday readings.

What have our schools been up to?

From September 2019 to March 2020 it was business as usual, and then COVID hit! Our schools have had to maintain a provision of 'in person learning' for the majority of the COVID lockdown. This has had to be carried out with the additional pressure of delivering education in line with social distancing guidelines and providing online learning and learning packs when necessary, for families in isolation and when 'in person' provision was not allowed. The provision for children of key worker groups has been in place consistently in person. Schools have been busy not only delivering a high quality curriculum across the school phases but ensuring that the wider community engagement and social action has also taken place, providing a great deal of solace and encouragement to a great deal of vulnerable and isolated groups.

Charitable Outreach

Students across the Diocese have been involved in a variety of charitable activities including fundraising events for CAFOD, MISSIO, SVP and homeless charities, foodbank collections, winter packs for the homeless, art work for hospital chapels, visiting and writing to the elderly in care homes, supporting families during lockdown and making PPE for local hospitals.

We are working with the parish to support some of the families in the school community who are in need in different ways. Children have created hearts and sent messages to the local residents to create links between the elderly and the children. Our school, our own families, and some of St Mary's parish raised a whopping £3,737 to feed every child, every day for a year in a school in Liberia. This year we have raised £2,300 so far for the same school. St Amand's primary, Wantage

Spirituality

There have been countless missions of prayer in our schools during the last year, such as rosary clubs, lunchtime prayer clubs, retreat days, lectio divina, adoration and reconciliation services. During lockdown schools across the Diocese prayed together through the daily act of worship led by CASO or individual schools. Some cluster groups even managed to celebrate a virtual leavers Mass together.

We have delivered over 6,000 hours of live learning covering the majority of subjects. An 'extra ordinary' normal curriculum. Staff have also provided 1:1 live and 'face to face' counselling and contacted key families each week. St Edmund's Secondary, Portsmouth

700+
Sustained Projects

£158,089
raised for external good causes



The staff have managed to completely furnish a home for a family recently rehoused in the area, including a fridge, beds, bedding, tables and clothes. Through the support of local charities and the coordination of our Home-School Link worker, Rosie Miller, we have provided hampers and presents for many different families in our school community. We continue to source additional food hampers. Children have written letters to the residents of a local care home in order to open up an ongoing correspondence between the children and the elderly. Canon Gerard from St Michael & All Angels, Leigh Park, has filmed videos for some of our RE lessons. St Thomas More primary, Bedhampton

We have been very aware what families have available to them at home to support remote education. On top of the delivery of food parcels and pastoral support to those families that need it, our amazing staff spent a week creating over 280 "St Anne's in a box" care packages which were then delivered to eligible St Anne's families across the city by staff volunteering in their spare time. Packages contained a "home office" kit with stationary, parenting support, as well as some extra food and hygiene products. St Anne's Secondary Girls, Southampton

The new Mini Vinnies were commissioned at the end of our Harvest Mass and are now taking an active role. They led the recent Samaritan's Purse Shoebox Appeal, packed and sent off 60 filled shoe boxes as Christmas gifts for less fortunate children around the world. They also helped at one of the regular Parish lunches for the elderly engaging with the seniors and wholeheartedly serving, helping and chatting with them. A credit to themselves, their families and their school. We were certainly very proud of them'.
St Edmund's primary, Abingdon

Our 'Courageous Advocacy' project developed from our annual Inter-House Public Speaking competition where pupils engaged with many difficult and varied topics affecting society, all of which demonstrates our young people's commitment, skill and passion in arguing for better care of our planet and each other.
St Edward's Royal Free Ecumenical middle, Windsor

We celebrated our special Founder's Day with Mass, led by Father John, in song, worship and prayer to rejoice and give thanks for the school's rich history. In the spirit of our founding order we have challenged all our pupils to 125 acts of kindness to celebrate our 125 anniversary. Running from Advent until Easter pupils will share the thing they do to support each other, the local community and the wider world.
St Joseph's College, Reading









As part of our work in the community, our children collected items for 'Winter Survival Packs' suggested by our local homeless charity-Brett Foundation. Staff then distributed them one evening in December.

The pupils raised £350 for a very special local charity, Thames Valley Hospice in addition to donating food this harvest to Foodshare.

Each of our six Y4-Y6 classes visit a care home (they sing, take a gift and chat) or sing for the elderly in the church during Advent. Our Y6 children also visit a care home weekly (3 children each week) to take part in activities with the residents.

Our site controller Adrian has been off since before Christmas recovering from Covid. He was in hospital for a number of weeks and we were all very concerned. We have over one hundred children in our critical worker and vulnerable children provision as well as our nursery children attending the site during lockdown. Adrian would usually open the car doors for parents at a turning circle drop off point (so parents can distance) and welcome the children in. In his absence, Fr Liam Cummins -our wonderful Parish Priest- has been providing this service each day for our CW and vulnerable children before saying morning Mass. A wonderful example of ministering to the wider parish.

St Edmund Campion, Maidenhead

Chaplaincy: Universities and Youth Ministry

The Department for Educational Chaplaincies invests in coordinating the ecclesial mission of school and university chaplains, networking them into unified missionary teams. Led by its director, Episcopal Vicar for Education Canon PJ Smith, the department focuses on ensuring the practice of mutual support, the sharing of information, liaising with the Diocese on behalf of chaplains and youth workers, identifying existing challenges and proposing appropriate responses, as well as developing norms of good practice.

The university chaplains team comprises all Catholic Chaplains, lay and ordained, paid or voluntary working within universities. The Department for Educational Chaplaincies coordinates the team's approach. There are 6 university chaplaincies - Bournemouth, Portsmouth, Reading, Southampton Solent, Southampton and Winchester.

A team of FOCUS missionaries has been serving the students and chaplaincy at the University of Southampton since September 2017. The team, all from the USA are led by Kaitlin Gilday. The role of the missionaries on campus is to invite university students into a growing relationship with Jesus Christ and His Church, to inspire and equip them for a life-time of Christ-centred evangelisation, discipleship, and friendship in which they can lead others to do the same.

Currently, there are 10 weekly Bible studies consisting of a total of 47 students, both men and women. The missionaries have invited 12 students to commit to living more intentionally as missionary disciples of Christ. These men and women are in close mentorship with one of the missionaries. They have committed to daily prayer, frequenting the sacraments, striving to live virtuously and inviting more people in relationship with Christ through leading a Bible study themselves and discipling others.

Since the FOCUS missionaries have arrived in Southampton, several students have started attending daily Mass, either on campus or in a nearby parish. Also, several students have developed a more personal relationship with God and learned how to pray with Scripture through lectio divina. The missionaries are in contact with nearly 200 students at the university and are continuing to invest in those relationships with the hope of more souls coming to know Christ.

During lockdown, much of the team's work is continuing online through 'Zoom' meetings, and the team have opened up their provision to young people online from outside the university and to other areas of the Diocese.





20
Teams

6
universities

£280,881
one to one accompaniment



Sr Valentina Stilo is full-time chaplain . “In normal times, we used to joke and say that really I just needed a bed in the chaplaincy” smiles Sr Valentina, reflecting on her work these past nine years at Southampton University, “because my whole life was spent there”.

“My work has always been a combination of two levels” she explains, “I am chaplain to the Catholic students and work very closely with the Catholic Society and FOCUS. I am also chaplain to the whole university, the students, members of staff, to believers and non-believers alike”.

“Now with Covid, we have been trying to be creative by doing events online” she continues, “but I think personal contact is still very important, so I spend my days on the phone and I go out for walks with one student at a time.”

“We are busier than ever, because people need a lot of support at this time” Valentina reflects. “We have seen a great increase in the levels of anxiety and depression among the students and even among the members of staff, with financial insecurity, isolation and fear.”

Despite the difficult year, Sr Valentina is hopeful for her students. “My hopes for our young people right now, is that they can really live the experience of the resurrection of Jesus” she says, “and that our little community has been able to help prepare the soil during Lent for them to have this experience, that they can believe that the life of the resurrected Jesus is one rooted in the community of hope and the beauty of the Eucharist, the beauty of drinking from the scriptures, the beauty of being able to be Christians and testify to God’s love in these difficult times; that this is the resurrection, this is Jesus alive within us and this is our strength and our hope”.

“I have learned that you never stop learning. Young people have a lot to teach us about the beauty of God, even the one you never thought could tell you anything about God. I have learned that God speaks through them. I am so grateful for this time working with them and to see Jesus working through them”.

In addition to providing a chaplaincy network to schools and universities, the diocese provides opportunities for young adults of all ages to participate in special events and youth centred initiatives like FLAME, Youth 2000, Lourdes pilgrimage and World Youth Day. The Vicariate for Education looks forward to being able to provide these opportunities as we progress Post COVID.

Parish Youth Groups

Some of our parishes provide structured programmes for youth ministry to support young people of all ages to develop and grow in their faith and talents. In the St Swithun Wells parish, they provide a three tiered programme.

It starts with the Stars of Abraham which is an initiative for all children in school year 3 to 6. There are three groups in the Parish, which meet regularly every week during school terms to play games, sing songs, and share our lives together. Stars of Abraham offers children a beautiful opportunity to take their faith seriously and learn to recognise God’s presence in every moment of their lives.

Grail Seekers is a group for all young people in school year 7 to 9. “We build on the work already done and share our lives together in the light of a ‘weekly input’, published every week on our Youtube channel. Occasionally we also organise day trips”.

Finally, Student Youth is a group for all young people in school year 10 to sixth form. “When we meet we start having dinner together, then we listen to presentations given by one of us, watch a film or listen to a talk given by a special guest or share our lives together in the light of a ‘topic’”.



Evangelisation

Developing a joyful, missionary Church

Evangelisation is key to the mission of the Church and all that we do as a Diocese. The Church has a great deal of people who know how to transform parish life into all that it can and should be in the 21st Century. They express their faith and act with radical zeal in the mission of sharing the Gospel.

In order to evangelise, people need to personally encounter Christ and personally encounter other people in our community. When we share the Good News through our actions and our words, it invokes an invitation from the Holy Spirit in the person we meet to respond in some way, so that the Holy Spirit can work in the heart of the individual.

When our parishes become more outward-looking, service and mission-oriented, centres of authentic encounter, then they begin to grow as more people want to get on board and start coming to our Church. Key to this is personal invitation. That is why the Diocese invests into the formation and catechesis of its clergy and laity, because it is not easy to reach out in the right way, knowing how to share the Gospel message through word or deed. A deep faith and engagement with the Mass and through the Sacraments is also essential. This is why we provide so many local Mass centres and regular provision of the Mass and the distribution of the Sacraments.

It is also easier to invite someone in to a community that is safe and joyful. This is why the Church fosters a culture of safeguarding and inclusion, and by the nature of the happiness and joy that is in each of us can provide a joyful environment to which others can be attracted. This is why so many of our parishes establish 'Welcome' teams. It is important that there also things going on in and around the parish to which friends, family and all can be invited. It is through these opportunities that people can respond. Our parishes across the Diocese provide many opportunities for people to experience the joy of the Gospel.

Alpha, is a process that many of our parishes run to enable people with no connection to the Church to respond and experience encounter. Alpha is an 11-week course that creates a space, online or in person, where people are excited to bring their friends for a conversation about faith, life and God. Alpha is a series of sessions exploring the Christian faith. Each talk looks at a different question around faith and is designed to create conversation. Alpha

72
Monthly Clergy Meetings

84
Monthly SLT Meetings

takes place in our parishes, in our churches, universities, and parishioners' homes. No two Alpha's look the same, but generally they have three key things in common: hospitality, a talk and good conversation.

In 2019, over 5,600 Catholic parishes and organisations around the world ran Alpha with an estimated 310,000 participants. For much of 2020, the programme has had to move online.

To equip and ensure that our parishes meet the challenges of the New Evangelisation, many of them are embarking on a process of parish renewal. The Vicariate for Evangelisation offers support throughout this process for parishes in various ways. This process of renewal is unique to each parish, however many of the attributes that need to be developed are common, for example, the development of a parish vision, the establishment of a leadership group to support the priest etc. To work their way through this process of change, some of our parishes have implemented the Divine Renovation process, others use a similar process.

By investing in the Divine Renovation process, parishes are provided with insight and reflection on topics surrounding developing missional practices. Parishes are supplied with action oriented and inspiring content designed to support parish renewal. A series of experienced coaches work with parish and diocesan leaders to help parishes move forward through the process of change. The creation of a tailored approach for each parish helps us respond to local context's and individual parish needs through the development of parish resource kits.

There are currently 5 parishes who are fully invested in the Divine Renovation Process with plans for others to come on board, despite the impact of the COVID pandemic and the government restrictions being in place throughout 2020. The Evangelisation team aim to support an additional 5 parishes each year to build on the initial successes.

Parishes such as City Centre, Southampton are part of the Divine Renovation group. St Swithun Wells, Eastleigh is engaged in developing its own process for moving from 'Maintenance to Mission and St Joseph and St Margaret in Bracknell' are starting to be part of the Divine Renovation mutual support group.

In English Martyrs, Reading, through the senior leadership team in the parish, specific programmes are co-ordinated and projects are tailored to the needs of the local community – all aimed at expanding the Church's reach and appeal. A member of the Parish Leadership Team at English Martyrs, said: "We have been looking at parish renewal for around 2 years. As a team we meet once a week and after a prayer and gospel reading we discuss strategy."

"We look to focus on the issues that are relevant to this parish, the needs of the people in it and the resources that we have available." she said. "One of the first things we did was to agree a vision for our parish: 'English Martyrs is a welcoming community, inviting, encouraging and supporting all to have an ever-deepening relationship with Jesus. We are inspired to show God's love to the world with joy and hope.' This guides all aspects of our renewal and provides the soil from which the seed of a mission focused parish can grow."







312

Weekly 1:1 Meetings with parish priests



22

Diocesan led CARITAS projects



***6129+**

Parish Social Action Projects



£104,927

Project Spending

Outward Looking Service

Our parish communities grow and evangelise best when they look beyond their borders and reach out to people in the local community. Our clergy and parishioners 'take Christ' into the midst of society. The Vicariate for Evangelisation supports this outward looking service from parishes in several ways, led by the provision of support services through the department for Charity and through the department for Evangelisation.

CARITAS and Parish Social Action

Many of our parishioners report that people often experience an encounter with Christ in moments of need or weakness, when they are particularly in need of support. CARITAS is the social action agency of the Diocese.

Cardinal Tagle, who is the President of CARITAS International recognises that "CARITAS shines a ray of hope in places where people face harsh realities, injustices and suffering. CARITAS remains a steady symbol of the care of the Church for the poorest whom we serve."

CARITAS Portsmouth helps our parishioners and network of volunteers to put 'Faith into Action'. CARITAS projects rebuild communities, bring hope in times of crisis, provide grassroots power against homelessness, hunger, poverty, injustice, isolation and support our parishes to go to those where the need is greatest.

Whilst much of the work of CARITAS has had to adapt due to the COVID Pandemic, it hasn't stopped our volunteers from reaching out across the 87 local communities that the Diocese serve.

The support and direction that our CARITAS network has provided over the financial year has led to not only CARITAS organised projects developing, but 'CARITAS inspired' projects developing, independently at parish level by parish volunteers and coordinators, collaborating with other local charitable organisations, groups and faiths.

For example, the Gosport Open Doors project, supported by over 300 volunteers, initially sought to get the homeless off the streets during the hardest months of Winter in the Gosport and surrounding areas. The project was coordinated by CARITAS in collaboration with St Mary's Catholic Parish, Gosport and 5 other church centres. The project worked alongside Gosport Borough Council and other organisations to get rough sleepers back on their feet.

As well as a place for the town's homeless to stay, and provide a healthy hot dinner and breakfast, it will offer a chance to rebuild trust though volunteers' friendship and support.

The project supported between 20-25 rough sleepers per day and has been a huge success.





Similar projects have run in Portsmouth and Windsor.

The Gosport Open Doors Centre now signposts individuals to specially designed pods and provides safe intervention through support and networking. The centre now provides a weekly art therapy group and a peer led support group, as well as providing emergency food provisions and new clothes and toiletries to 94 homeless individuals.

Similarly, the Diocese was able to secure a grant of £69,271 from the Albert Gubay Foundation to support the provision of parish foodbank and food service projects running across many of our parishes during the year. Our foodbank projects across just 8 parishes, in Portsmouth, Gosport, Newbury, Southampton, Bournemouth, Basingstoke, Bracknell Forest and Winchester have helped more than 1,200 families per week throughout the last year.

In Basingstoke and Portsmouth, they went a step further and developed the 'Insight Project'. These projects built a community for people who felt marginalised in society, for individuals struggling with mental health issues, recovering from addictions and people without homes; - "there was no qualifying criterion" Sue Cregan explained, who is the project coordinator in Portsmouth, "everyone was welcome".

"It was just a place for people to meet, to build a community and then to share a hot meal. InSight really is 'living our faith'. Our aim was to build friendships through respect and tolerance, with an emphasis on warmth, support and safety" she continued. "It was a shelter from the outside world for a lot of our guests".

"We also supported them while society locked down, providing telephone support to many of our guests at critical moments in their lives. "We don't offer counselling" Sue continued, "but rather friendship and a listening ear".

The InSight team also decided to carry on providing a hot meal, which had been such an integral part of their service, although this time, it would be take-away rather than sit-down.

Through schools, they also provide food parcels for families affected by lockdown. One headteacher told Sue that a parent had come up to her in the playground to say thank you for the food parcels" Sue recalled, "that her child had been sleeping in his PE kit for the past week and that receiving the food parcel had given her some extra cash to go and buy him some new pyjamas.

Summing up their efforts at InSight, Sue reflects: "I remember the Encyclical letter Fratelli Tutti that Pope Francis brought out last year, where he said we should be neighbours rather than associates, and this is exactly what we are trying to be to our guests".

CARITAS Refugee Community Sponsorship

The Community Sponsorship Scheme welcomes and resettles refugees, putting local communities at the heart of a family's journey to a new life in the UK. The community assumes responsibility for a refugee family, from first arrival through to settled independence as part of their local community.

CARITAS Portsmouth has been working with the government to initiate 6 local projects across the diocese. The two-year programme comprises three main elements: Housing – Funding – Support.

Local teams find and prepare a suitable, affordable family home, raise a support fund to cover additional needs, and plan and deliver a programme of resettlement support.

After security screening, medical checks and initial preparation for life in the UK, sponsored families arrive with full refugee status, which gives them the right to work, school places, free healthcare, English tuition (ESOL) and state benefits.



Working with our partners

We partner with countless external groups and agencies to deliver our mission and meet our objectives. Parishes work with other faith communities, charities, local authorities, companies and funders across the local community. The department for Evangelisation supports this grassroots work by providing specialist teams who engage in important areas of dialogue on behalf of the Church.

Through the Sectors for Dialogue team, the Christian Unity Team and through the Inter Faith Team the diocese is able to engage with other Christian communities, other faith communities, politicians and local governments and provides a platform to cultivate good relations, foster dialogue, and engage in critical conversation acros various cultural sectors including education, politics, science, economics, medicine etc.

In addition to the specialist teams, the Formation for Mission Team, particularly helps to prepare parishioners to reach out and engage more knowingly and passionately in the mission of bringing people closer to Jesus Christ through His Church.

The team provide regular formation for parish catechists and parish readers, and more generally to offer faith formation for all adult Catholics in the Diocese of Portsmouth.

Formation for Mission

They do this by offering training opportunities, short and longer term courses, accompaniment and mentoring.

This year, the team have had to adapt and refocus their work because of the pandemic, having to forego many of the usual diocesan events and parish courses, providing online content instead.

“One of the greatest challenges this year has been to adapt the two workshops for parish readers to an online format,” said Sr Hyacinth, team leader. “These workshops involved reading practice in small groups, which is an essential part of the training.” The team had to find a way to offer this reading practice online, and so have formed a team of 27 volunteers, the ‘Diocesan Listeners’, from different parishes across the diocese, all experienced readers and passionate about the Word of God. “They volunteer their time to offer 1:1 practice to the readers who sign up for the training. “

Using this model of online workshops and individual practice, the team have offered so far three sets of training online and have now trained altogether 360 parish readers, to mark the Year of the Word in our Diocese.

Another exciting development is the launch of our ‘We are Acceptional’ group of volunteers, all part of our team, who are dedicated to offering help and support to parents and catechesis for the catechesis and sacramental preparation of children with additional needs.

£104,926
Total Spending

I have been blown away by the content. It has restored how I view each day and how every day is a gift. Plenty of references to read through and ponder.
Web Participant - Diocesan Faith Survey, 2020

Highlights of the Formation for Mission Team's Year



Sunday Gospel/Year of the Word Podcasts
Daily Lectio Divina
YouTube Series
Back2Basics Course - Reconciliation
Back2Basics Course - Holy Mass
Weekly Gospel Webinar
Series of Online Talks - Saints, The Bible
Launch of a new Learning Platform

Online training for Parish Readers
Online Support for 1st Holy Communion Catechists
Maryvale Course in Catechesis
Online Course for Catechists
Maryvale Course in Parish Mission and Ministry
Online Courses provided by our Lending Library

Launch of the 'Diocesan Listeners' Team providing practical 1:1 support for parish readers

Launch of the 'We are Acceptional' Group providing help and support for the catechesis of children

Enlightening and extremely good presentation of meanings for readings and gospel - we're so very grateful.
Webinar Participant

Wonderfully deep and rich study of the Bible - the Gospel reading for each Sunday. You will be truly blessed.
Webinar Participant

I thoroughly enjoyed the workshop and it gave a much needed lift to my faith in these very difficult times. So good to connect with people and to feel hope that we will return to Church, celebrate the Eucharist together and read once more.
Workshop Participant

A well-crafted and illuminating experience that left the attendees felling well-equipped and affirmed in this ministry.
Reader's Course Participant

It has encouraged me to delve more deeply and to pray, before preparing to read at Mass.
Reader's Course Participant

Registered with FUNDRAISING REGULATOR



Thank you for all your support during lockdown and enabling us to obtain needed funding which has helped us a great deal.
Mgr Vincent

Many thanks for all your help which has resulted in this positive outcome. Thank you also for all the advice in completing the forms, access to the grant portal and your recommendations.
Mary, Pastoral Assistant

Thank you so much for this very creative initiative. I am so grateful to you for thinking this problem through and providing such a brilliant solution.
Parish Administrator

Thank you very much for the lovely and excellent assistance with our fund raising. We absolutely appreciate your efforts
Parish Administrator

£203,000
Largest Single Grant
Annunciation Parish, Bournemouth
October 2020

Fundraising for the future

Time, Talents and Treasure

£1.7million
April 20-April 21



Since the 2020 Year End...

The Diocese of Portsmouth as a charity is heavily dependent on charitable giving as a source of recurrent income in order to support its charitable objectives set out in accordance with the diocesan ten year strategy. It is responsible for generating the funding for all of its ongoing costs from its own activities.

Following an intensive period of organisational development over the last period, the diocese has determined that it is currently in a strong position to develop its fundraising activities.

The key aims of the Fundraising Strategy are: to increase and diversify the Diocese's income, in order to improve its financial sustainability; and to put procedures in place for effective long-term fundraising management to meet the needs of the Bishop's vision for the whole Diocese.

The diocese is signed up to the fundraising regulator and its code of conduct and has a fundraising policy in place with appropriate processes and controls to manage fundraising. There have been no complaints during the financial year regarding fundraising activity.

In April 2020, the Diocese formed a fundraising team. The team consists of a grants officer, who is responsible for supporting parishes with securing grants for community based and capital projects and a development officer, who is responsible for supporting parishes to enhance their planned giving efforts through a stewardship programme.

Since April 2020, the Diocese has been able to secure £1,195,244 in grant awards from funding partners. This has been secured from submitting 88 applications on behalf of 38 parishes. A total of 51 applications have been successful to date with a further 18 applications pending an award. There has been a total of 22 community project grants awarded and a total of 29 grants awarded for capital building and development projects. All projects have benefited parishes.

The team has also been working hard to support parishes during the COVID pandemic, helping parishes to mitigate the financial effects of lockdown and loss of revenue due to the closure of churches and halls. The team has provided regular resourcing and messaging for parishes, alongside new systems for online giving and cashless giving, in addition to creating new templates for increasing giving by standing order and direct debit.

During the COVID lockdown when churches were closed, the team were able to set up online giving pages for each parish. The pages have raised a total of £482,015 excluding gift aid so far since April 2020 and up to April 2021.

The team has also been working hard to develop a stewardship programme to support parishes once they return to a post COVID normality. This will help parishes to raise the funds needed to support their local vision and mission.

COMMUNITY FUND

Historic England

£1,195,244
Successful Applications

£482,015
Received from Online Giving Pages

88
Grant Applications

78%
Application Success Rate

Since the 2020 Year End, Various grants have been secured...

£203,000
Heritage Grant
October 2020

Bournemouth Annunciation Parish

In Bournemouth, a £203,000 Heritage England grant has allowed the Parish of The Annunciation to carry out urgently required masonry repairs to Sir Giles Gilbert Scott's first church. The important geometrical stone windows, stone buttressed bellcote and banded stone required urgent restoration where some of the window masonry was so dilapidated that it was in danger of collapse. A separate £25,000 grant allowed for the repair and replacement of leaking rainwater goods. (October 2020)

Various Parishes

Our Lady Queen of Apostles in Bishops Waltham and St Boniface Southampton have recently suffered sheet metal thefts and were two of our 30 churches who each obtained the maximum £2500 grant from the Allchurches Trust roof protection scheme, via a bulk Diocesan grant application enabling roof alarms and SmartWater to be installed to reduce the risk of future loss and damage.

Reading English Martyrs Parish

English Martyrs parish have actively worked with the Diocesan fundraising team and have managed to secure a total of 4 seperate grants covering the areas of capital repairs, digital and reopeing and recovery. So far they have been awarded £63,000. (April 2020 - April 2021)

Ryde St Mary's Parish

St Mary's parish on the Isle of Wight received a £25,000 grant from Historic England for urgent repair works to the internal heritage aspects of the church. The parish are now working with the fundraising team to secure several other awards. (Jan 2021)

Various Parishes

During the first lockdown period the diocese was able to secure a total of £129,271 from the Albert Gubay Foundation to support the work of several parish foodbanks and .food services projects. The money helped provide needed assistance to hundreds of families across the diocese who were struggling to feed their families. (June 2020)





Marriage and Family Life

Our Marriage and Family Life team received a grant of £8,720 from the National Lottery to provide support to married couples throughout the COVID pandemic. Many couples during lockdown have experienced a time of intense pressure on their relationship and needed support.



Financial Review

Prioritising our Resources

Overview

For the 12 months to the end of August 2020 the accounts of the Roman Catholic Diocese of Portsmouth showed a deficit on operating activities of £87K, this deficit represents 0.6% of total income. In the previous financial year the deficit had been £249K, 1.6%.

The net loss incurred by the diocese reduced compared to the prior year, but 2020 was a difficult year for the church financially. Many sources of income declined but these were offset by a small number of large exceptional items of income, these exceptional items have given the impression that income had remained materially constant.

The decline in income was experienced across many parishes. The exceptional, large items of income benefited only very few parishes. Most parishes have seen income reduce, many significantly.
Offsetting the decline in income, the costs of running the diocese has reduced as COVID-19 lead to enforced reduction in diocesan activities.

Public Benefit

The Trustees review the strategy and approve the priorities for the year, developed by the Chief Operating Officer and Senior Leadership Team. The priorities always reflect the objectives within the Bishop's vision. In undertaking this review the Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit and have received training.

The Trustees ensure the diocese benefits the public by bringing meaning to people's lives, providing opportunities to strengthen relationships with God, providing a moral and ethical framework for life and through community and social cohesion in its pastoral work.

Income - Diocesan

The income received in the diocese was heavily impacted by COVID-19. The closure of churches and social distancing measures that were introduced reduced the number of people able to attend mass and reduced church activities. Total income declined from £15.3 million in 2019 to £14.2 million in 2020.

The largest source of income for the diocese remained Donations, Offertory and legacies which were 76% of total incoming funds to the diocese, £10.1 million.

Expenditure - Diocesan

Expenditure in 2020 reduced to £14.3 million from £15.5 million in 2019. Diocesan activities were reduced as a result of COVID-19, this reduction in activity lead to a reduction in total cost.

The cost of local activities within the parishes, the Local Mission, accounts for 81% of total diocesan expenditure, £11.6 million. Mission support accounts for 19% of total diocesan expenditure, £2.6 million.

Mission support is provided by the central Curia of the diocese. Mission support provides diocesan religious activities not provided in the parishes, an analysis of total costs of the diocese is shown in the table below, further detail of the costs incurred can be found in note three of the accounts.

Local Mission

2020 was a difficult year for the parishes of the Diocese. The COVID-19 pandemic interrupted parish life, led to the closure of churches and stopped mass for part of the year.

The annual accounts of individual parishes in 2020 showed 48 parishes making a deficit for the year, the total loss for the 48 parishes was £900K.

Income - Local Mission

75 parishes experienced a decrease in income in 2020 with the average decline across these 75 parishes being £20K. As a result of the COVID pandemic, loose plate offertory income declined by 27% compared to the prior year, whereas planned giving offertory income, including donations made by standing order and direct debt, reduced by only 4%. Parishes that received the majority of their offertory income by loose plate suffered the greatest hardship during COVID-19.

In addition to the decline in offertory income, parishes experienced reduced income from hall rental and centre income as a result of closures enforced by COVID-19. Hall rental and centre income declined by £355K in 2020/21.

Expenditure - Local Mission

There is a detailed breakdown of the cost of local mission in note three to the accounts. Most costs declined due to general reduction in activity.

The cost of Clergy declined because COVID-19 closures effected the parishes over Easter and reduced the Easter offering. In addition to this the cost of substitute priests reduced as activity reduced.

The cost of maintaining buildings did not decline, there were £2.1 million of repairs and maintenance costs and £800K of works that have been capitalised. The diocesan estate is insured for £440 million, if this is deemed to be the value of the diocesan land and buildings the repairs and maintenance costs are 0.7% the cost of the estate.

Support Costs

Back office support and governance functions such as IT, HR, Finance and Safeguarding are integral and necessary to enable a charity to operate. As such these costs have been allocated to charitable departments and an element of support costs are included in all charitable activities. Note three to the accounts provides a breakdown of support costs and shows how they have been allocated to each charitable activity.

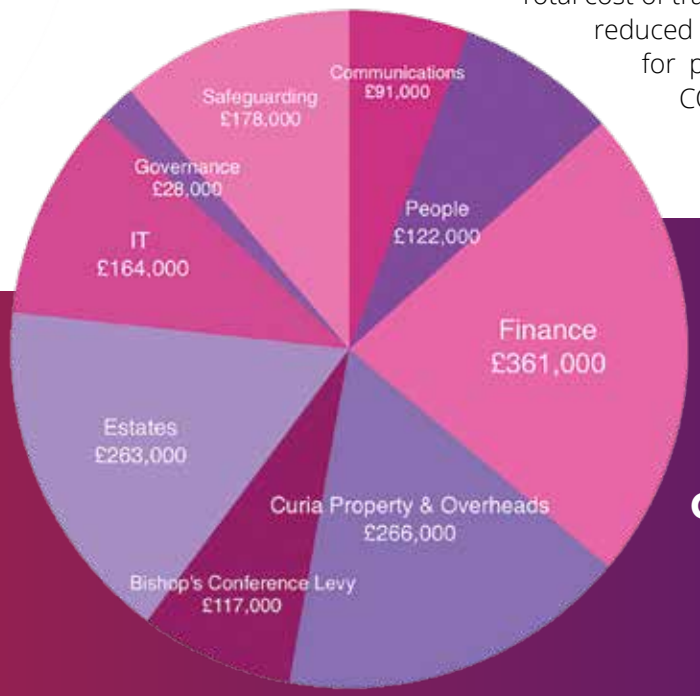
Total support costs were £1.6 million, this is 11% of total diocesan costs. A breakdown of support costs are shown in the chart aside.

Mission Support

The largest cost within Mission Support is the cost of supporting catholic education. The cost of Catholic education is partly the cost of the Catholic Schools and Academies Office (£271K) and partly the cost of the diocese's obligation to maintain the fabric of catholic schools within the diocese (£328K). The cost of major capital projects in the schools are shared between the government and the diocese. The government typically contribute 90% the cost of maintaining the buildings and the diocese contributes 10%. Voluntary contributions from parents met £247K of this cost with the remaining £81K met out of diocesan funds.

The cost of Clergy support was £425K in the 2020 financial year. Clergy support provides priests with support and resources to help them in ministry, where possible help them stay in ministry and where necessary support priests that might need to step away and later return to ministry. Clergy support also includes the costs associated with ordinariate and overseas priests and some benefits that priests receive like pension contributions and some healthcare costs.

The cost of training new clergy was £346K in 2020. Training seminarians is a major cost to the diocese, seminary fees alone can be up to £38K a year for each man. The Diocese of Portsmouth was funding 13 men in seminary during 2020. Total cost of training new clergy in 2020 was reduced as seminaries were closed for part of the year due to the COVID-19 pandemic.



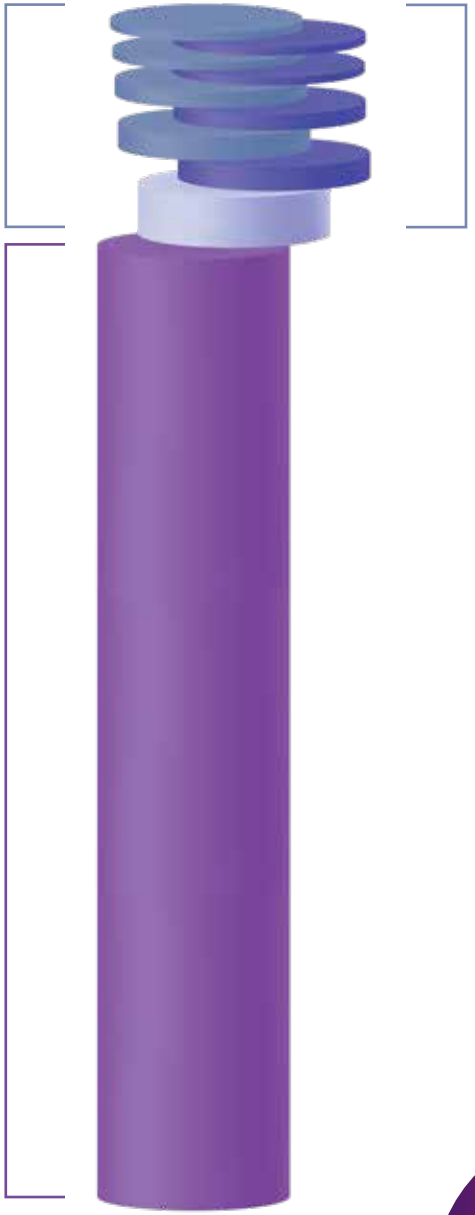
Support Services Costs Breakdown

Where is the money spent?



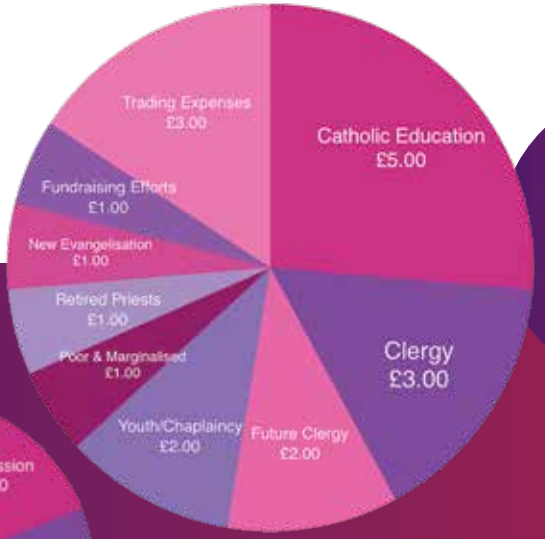
Mission Support
(Supporting Parish/Church)
Total Costs
£2,647,299
19%

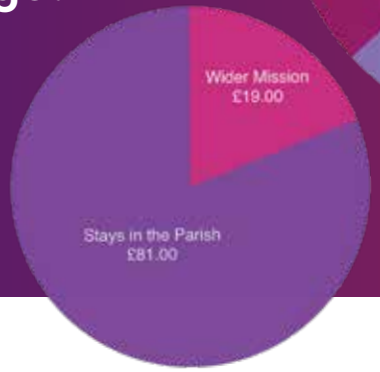
Local Mission
(Parish)
Total Costs
£11,648,827
81%



- Supporting Catholic Education - 5%
  £712,708
- Clergy Support - 3%
  £424,879
- Training New Clergy - 2%
  £345,817
- Youth and University Chaplaincies - 2%
  £280,881
- Supporting the Poor and Marginalised - 1%
  £203,203
- Supporting Retired Priests - 1%
  £114,930
- New Evangelisation - 1%
  £104,926
- Expenses of trading subsidiaries - 3%
  £376,108
- Fundraising - 1%
  £83,848

If you give £100 per year, where does it go?





= Total £100 per year

Reserves

A new reserves policy was approved in the financial year. The new reserves policy states that the diocese should hold general funds (unrestricted, non-parish funds) equal to six months of mission support costs. The target level of general funds was £730K.

Total reserve of the diocese were £68.5 million at the end of 2019/20 financial year. The value of the churches, halls, and presbyteries of the diocese account for 61% of total diocesan reserves, £42 million. These assets cannot be spent so they should not be considered as part of general funds. A new designated fund was established in the year to hold the value of operational fixed assets. After transferring the value of operational fixed assets into the designated fund, the general funds reduced to be in deficit by £3.9 million. This was £4.6 million below the target level of reserves.

To return general funds to a balanced position the diocese is investing into fund raising. To date the fundraising department have been successful in supporting parishes respond to COVID-19 by setting up online giving portals and Standing Orders and Direct Debits. Grants in excess of £1 million have been awarded to the diocese during the period from September 2020 to May 2021. £550,000 of the grant awards were to meet the cost of Capital works in the diocese.

To return the general fund to a balanced position the diocese is seeking to improve the income received from the diocesan estate. The key focus of the diocese is to identify opportunities for the estate to earn long-term income for parishes and the diocese.

The negative general reserves are not considered a going concern risk as over £5 million of the liabilities contributing towards the deficit on free reserves consists of inter-company balances between the Curia and parishes and other funds.

Investments

The diocese holds £11.0 million invested in quoted investments. The target level of return set for these stocks and shares is CPI plus 4%.
The trustees of the diocese have agreed an ethical policy for the portfolio. The following is an extract from the investment policy.

Where the issuer of a security (share, stock or bond) or deposit taker (bank) is directly and substantially (more than 5% of activity of that entity) involved in activities which constitute grave moral evil such investments are to be entirely excluded on the grounds that holding such securities would constitute formal co-operation in that evil.

These would include but not be limited to, murder, procured abortion, contraception, sexual activity outside marriage, acts which undermine the dignity and sanctity of human beings (for example the exploitation of workers, migrants, the weak and the elderly) from conception to natural death, corrupting the young, heresy and sacrilege.

The Bishop and Trustees require that our investment managers keep under review the environmental stewardship of entities in which the diocese holds investments or deposits and instructs them to refer any activities which might constitute a breach of the duty of the stewardship of creation to them.

Risks

A detailed Risk Register is provided for the Trustees to review monthly . The register includes detailed operational risks. The key risks impacting the delivery of key objectives are set out as follows:

Financial Risks
The risk to Diocesan finance reflects the ability of the Diocese to meet ongoing obligations due ,exacerbated by year on year reductions in practising Catholics, COVID-19 restrictions and the potential financial risk of further lockdown as well as recession and associated economic damage.

There are further risks due to dispersed decision making on financial expenditure, and robustness of financial reporting for non-central activities.

Mitigation includes the centralisation of all Curia budgets and controls on permitted upper spending limits.

A wider Diocesan strategy is being developed to mitigate risk in the longer term.

COVID-19 Impact
The ongoing COVID-19 related restrictions present the risk of longer-term impact on the practice of the faith. Restrictions on faith formation for adults and children, participation in the sacramental life of the church and connection to the faith community may mean further loss of practising Catholics and impairment to the mission of the Church.

Much has been done at parish level to try to mitigate the impact including electronic means of engagement, personal contact where possible, and online resources.

However not all parishes have been able to adapt which may affect the longer-term future for those communities.

Health and Safety

The risk of noncompliance with general health and safety regulations and Government directives remains a risk due to the variation in access to volunteer and paid support and levels of commitment in parishes.

Complaints about breaches are actively investigated and remedial actions undertaken.

A full suite of updated risk assessments has been developed for adoption by parishes as well as the central team including updates on COVID compliance.

The central office has implemented COVID-secure policies and is operating on a flexible basis to manage pressure on facilities. There are few staff working on site during the latest lockdown.

Policies are actively being updated so that parishes are clear about their obligations.

Clergy numbers

The ageing profile of clergy and small number of vocations remain a significant concern.

Active vocations promotion is in place and clergy support is provided in a structured way. There are religious orders and communities serving local populations.

The ongoing work of evangelisation and the active adoption of the Divine Renovation programme as well as key initiatives such as Year of the Eucharist, which is currently in planning, are important to nurture new vocations.

GDPR

Compliance with GDPR remains a risk. There is a Data Protection Officer adviser and a Data Protection Manager in post. Near misses have been identified which indicate further training needs across the Diocese which will be progressed.

Two members of central team have completed DPO-level training run by the Catholic Insurance Service. The Interim IT manager is taking the lead working with the external DPO to deliver the agreed improvement plan for central services now.

Online training has been put in place and requires additional promotion across parishes.

IT breaches of security

All IT systems are at risk of breaches of security. A few staff and volunteers have been impacted by scams over the last year.

Additional security measures have been put in place by the IT manager and testing has been undertaken to ensure that awareness has been raised.

A specific risk regarding insurers covert testing of systems and the implications where responses indicate low awareness of IT security has been highlighted.

A report has been provided on IT activity to the Trustees including the outcome of the testing.

Volunteers

The oversight and support of volunteers remains a risk given the numbers involved across the diocese. Policies may be poorly understood and those acting on behalf of the Diocese may be unclear about their boundaries and responsibilities.

An administrative officer within the central department is supporting the head of People and Governance to develop volunteer resources and it is proposed that a formal joint role with Caritas is established

Estate

The Estates Department have developed a comprehensive operational risk register concerned with the care of listed buildings and general maintenance.

A full update of all policies and procedures has been completed to support parishes and visits are undertaken by the estate team to support parishes locally

Education and written communications are required to remind parishes of the particular care needed in undertaking any work to listed buildings.



Structure, Governance and Management

The objectives of the Charity include the following: - The provision, maintenance and upkeep of churches, public chapels and presbyteries belonging to or connected with the Roman Catholic Church in the Diocese. The provision, maintenance and carrying on of the religious services of the said Church in such churches and public chapels or other places of like character. The provision, maintenance and upkeep of houses of study, halls and colleges for the education and training of priests and persons desirous of becoming priests of the said Church in the Diocese or elsewhere. The provision, maintenance and upkeep of schools, academies and colleges for the general education both religious and secular or religious or secular of children and young persons, whether or not members of the said Church. Generally, for any such charitable purpose or purposes as in the opinion of the Bishop may be calculated to lead to the advancement or maintenance of the Roman Catholic religion.

The Charity was constituted by a Trust Deed dated 4 September 1934 registered under Charity Number 246871. On 11 September 1934 its Trustees were incorporated under the Charitable Trustees Incorporation Act 1872 in the name of Portsmouth Roman Catholic Diocesan Trustees Registered. Following an Order of the Charity Commission dated 14 August 2002, this Trust Deed was revoked and a new Trust Deed dated 5 August 2002, was put in place by the Bishop and the Trustees, followed by a Deed of Variation dated 7 April 2004. On 20 July 2001, there was a Direction from the Charity Commission that all the charities of which the Trustees are Trustees except the Portsmouth Roman Catholic Priests Retirement Fund (Charity Number 1061194) and the charities holding real property in the Channel Islands, should be treated as a single charity for the purposes of registration and accounting under the Charities Act 1993.

The Charity is governed by the Board of Trustees, which is responsible for the strategic governance of the Diocese. The Bishop acts as the Chairperson.

The Trustees meet on a regular basis to further the mission of the Church in the Diocese, including attending to the financial, property, legal and administrative affairs of the Diocese. In accordance with Canon Law, a Diocesan Finance Council has been established. It consists of the same persons as are Trustees and meets at the same time as the Trustees.

Full meetings of the Board took place on 5 occasions in 2019/2020. The Board is supported in decision making by detailed scrutiny and recommendations provided by the Board sub committees: Finance, Audit and Risk; HR and Remuneration; Vocation Vicariate; Education Vicariate and Evangelisation Vicariate; which meet regularly throughout each year.
As well as being Trustees, the Bishop, the Vicars General, the Episcopal Vicars for Vocation, Education and Evangelisation are responsible for adhering to Canon Law.

Of these, the Vicars General and the Episcopal Vicars, all of whom are Trustees, are also parish priests and are remunerated in the same way as all other priests of the Diocese in parish ministry, as is the Bishop. The remuneration of the Chief Operating Officer is fixed by reference to similar roles in other dioceses and comparable religious charities.

The Curia is organised into a Framework for Collaboration, with three vicariates, that for Vocation, leading to that for Education, leading to that for Evangelisation, reflecting the threefold ministry of the Bishop who acts in the name of Our Lord Jesus Christ as priest, prophet and king.

Each Vicariate is headed by an Episcopal Vicar, who, together with the Vicars General, are the sole members of the Bishop's Council, all of whom have been appointed Trustees. There are three Trustees' Vicariate committees, corresponding to the three vicariates, each being chaired by the Episcopal Vicar for that vicariate.

The Finance, Audit and Risk Committee ("FAR") was established in December 2018 as an additional trustees' committee. Its purpose is to provide strategic oversight to the administration of the temporal goods of the Diocese and its parishes: its land and buildings, money, investments and the discharge of its legal and contractual obligations.

The 'Living Our Faith' Committee, formerly the 'Living Our Faith' Impact Committee, operates according to the aims and objectives of the 'Living Our Faith' campaign between 2008 and 2012.

The Priests Retirement Fund Management Board continues, as the management board of a separate charity, the Portsmouth Roman Catholic Diocese Priests Retirement Fund.

The Safeguarding Commission, the Chancery and the Tribunal continue to operate independently of the Curia.

The structure of the Diocese presents a harmonious balance between the charity's legal responsibility and that of it's responsibility to Canon Law. The Council of Priests meets regularly to consult on matters of Canon Law and advises Trustees.

Trustee Recruitment and Training

Trustee Recruitment

Trustee vacancies are advertised through the appropriate diocesan communication channels. In consultation with the Chairperson, it is decided if external recruitment is required. This is determined by identifying any shortfalls in current skills and experience of the Trustees incumbent.

All candidates applying for the position of Trustee will follow a selection process that includes the Bishop, Chairperson to Trustees. Prospective Trustees will be interviewed by a panel consisting of Trustees. The recommendations of the selection panel will be made to the full Board of Trustees and any successful applicants are co-opted on to the Board at the next full meeting and then ratified by the full Board.

Trustee Induction and Training

The Secretary to Trustees ensures that an appropriate Induction Training Programme is arranged and completed within three months of appointment.

The induction comprises formal induction training including: Clarification of legal responsibilities; Charity Commission requirements of Trustees; strategic issues; governance issues; familiarity with the Trust Deed; and all relevant induction material to allow Trustees to understand the Charity's purpose, financial position and current risks.

Management Team

The Trustees are responsible for the overall management of the diocese. To achieve this they have appointed a management team who are full time paid employees of the Charity and form the Department for Support and Administration Services (DSAS). The Chief Operating Officer leads the team to spearhead the Charity's implementation of its objectives in a tough and ever changing environment, working closely with the Bishop, Vicar General's and Episcopal Vicars.The DSAS leadership team comprises:

Heather Hauschild, Chief Operating Officer
Mark Van Wijk, Director of FInance and IT
Chris Smith, Director of Comms and Fundraising
Hilary Foley, Director of Estates
Catherine Hobbs, Director of Education
Karena Fulford, Head of People and Governance
Ruth Attfield, Safeguarding Co-ordinator

The Trustees have approved a detailed schedule of delegations to make it clear which decisions are reserved for the Board of Trustees and which can be made by Board sub groups, Councils or members of the DSAS Senior Leadership Team.

Setting Pay

The Diocese of Portsmouth has a dedicated HR and Remuneration sub committee, which considers remuneration across the diocese and makes recommendations to the respective Boards. The sub committee meets regularly throughout the year. The Vicar for Clergy, through the Council of Priests also makes recommendations to the appropriate board in respect of clergy pay. This meeting takes place at least on an annual basis.

Remunerated roles within the Diocese of Portsmouth are regularly benchmarked against a number of different channels; other dioceses, other organisations across the charitable sector; and other business sectors, both locally and nationally.

Relationships with Organisations

Part of the Diocese's success can be attributed to its partnership with the many and varied external organisations it collaborates with such as the Catholic Trust for England and Wales (CATEW), the Bishop's Conference for England and Wales (CBCEW), other Catholic dioceses and the voluntary independent sector.

The diocese also works with many Catholic and Non Faith groups in carrying out its mission, such as the Catherine of Siena Institute, Divine Renovation, Alpha, Youth 2000, Celebrate, SVP, Catenians. It collaborates with local authorities, department for education, hospital and prison authorities to provide seamless services to benefit families and individuals across the geographical regions.

Statement of Trustees' Responsibilities

The purpose of this statement is to distinguish the Trustees' responsibilities for the accounts from those of the auditors as stated in their report. The Charities Act 2011 requires the Trustees to prepare for each financial period financial statements which give a true and fair view of the Charity's financial activities during the period and of its financial position at the period end. In preparing the financial statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP;
- 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that this basis applies.

The Trustees are responsible for ensuring proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Trust Deeds and the disclosure regulations. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

'Approved by the Board of Trustees on 01 July 2021 and signed on their behalf by:

Rt. Rev Philip Egan (Trustee)

Rev Michael Dennehy (Trustee)



Independent auditors report to the Trustees of the Portsmouth Roman Catholic Diocesan Trust

Opinion

We have audited the financial statements of The Portsmouth Diocesan Trust for the year ended 31 August 2020 which comprise the consolidated Statement of Financial Activities, the consolidated Balance Sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 August 2020 and of the group's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Responsibilities of Trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 51, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the

Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Use of our report

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

Haysmacintyre LLP
Statutory Auditors
September 2020

10 Queen Street Place
London
EC4R 1AG

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

Financial Accounts

Consolidated Statement of Financial Activities

for the Year Ended 31 August 2020

	Notes	Unrestricted Local Mission	Unrestricted Mission Support	Restricted Funds	Total Funds 2020	Total Funds 2019
		£	£	£	£	£
Income from:						
Donations and legacies						
Donations and Offertories		8,466,576	24,063	1,597,788	10,088,427	10,026,348
Legacies		724,480	10,125	20,526	755,131	442,245
Charitable Activities	2	1,153,251	300,255	146,389	1,599,895	1,765,658
Income from trading subsidiaries	18	162,736	-	94,669	257,405	233,418
Investment income	3	691,214	80,614	87,341	859,169	888,066
Other income		433,255	110,902	-	544,157	558,089
Gain on disposal of fixed assets		-	105,061	-	105,061	1,375,088
Total Income		**11,631,512**	**631,020**	**1,946,713**	**14,209,245**	**15,288,912**
Expenditure on:						
Raising funds						
Expenses of trading subsidiaries		277,392	-	98,716	376,108	299,657
Fundraising		-	83,848	-	83,848	-
Charitable activities						
Support of Parish Life		10,653,780	-	995,047	11,648,827	12,659,528
Vocation						
Training New Clergy		-	37,571	308,246	345,817	463,848
Clergy Support		-	406,448	18,431	424,879	433,737
Supporting Retired Priests		-	114,930	-	114,930	97,496
Education				-		
Supporting Catholic Education		-	384,946	327,762	712,708	829,643
Youth and University Chaplaincies		-	280,881	-	280,881	362,937
Evangalisation				-		
Supporting the Poor and Marginalised - Inspired by the Love of Christ		-	47,166	156,037	203,203	274,348
New Evangelisation		-	104,927	-	104,927	116,253
Total expenditure	**4**	**10,931,172**	**1,460,717**	**1,904,239**	**14,296,128**	**15,537,447**

Consolidated Statement of Financial Activities continued

for the Year Ended 31 August 2020

	Notes	Unrestricted Local Mission	Unrestricted Mission Support	Restricted Funds	Total Funds 2020	Total Funds 2019
		£	£	£	£	£
Net (Outgoing)/Incoming Resources before transfers		700,340	(829,697)	42,474	(86,883)	(248,535)
Realised and Unrealised (Losses) on Investments		(987,450)	(4,078)	(69,685)	(1,061,213)	(563,738)
Net income/(expenditure)		**(287,110)**	**(833,775)**	**(27,211)**	**(1,148,096)**	**(812,273)**
Transfers between Funds						
Transfers - Curial Services		1,528,897	(1,528,897)	-	-	-
Transfers - Diocesan Levy		(2,152,976)	2,152,976	-	-	-
Net movement on funds		(911,189)	(209,696)	(27,211)	(1,148,096)	(812,273)
Reconciliation of funds						
Fund balances brought forward		63,342,454	2,391,617	3,882,860	69,616,931	70,429,204
Fund balances carried forward		**62,431,265**	**2,181,921**	**3,855,649**	**68,468,835**	**69,616,931**

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 21.



Consolidated Balance Sheet

as at
31 August 2020

	Notes	Local Mission	Mission Support	Total 2020	Total 2019
		£	£	£	£
Fixed Assets					
Tangible assets	7	39,158,371	3,075,504	42,233,875	42,561,926
Investments	8	18,186,281	8,415,044	26,601,325	27,880,156
		57,344,652	11,490,548	68,835,200	70,442,082
Debtors: due after more than one year	9	-	**135,643**	**135,643**	**222,187**
Current Assets					
Debtors and prepayments	9	14,318	813,439	827,757	1,466,163
Cash at bank and in hand		2,569,405	2,776,485	5,345,890	1,600,932
		2,583,723	3,589,924	6,173,647	3,067,095
Creditors: due within one year	10	**(420,157)**	**(5,358,785)**	**(5,778,942)**	**(3,859,580)**
Net Current Assets/(Liabilities)		**2,163,566**	**(1,768,861)**	**394,705**	**(792,485)**
Creditors: due after more than one year	10	-	(896,713)	(896,713)	(254,853)
Parish Loan Accounts					
Due from parishes		(3,830,403)	3,830,403	-	-
Due to parishes		8,876,211	(8,876,211)	-	-
		5,045,808	(5,045,808)	-	-
NET ASSETS		**64,554,026**	**3,914,809**	**68,468,835**	**69,616,931**
Unrestricted Funds					
General Funds		-	(3,892,874)	(3,892,874)	(1,121,728)
Designated fund - Value of Diocesan Buildings		39,158,371	3,075,504	42,233,875	-
Designated Funds	13	23,272,894	2,999,292	26,272,186	66,855,799
		62,431,265	**2,181,922**	**64,613,187**	**65,734,071**
Restricted Funds	12	**1,397,493**	**1,693,316**	**3,090,809**	**3,109,454**
Permanent Endowment Funds	11	**725,268**	**39,571**	**764,839**	**773,406**
RESERVES		**64,554,026**	**3,914,809**	**68,468,835**	**69,616,931**

Charity Balance Sheet

as at
31 August 2020

	Local Mission	Mission Support	Total 2020	Total 2019
	£	£	£	£
Fixed Assets				
Tangible Fixed Assets	35,847,911	3,075,504	38,923,415	42,620,045
Investments	18,186,281	8,415,044	26,601,325	27,880,156
	54,034,192	11,490,548	65,524,740	70,500,201
Debtors: due after more than one year	-	**135,643**	**135,643**	**222,187**
Current Assets				
Debtors and prepayments	-	813,439	813,439	1,482,813
Cash at bank and in hand	2,408,261	2,776,485	5,184,746	1,693,556
	2,408,261	3,589,924	5,998,185	3,176,369
Creditors: due within one year	**(207,428)**	**(5,392,689)**	**(5,566,213)**	**3,986,007**
Net Current Assets/(Liabilities)	**2,200,833**	**(1,802,765)**	**431,972**	**809,638**
Creditors: due after more than one year	-	(896,713)	(896,713)	254,853
Parish Loan Accounts				
Due from parishes	(3,830,403)	3,830,403	-	-
Due to parishes	8,842,307	(8,842,307)	-	-
	5,011,904	(5,011,904)	-	-
NET ASSETS	**61,246,929**	**3,914,809**	**65,168,738**	**69,657,897**
Unrestricted Funds				
General Funds	-	(3,892,874)	(3,892,874)	1,121,728
Designated fund - Value of Diocesan Buildings	39,158,371	3,075,504	42,233,875	
Designated Funds	19,965,797	2,999,292	22,998,993	66,896,765
	59,124,168	**2,181,922**	**61,306,090**	**65,775,037**
Restricted Funds	**1,397,493**	**1,693,316**	**3,090,809**	**3,109,454**
Permanent Endowment Funds	**725,268**	**39,571**	**764,839**	**773,406**
RESERVES	**61,246,929**	**3,914,809**	**65,161,738**	**69,657,897**

Reconciliation of Net Incoming Resources to Cash Inflow from Operating Activities

for the Year Ended 31 August 2020

	Notes	2020	2019
		£	£
Changes in resources before revaluations		(86,883)	(248,535)
Returns on investment		(859,169)	(320,520)
Depreciation		958,714	881,448
(Gain)/Loss on disposal of Tangible Fixed Assets		(105,061)	(1,375,088)
Decrease/(Increase) in debtors		724,950	831,939
(Decrease)/Increase in creditors		2,561,222	560,246
		3,193,773	**329,490**
Net cash inflow from operating activities		3,193,773	329,490
Cash flows from investing activities			
Returns on investment		859,169	320,520
Payments to acquire tangible fixed assets		(806,188)	(1,880,609)
Receipts from sales of tangible fixed assets		280,586	1,375,088
Payments to acquire investments		(2,156,757)	(1,224,442)
Receipts from sales of investments		2,374,375	1,119,482
Change in cash and cash equivalents in the year		3,744,958	39,529
Cash and cash equivalents at the beginning of the year		1,600,932	1,561,403
Cash and cash equivalents at the end of the year		**5,345,890**	**1,600,932**

The notes form part of these accounts



Reconciliation of Net Cash Flow to movement in net debt

for the Year Ended 31 August 2020

	2020	2019
	£	£
Increase in cash in the year	3,744,958	39,529
Cash inflow/(outflow) outflow from increase/(reduction) in debt	(1,614,993)	(560,246)
Change in net debt resulting from cash flows	2,129,965	(520,717)
Bank loan drawn down	(946,429)	-
Movement in net debt for the year	1,183,536	(520,717)
Net debt at 1 September 2019	(2,513,301)	(1,992,584)
Net debt at 31 August 2020	(1,329,765)	(2,513,301)

ANALYSIS OF NET DEBT	At 1 Sep 2019	Cash Flows	Other Changes	At 31 August 2020
Cash and bank balances	1,600,932	3,744,958		5,345,890
Creditors : Due within one year	(3,859,380)	(1,837,278)	(82,284)	(5,778,942)
Creditors : Due after one year	(254,853)	(724,144)	82,284	(896,713)
	(2,513,301)	1,183,536	-	(1,329,765)



Notes to the Financial Statements for the Year Ended 31 August 2020

1) Accounting Policies

The financial statements have been prepared in accordance with statutory requirements and with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019 and with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS102) (Effective 1 January 2015). 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.

The Portsmouth Diocesan Trust meets the definition of a public benefit entity under FRS102.

a) Basis of Preparation

The financial statements represent the Portsmouth Diocesan Trust together with its wholly owned trading subsidiary companies (consolidated on a line by line basis) listed in note 18. No separate Statement of Financial Activities has been presented for the Charity alone.

b) General Information

The financial statements represent the Portsmouth Diocesan Trust together with its wholly owned trading subsidiary companies (consolidated on a line by line basis) listed in note 16. Since the consolidated balance sheet is not materially different from the Trust balance sheet only a consolidated balance sheet and consolidated notes to the accounts have been presented.

c) Accounts on a going concern basis

Having considered future budgets and cash flows, the trustees confirm that they have no material uncertainties about the entity's ability to continue as a going concern. In coming to this conclusion trustees have considered the effect of COVID-19 and the resources that the charity has available. To accommodate the issues around COVID-19 the charity is making use of government support, has arranged for increased cash flow facilities and has adjusted long term plans for expected long term impact of the virus on the country and the economy.

d) Legacies, Donations and Grants

Legacies and donations are recognised the Diocese becomes legally entitled to them, 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 receivable.

e) Investment Income

Investment income is accounted for on an accruals basis.

f) Taxation

As a registered charity, the Diocese is exempt from income tax, corporation tax and capital gains tax derived from its charitable activities. Gift aid is credited to the category of income to which it relates.

g) Expenditure

Costs of raising funds comprise those costs associated with attracting voluntary income and grants 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 activities.

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.

h) Schools Building Programme

Any grants obtained on behalf of school governors are netted off against total costs and only the residual cost to the Diocese is included in the financial statements.

i) Tangible Fixed Assets

Prior to 1 January 1997 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 Trustees considered that the then insured values should be discounted by 90% and in subsequent years be depreciated at 2% per annum, on the building value only. Properties acquired after 31 August 1996 are capitalised at their actual cost of acquisition.

The Diocese owns a number of properties that are occupied and run by independent charities in the form of Voluntary Aided Schools and Catholic Academies. The school properties (land and buildings) are vested in the name of the Trustees. The Trustees 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 any 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 there is no capital value to the Diocese in the stock of school buildings.

Thus school properties have not been capitalised. There is a potential value, or contingent asset, in the event of a closure of a school (either connected to a re-organisation or not). Such an asset is recognised only upon the occurrence of a closure/re-organisation and the site's development value becoming certain, such as upon the granting of planning permission. The recognition of this value is accounted for as an incoming resource in the year in which this value becomes measurable and certain.

Prior to 4 September 1934, the date of the original Trust Deed of the Charity, most parish properties were acquired on trusts related to individual parish missions and were formally brought under the legal control of the Trustees by virtue of Charity Commission schemes dated 4th and 7th February 1936. These assets are included in Parochial Funds.

There are a few properties held on trusts created after 1934 which are different from those in the 1934 and 2002 trust deeds. These assets are also included in Parochial Funds.

The estimated cost of furniture, equipment and motor vehicles held at 31 August 1996 has been capitalised in the financial statements. Subsequent additions in excess of £5,000 are capitalised at cost.

Individual works of art, historical treasures and plate are not capitalised.

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 property (excluding land)	50 years
Leasehold property	50 years or, if less, the term of the lease
Furniture and equipment	5 to 20 years

j) Significant judgements and key sources of 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.

K) Pensions

All eligible staff may join a personal pension scheme of their choice to which the Diocese makes a matching contribution of up to five per cent of salary. As a defined contribution scheme, no liability falls upon the Diocese, as employer, to make good a shortfall of funding other than contributions due.

l) Financial instruments

The Diocese only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and investments in stocks and shares. The measurement basis used for these financial instruments is detailed below.

Investments

Investments are valued at fair value on the balance sheet date. Investment properties are stated at market value or a Trustees' valuation, as advised by a qualified Chartered Surveyor.

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 period. No distinction is made between realised and unrealised gains in the financial statements.

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

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method. The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and investments in stocks and shares. The measurement basis used for these financial instruments is detailed below

m) Parochial Funds

Each Parish is considered by Canon Law to be a juridical person with corresponding rights and obligations, including the holding and use of funds. The use of these parochial funds is the responsibility of the Parish Priest, Diocesan Finance Council and the Trustees in varying ways depending on the amount and significance of the funds. However, for the purposes of civil law parishes are not distinct legal entities and, unless there are distinct and express special trusts clearly evidenced in law, parochial funds are therefore shown as unrestricted but designated funds.

n) Permanent Endowment Funds

The capital of Permanent Endowment Funds must be maintained intact with any income arising being available for restricted or general charitable purposes of the Diocese, according to the terms of the original gift.

o) Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objectives.

Designated funds are funds set aside by the Trustees for specific purposes (see note 13).

Restricted funds are used for specific purposes as stated by the grantor. Expenditure which meets these criteria is charged to the fund (see note 12).

2) Income from Charitable Activities

	Year End 31 Aug 2020	Year End 31 Aug 2019
	£	£
Hall/Centre Income	487,933	842,583
Rents Received	384,576	525,839
Fees and SLA Income	219,818	346,802
Grant or Furlough Income	507,568	50,434
	£1,599,895	**£1,765,658**

3) Investment Income

	Year End 31 Aug 2020	Year End 31 Aug 2019
	£	£
Income from listed investments	204,801	319,401
Rent on investment property	650,754	567,546
Bank interest	3,614	1,119
	£859,169	**£888,066**



4) Charitable Expenditure

	Support of Parish Life		Vocation		
	Locally Incurred Costs	Centrally Incurred Costs	Training New Clergy	Supporting Clergy in ministry	S Re
	£	£	£	£	
Direct Costs	-	-	59,758	393,057	
The Office of the Bishop	-	179,312	-	-	
Chancery	-	10,665	-	-	
Tribunal	-	41,781	-	-	
Hospital Chaplaincies	-	46,716	-	-	
Parish Initiatives	-	32,099	-	-	
Seminary Fees	-	-	258,900	-	
Maintenance of Catholic Schools	-	-	-	-	
Parish Costs					
Clergy	1,535,930	-	-	-	
Staff	1,946,654	-	-	-	
Church Running Costs	929,511	-	-	-	
Office and Presbytery Running Costs	926,511	-	-	-	
Parish Centre Running Costs	166,868	-	-	-	
Other Costs	1,324,722	-	-	-	
Insurance	391,965	-	-	-	
Repairs and Maintenance	2,095,344	-	-	-	
Depreciation	802,425	-	-	-	
	10,119,930	310,573	318,658	393,057	
***Allocation Basis**	**Support Costs**				
Based on work done	Communications	23,480	23,479	4,695	4,695
Based on work done	Estates	131,616	-	-	-
Apportioned based on number of team members	People	112,142	-	1,174	1,174
Apportioned based on number of team members	IT	122,974	-	5,151	5,151
Apportioned based on Direct costs	Finance	296,628	9,103	9,340	11,521
Apportioned based on Direct costs	Governance	22,938	704	722	891
Apportioned based on Share of overhead costs	Curia Property and overheads	173,617	30,095	4,543	5,322
Based on Number of clergy	Safeguarding	154,951	-	1,534	3,068
	Bishops Conference Levy	-	116,597	-	-
	Total	11,158,276	490,551	345,817	424,879

upporting tired Clergy	Education		Evangelisation		Fundraising	Trading Subsidiaries	Total
	Supporting Catholic Education	Youth and University Chaplaincies	Supporting the Poor and Marginalised - Inspired by the Love of Christ	New Evangelisation	Fundraising	Trading Subsidiaries	Total
£	£	£	£	£	£	£	£
30,938	260,933	245,445	175,821	88,452	55,395	376,108	1,685,907
-	-	-	-	-	-	-	179,312
-	-	-	-	-	-	-	10,665
-	-	-	-	-	-	-	41,781
-	-	-	-	-	-	-	46,716
-	-	-	-	-	-	-	32,099
-	-	-	-	-	-	-	258,900
-	327,762	-	-	-	-	-	327,762
-	-	-	-	-	-	-	1,535,930
-	-	-	-	-	-	-	1,946,654
-	-	-	-	-	-	-	929,511
-	-	-	-	-	-	-	926,511
-	-	-	-	-	-	-	166,868
-	-	-	-	-	-	-	1,324,722
-	-	-	-	-	-	-	391,965
-	-	-	-	-	-	-	2,095,344
-	-	-	-	-	-	-	802,425
30,938	588,695	245,445	175,821	88,452	55,395	376,108	12,703,072
-	4,695	4,695	4,695	4,695	18,783	-	93,912
65,808	65,808	-	-	-	-	-	263,232
587	2,349	1,174	1,761	587	587	-	121,535
2,575	10,301	5,151	7,726	2,575	2,575	-	164,179
907	17,255	7,194	5,154	2,593	1,624	-	361,319
70	1,334	556	399	200	126	-	27,940
14,045	20,737	5,927	4,579	2,757	4,758	-	266,380
-	1,534	10,739	3,068	3,068	-	-	177,962
-	-	-	-	-	-	-	116,597
114,930	712,708	280,881	203,203	104,927	83,848	376,108	14,296,128

5) Net Income

		Year End 31 Aug 2020	Year End 31 Aug 2019
		£	£
Consolidated Net income is stated after charging:			
Depreciation - Owned Assets		958,714	881,448
Auditors Remuneration		45,000	47,100







6) Staff

	Year End 31 Aug 2020	Year End 31 Aug 2019
	£	£
Staff Costs:		
Wages and salaries	2,837,134	3,307,291
Social security	185,356	200,648
Pension costs	80,119	59,086
Redundancy costs	7,651	54,292
Total	**£3,110,260**	**£3,621,317**

The average number of total employees (not full time equivalents) of the Diocese during the period and their aggregate emoluments are shown below

Monthly Average Number of Employees:	2020	2019
	£	£
Departments	39	56
Parishes	201	204
Total	**240**	**260**

Employees with emoluments greater than £60,000:	2020	2019
£60,001 - £65,000	1	1
£80,001 to £85,000	2	1
£95,001 to £100,000	1	0

Key management personnel received salary, benefits and pension contributions of £400,838 (2019: £141,799) during the year.

7) Tangible Fixed Assets

The Diocese also owns a number of properties, which are occupied and run by independent charities in the form of Voluntary Aided Schools and Catholic Academies. The Trustees consider that these properties have no capital value to the Charity - see Accounting Policy (f). The total re-instatement cost of these schools is approximately £300m. A list of the schools in the Diocese is set out on the Diocesan website (www.portsmouthdiocese.org.uk).

All fixed assets are used in direct furtherance of the Charity's objects.

Fixed assets with a Net Book Value of £3.3 million were held by the trading company (Accumulated depreciation £1.6 million, current year charge £96K). This is predominantly property owned in Jersey that has been transferred to a trading company to better comply with Jersey laws.

	Freehold Buildings	Leasehold Buildings	Furniture and Equipment	Total
	£	£	£	£
COST OR VALUATION				
At 1 September 2019	52,737,073	533,228	2,740,465	56,010,766
Additions	687,491	-	118,697	806,188
Disposals	(207,543)	-	-	(207,543)
At 31 August 2020	**53,217,021**	**533,228**	**2,859,162**	**56,609,411**
DEPRECIATION				
At 1 September 2019	11,144,589	65,641	2,238,610	13,448,840
Charge for the period	824,638	42,820	91,256	958,714
On disposals	(32,018)	-	-	(32,018)
At 31 August 2020	**11,937,209**	**108,461**	**2,329,866**	**14,375,536**
NET BOOK VALUE				
At 31 August 2020	**41,279,812**	**424,767**	**529,296**	**42,233,875**
At 31 August 2019	**41,592,484**	**467,587**	**501,855**	**42,561,926**

At 31 August 2020 the Charity had future minimum lease payments under non-cancellable operating leases as follows:

Land and Buildings			2020	2019
			£	£
Not later than 1 year			25,000	25,000
Later than 1 year and not later than 5 years			0	100,000
Later than 5 years			0	75,000
Total			**25,000**	**175,000**

8) Investments

	Investment Properties	Quoted Investments	Total
	£	£	£
Fixed Assets			
Market value at 1 September 2019	16,575,900	11,304,256	27,880,156
Additions	-	2,156,757	2,156,757
Disposals	-	(2,374,375)	(2,374,375)
Revaluation Losses	(940,900)	(120,313)	(120,313)
Market value at 31 August 2020	**15,635,000**	**10,966,325**	**26,601,325**

All quoted investments (other than cash) are quoted on a recognised UK Stock Exchange or are valued by reference to investments listed on a recognised Stock Exchange. No figure for the cost of the investment properties owned at 1 January 1997 is available; the value at which they were first recognised in the accounts was £1,014,500. £9.8 million of investment properties were revalued at 31 August 2019 by Daniel Harrison Surveyors and £5.6 million of investment properties were valued at 31 August 2020. The Trustees do not believe that there is a material movement in the value of investment properties since the date they were last revalued.

9)Debtors

	31 Aug 2020	31 Aug 2019
	£	£
Due after more than one year		
School and other loans	135,643	222,187
Due within one year		
School and other loans	385,978	1,072,801
Other debtors and prepayments	441,779	393,362
	£827,757	**£1,466,163**

10) Creditors

	2020	2019
	£	£
Due after more than two years		
School and other loans	600,145	170,569
Due between one and two years		
School and other loans	296,568	84,284
Due within one year		
School and other loans	5,061,381	2,827,694
PAYE	72,062	56,022
Other creditors and accruals	645,499	975,864
	5,778,942	**3,859,580**

A loan of £1,000,000 from Lloyds Bank was taken out in October 2019 for a five year commitment period at an interest rate of 1.7% above LIBOR. After an initial 12 month holiday period quarterly repayments will be made with the loan to be repaid in full on the fifth anniversary unless the Bank agrees to extend the commitment period.







11) Permanent Endowment Funds

	Balance at 31 Aug 2019	Net Incoming/ (Outgoing) Resources	Movement on Investments	Balance at 31 Aug 2020
	£	£	£	£
Local Mission Funds				
Properties	371,654	(7,639)	(18)	363,997
Other	145,260	2,984	(1,486)	146,757
St Mary's Mission	214,398	681	(565)	214,514
Total	731,312	(3,975)	(2,069)	725,268
Mission Support Funds	42,094	(1,150)	(1,373)	39,571
	773,406	**(5,125)**	**(3,442)**	**764,839**

Prior year comparatives are provided in note 23







12) Restricted Funds

	Balance at 31 Aug 2019	Incoming Resources	Resources Expended	Transfers	Movement on Investments	Balance at 31 Aug 2020
					£	£
MISSION SUPPORT						
Social Welfare	165,085	4,336	-	-	(5,645)	163,776
Clergy Training	898,319	70,054	(305,896)	-	(31,049)	631,428
Bamenda Fund	34,889	93,831	(98,463)	-	(157)	30,100
Clergy Assistance	98,981	10,891	(18,431)	-	(3,385)	88,056
Lourdes Fund	173,286	5,167		-	(5,205)	173,248
Youth Funds	782	-	-	-	-	782
Vicariate Triple Trust	71,882	1,807	(16,911)	-	(2,458)	54,320
Edmund Rice Fund	281,841	6,432	-	-	(9,638)	278,635
School Building Fund	194,220	246,672	(327,762)	-	-	113,130
Other Restricted Funds	59,290	270	(1,200)	-	(1,749)	56,611
Diocesan Caritas	1,075	159,729	(57,574)	-	-	103,230
	1,979,650	**599,189**	**(826,237)**	**-**	**(59,286)**	**1,693,316**
LOCAL MISSION						
Parish Fund Raising	110,507	1,235,248	(968,449)	-	-	377,306
Investment Funds	837,308	12,738	-	-	(6,957)	843,089
Foundation Masses	160,706	1,205	(2,049)	-	-	159,862
Caritas Jersey Ltd	21,283	94,669	(98,716)	-	-	17,236
	1,129,804	1,343,860	(1,069,214)	-	(6,957)	1,397,493
	£3,109,454	**£1,943,049**	**(1,895,451)**	**-**	**(66,243)**	**3,090,809**

Prior year comparatives are provided in note 23

Mission Support

Social Welfare Fund
This is a fund dating from 1952 for the promotion of Social Welfare generally.

Clergy Training Fund
A fund for the training of students to the priesthood, which is the recipient of a specific annual Diocesan collection for this purpose. A transfer is made to the General Fund from which the training costs are paid.

Bamenda Fund
A fund to provide assistance to the Diocese of Bamenda in Cameroon, Africa that is the recipient of a specific annual Diocesan collection. There is a Trustees' committee charged with monitoring and making the appropriate grants.

Clergy Assistance
This fund provides financial support for clergy in need and is the recipient of a specific annual Diocesan collection.

Youth Funds
Funds collected specifically for youth purposes including Lourdes Pilgrimages and Summer Schools.

Diocesan Caritas
Caritas Diocese of Portsmouth supports and promotes the love of neighbour in the parishes and schools of the Diocese.

Vicariate Triple Trust
The purpose of the Trust is primarily to assist parishes in providing church furnishings.

Edmund Rice Fund
This donation was received in 2005, primarily for education purposes in Reading and surrounding areas, and the local pastoral area is developing support for appropriate chaplaincies in the area.

School Building Fund
This Fund was established in 2001, to provide a central fund to meet the governors' liabilities on expenditures in Voluntary Aided schools. The equalisation fund is targeted as half from all parishes on the mainland, whether feeder parishes or not, and the balance being raised by the schools from parental contributions.

Other Restricted Funds
Other restricted funds consist of donations and other contributions for specific purposes other than those listed above, each not exceeding a period end balance of £50,000.

Local Mission

Parish Fund Raising
These are funds that parishes raise for separate funds and charities, and account for as a restricted fund.

Investment Funds
These are mainly legacies left specifically for expenditure within individual parishes or churches.

Foundation Masses
Legacies left for Mass intentions of the deceased, are held as separate funds within the parishes.

Caritas Jersey Ltd
Caritas Diocese of Portsmouth supports and promotes the love of neighbour in the parish of Jersey.

13) Designated Funds

	Balance at 31 Aug 2019	Incoming Resources	Transfers/ Resources Expended	Movement on Investments	Balance at 31 Aug 2020
				£	£
MISSION SUPPORT					
Education Fund	64,739	14,600	-	(2,214)	77,125
Insurance Risk Fund	(8,797)	-	-	-	(8,797)
Pastoral Development Fund	1,125,868	-	-	-	1,125,868
Living Our Faith Fund	2,331,535	15,390	(539,965)	(1,864)	1,805,096
Value of Diocesan Buildings - Fund	-	-	3,075,504	-	3,075,504
	3,513,345	29,990	2,535,539	(4,078)	6,074,796
LOCAL MISSION					
Living Our Faith Fund	1,282,884	8,468	(159,912)	-	1,131,440
Value of Diocesan Buildings - Fund	-	-	39,158,371	-	39,158,371
Other Parochial Funds	62,059,570	11,623,044	(50,553,710)	(987,450)	22,141,454
	63,342,454	**11,631,512**	**(11,555,251)**	**(987,450)**	**62,431,265**
	66,855,799	11,661,502	(9,019,712)	(991,528)	68,506,061

Prior year comparatives are provided in note 23

Mission Support

Education Fund
This fund is utilised for the support of schools and other educational purposes within the Diocese.

Insurance Risk Fund
This fund has been designated to assist parishes and others to comply with safety requirements.

Pastoral Development Fund
This fund has been set up from the proceeds of the sale of a surplus property and will be supplemented from further disposals where there are surplus funds generated, in order to aid parishes with their own developments.

Local Support

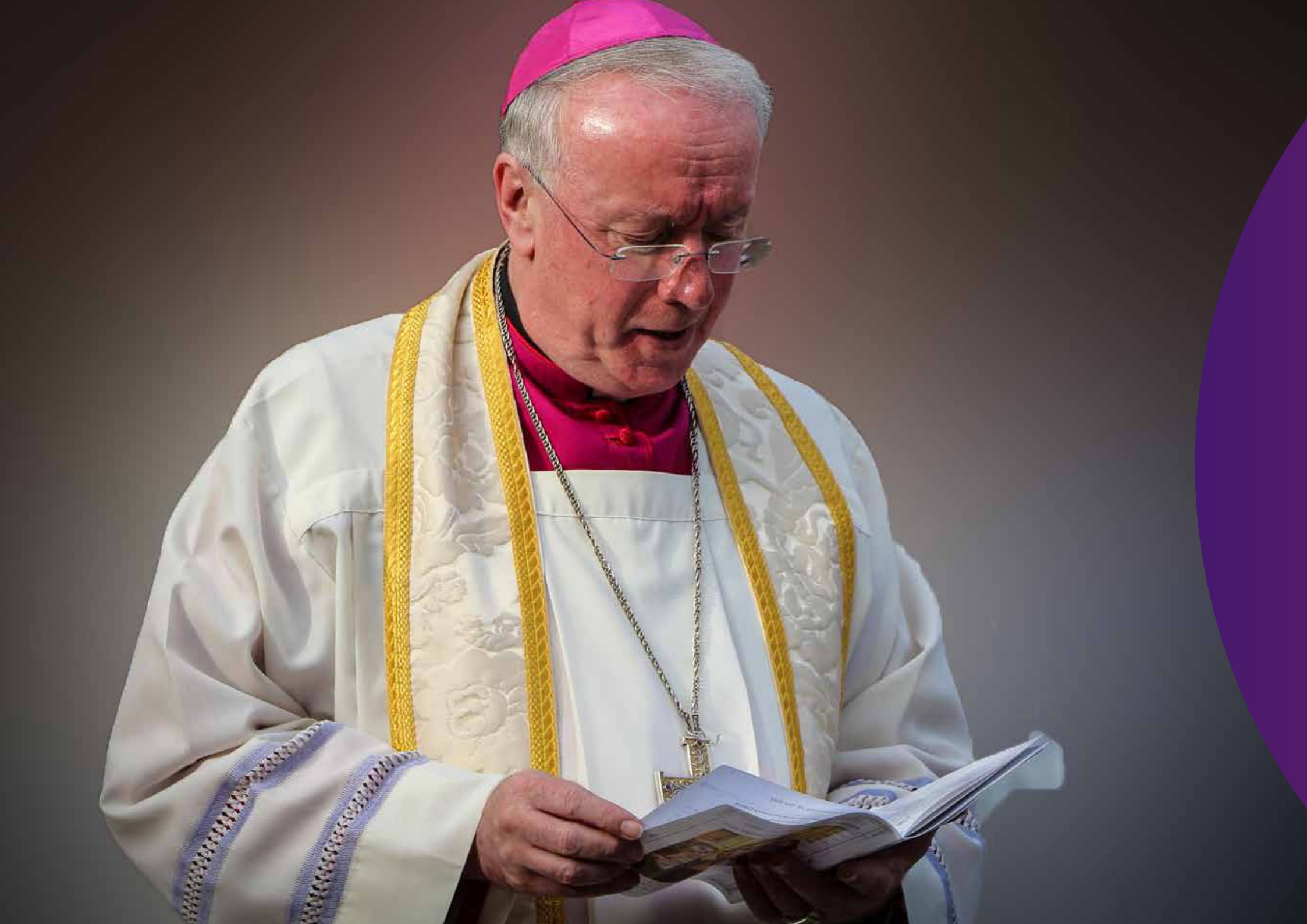
Living Our Faith Fund
A programme was initiated in 2008 to raise funds (i) to provide the Diocese with sufficient funds to support independently the training of students for the priesthood and the continuing care of its ordained clergy in their ministry, to fund adult formation programmes and resources and various capital projects, and (ii) to provide parish funds to meet local needs.

Value of Diocesan Buildings - Fund
Funds invested in buildings used by the diocese in furtherance of their charitable objects are not available to spend. The value of these operational fixed assets have been transferred into a designated fund to indicate that they are not expendable financial assets.

14) Allocation of Net Assets

	Fixed Assets	Investments	Current Assets	Current Liabilities	Parish Loan Accounts	Total 31 Aug 2020
					£	£
Permanent						
Endowment Funds						
Mission Support	-	39,571			-	39,571
Local Mission	510,455	186,435	28,378		-	725,268
Restricted Funds						
Mission Support	-	3,104,519	(1,411,203)		-	1,693,316
Local Mission	-	793,492	604,001		-	1,397,493
Unrestricted funds						
Mission Support	3,075,504	5,270,954	5,136,770	(6,255,498)	(5,045,808)	2,181,922
Local Mission	38,647,916	17,206,354	1,951,344	(420,157)	5,045,808	62,431,265
Total Net Assets	**42,233,875**	**26,601,325**	**6,309,290**	**(6,675,655)**	**-**	**68,468,835**

Prior year comparatives are provided in note 23



15) Transaction with Trustees

Certain Trustees are also priests within the Diocese. As priests they receive income from their office 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. No Trustees receive any remuneration or benefits from their trusteeships. No Trustees were paid for providing professional services to the Diocese. No trustees were reimbursed travel expenses in their capacity as Trustees (2019, two trustees £1,409). Donations totaling £11,365 (2019: £11,400) were received from trustees during the year.

16) Capital Commitments

	2020	2019
Authorised and Contracted for	-	395,859

17) Connected Charity

The following charity is a connected charity of The Portsmouth Diocesan Trust:

Charity: Portsmouth Roman Catholic Diocese Priests' Retirement Fund
Charity Number: 1061194
Address: St Edmund House, Bishop Crispian Way, Portsmouth PO1 3QA

18) Trading Subsidiaries

During the period the Diocese had wholly owned active subsidiary companies incorporated in England and Wales. They were as follows: -

- The Portsmouth Diocesan Trading Co Limited
  (Company Number: 2746549)
- Catholic Resource Centre Limited
  (Company Number: 3141601)
- City Centre Parish Gift Shop Ltd
  (Company Number 4861772)
- Our Lady of Peace Catholic Club Limited
  (Company Number: 3340552)
- Waterside Fair Trading Limited
  (Company Number: 3454820)
- Portsmouth Roman Catholic Diocesan Properties Limited
  (Company Number: 9611450)

The results and assets and liabilities of the above companies are reported within the financial statements.

Portsmouth Roman Catholic Diocesan Trust Company Limited (Company Number: 9003096) acts as Member of Caritas Jersey Limited, a Jersey registered charitable company, whose results and assets and liabilities are reported within the financial statements.

A summary of the companies' trading results and balance sheets is set out -

Consolidated Profit and Loss Account For the Year Ended 31 Aug 2020	31 Aug 2020	31 Aug 2019
	£	£
TURNOVER	257,405	225,626
Cost of sales	(150,153)	(69,842)
GROSS PROFIT	107,252	155,784
Administrative expenses	(157,741)	(142,671)
	(50,489)	13,113
Amount gifted to the Charity	(56,067)	(69,283)
Transfer of Fixed Assets	3,372,687	
Tax on profit on ordinary activities	-	-
		-
(LOSS)/PROFIT AFTER TAXATION	3,266,131	(56,170)
Reserves brought forward	(125,535)	(69,365)
RESERVES CARRIED FORWARD	**3,140,596**	**(125,535)**

Included within turnover are sales to the Diocese amounting to £65,383 (2019 £70,625).

Consolidated Balance Sheet As at 31 Aug 2020	31 Aug 2020	31 Aug 2019
		£
FIXED ASSETS		
Tangible assets	3,310,460	58,119
CURRENT ASSETS		
Stocks	9,969	11,230
Debtors	38,253	5,420
Cash at bank and in hand	161,144	92,624
	209,366	109,274
CREDITORS: Amounts falling due within one year	(212,729)	(126,427)
NET CURRENT ASSETS	**(3,363)**	**(17,153)**
NET ASSETS	3,307,097	40,966
Share capital	166,501	166,501
Reserves	3,140,596	(125,535)
SHAREHOLDERS' FUNDS	3,307,097	40,966

19) Financial Instruments

Consolidated Balance Sheet As at 31 Aug 2020	2020	2019
		£
Financial assets measured at fair value	10,962,191	11,304,259
Financial assets measured by amortised cost	827,757	1,294,988
Financial liabilities measured by amortised cost	**(6,675,654)**	**3,082,547**

Financial assets measured at fair value comprise listed investments.
Financial assets measured at amortised cost comprise school and other loans.
Financial liabilities measured at amortised cost comprise school and other loans.

20) Post Balance Sheet Events

In February 2021 the Diocese borrowed £4 million under the government's CBILS scheme to provide support cash flows in entities that have been affected by the COVID -19 pandemic.

21) Consolidated Statement of Financial Activities for the Year Ended 31 August 2019

	Unrestricted Funds Local Mission	Unrestricted Funds Mission Support	Restricted Funds	2019
	£	£	£	£
Income from:				
Donations and legacies				
Donations and Offertories	9,047,112	21,150	958,086	10,026,348
Legacies	356,950	0	85,295	442,245
Charitable activities	1,339,651	374,960	51,047	1,765,658
Income from trading subsidiaries	233,418	0	0	233,418
Investment income	716,283	83,423	88360	888,066
Other income	349,623	136,363	72103	558,089
Gain on disposal of fixed assets	1,375,088	0	0	1,375,088
Total income	**13,418,125**	**615,896**	**1,254,891**	**15,288,912**
Expenditure on				
Raising funds				
Expenses of trading subsidiaries	289,846	-	9,811	299,657
Fundraising	-	-	-	-
Charitable activities				
Support of Parish Life	11,159,282	879,489	620,757	12,659,528
Vocation				
Training New Clergy	-	463,848		463,848
Clergy Support	-	433,737		433,737
Supporting Retired Priests	-	97,496		97,496
Education				
Supporting Catholic Education	-	498,191	331,452	829,643
Youth and University Chaplaincies	-	362,937		362,937
Evangalisation				
Supporting the Poor and Marginalised - Inspired by the Love of Christ	-	124,447	149,901	274,348
New Evangelisation	-	109,925	6,328	116,253
Total expenditure	**11,449,128**	**2,970,070**	**1,118,249**	**15,537,447**

21) Consolidated Statement of Financial Activities for the Year Ended 31 August 2019 Continued

	Unrestricted Funds Local Mission	Unrestricted Funds Mission Support	Restricted Funds	2019
	£	£	£	£
Net (Outgoing)/Incoming Resources before transfers	1,968,997	(2,354,174)	136,642	(248,535)
Realised and Unrealised (Losses) on Investments	(1,428,804)	841,400	23,666	(563,738)
Net income/(expenditure)	**540,193**	**(1,512,774)**	**160,308**	**(812,273)**
Transfers between Funds	(461,915)	624,125	(162,210)	-
Transfers - Support Costs	995,412	(995,412)	-	-
Transfers - Diocesan Levy	(2,161,627)	2,161,627	-	-
Net movement on funds	(1,087,937)	277,566	(1,902)	(812,273)
Reconciliation of funds				
Fund balances brought forward	**64,430,391**	**2,114,051**	**3,884,762**	**70,429,204**
Fund balances carried forward	**63,342,454**	**2,391,617**	**3,882,860**	**69,616,931**



22) Charitable Costs

for the Year Ended 31 August 2019

		Support of Parish Life		Vocation		
		Locally Incurred Costs	Centrally Incurred Costs	Training New Clergy	Supporting Clergy in ministry	S Re
		£	£	£	£	
	Direct Costs	-	-	79,472	399,761	
	The Office of the Bishop	-	240,051	-	-	
	Chancery	-	27,716	-	-	
	Tribunal	-	47,832	-	-	
	Hospital Chaplaincies	-	58,320	-	-	
	Parish Initiatives	-	79,303	-	-	
	Seminary Fees	-	-	350,737	-	
	Maintenance of Catholic Schools	-	-	-	-	
	Parish Costs					
	Clergy	1,709,624	-	-	-	
	Staff	2,029,871	-	-	-	
	Church Running Costs	1,075,757	-	-	-	
	Office and Presbytery Running Costs	1,421,086	-	-	-	
	Parish Centre Running Costs	202,994	-	-	-	
	Other Costs	1,489,191	-	-	-	
	Insurance	392,171	-	-	-	
	Repairs and Maintenance	1,855,588	-	-	-	
	Depreciation	814,922	-	-	-	
		10,991,204	453,222	430,209	399,761	
***Allocation Basis**	**Support Costs**					
Based on work done	Communications	55,819	55,819	7,975	7,974	
Based on work done	Estates	98,950	-	-	-	
Apportioned based on number of team members	People	99,836	-	1,045	1,045	
Apportioned based on number of team members	IT	81,100	-	3,397	3,397	
Apportioned based on Direct costs	Finance	300,885	12,411	11,777	10,944	
Apportioned based on Direct costs	Governance	23,647	974	926	860	
Apportioned based on Share of overhead costs	Curia Property and overheads	217,650	48,035	7,355	7,429	
Based on Number of clergy	Safeguarding	117,525	-	1,164	2,327	
	Bishops Conference Levy	-	102,451	-	-	
	Total	11,986,616	672,912	463,848	433,737	

Supporting tired Clergy	Education		Evangelisation		Fundraising	Trading Subsidiaries	Total
	Supporting Catholic Education	Youth and University Chaplaincies	Supporting the Poor and Marginalised - Inspired by the Love of Christ	New Evangelisation	Fundraising	Trading Subsidiaries	Total
£	£	£	£	£	£	£	£
30,192	384,740	324,365	243,436	96,577	-	299,657	1,858,200
-	-	-	-	-	-	-	240,051
-	-	-	-	-	-	-	27,716
-	-	-	-	-	-	-	47,832
-	-	-	-	-	-	-	58,320
-	-	-	-	-	-	-	79,303
-	-	-	-	-	-	-	350,737
-	331,453	-	-	-	-	-	331,453
-	-	-	-	-	-	-	1,709,624
-	-	-	-	-	-	-	2,029,871
-	-	-	-	-	-	-	1,075,757
-	-	-	-	-	-	-	1,421,086
-	-	-	-	-	-	-	202,994
-	-	-	-	-	-	-	1,489,191
-	-	-	-	-	-	-	392,171
-	-	-	-	-	-	-	1,855,588
-	-	-	-	-	-	-	814,922
30,192	716,193	324,365	243,436	96,577	-	299,657	13,984,818
-	7,974	7,974	7,975	7,974	-	-	159,483
49,475	49,475	-	-	-	-	-	197,900
523	2,091	1,045	1,568	523	-	-	107,677
1,698	6,794	3,397	5,095	1,698	-	-	106,576
827	19,604	8,879	6,664	2,644	-	-	374,633
65	1,541	698	524	208	-	-	29,443
14,716	24,806	8,434	6,759	4,302	-	-	339,486
-	1,165	8,145	2,327	2,327	-	-	134,980
-	-	-	-	-	-	-	102,451
97,496	829,643	362,937	274,348	116,253	-	299,657	15,537,447

23) Summary of Permanent Endowments for the Year Ended 31 August 2019

Permanent Endowment Funds	Balance at 31 Aug 2018	Net Incoming/ (Outgoing) Resources	Movement on Investments	Balance at 31 Aug 2019
	£	£	£	£
LOCAL MISSION				
Properties	379,506	(7,852)	-	371,654
Other	140,897	-	4,363	145,260
St Mary's Mission	212,769	-	1,629	214,398
	733,172	(7,852)	5,992	731,312
MISSION SUPPORT	42,186	-	(92)	42,094
	775,358	**(7,852)**	**5,900**	**773,406**







23) Summary of Restricted Funds for the Year Ended 31 August 2019

Restricted Funds	Balance at 31 Aug 2018	Incoming Resources	Resources Expended	Transfers	Movement on Investments	Balance at 31 Aug 2019
				£	£	
MISSION SUPPORT						
Social Welfare	160,104	5,418	-	-	(437)	165,085
Clergy Training	924,850	116,539	-	(138,604)	(4,466)	898,319
Bamenda Fund	89,177	46,554	(100,716)	-	(126)	34,889
Clergy Assistance	79,791	54,006	-	(34,005)	(811)	98,981
Lourdes Fund	169,197	39,249	(34,816)	-	(344)	173,286
Youth Funds	781	1	-	-	-	782
Vicariate Triple Trust	74,599	2,259	(4,794)	-	(182)	71,882
Edmund Rice Fund	278,272	8,040	(3,822)	-	(649)	281,841
School Building Fund	285,043	236,808	(327,631)	-	-	194,220
Other Restricted Funds	19,189	44,600	(6,579)	-	2,080	59,290
Diocesan Caritas	1,075	48,934	(48,934)	-	-	1,075
	2,082,078	602,408	(527,292)	(172,609)	(4,935)	1,979,650
LOCAL MISSION						
Parish Fund Raising	2,923	646,371	(549,187)	10,400	-	110,507
Investment Funds	838,716	-	-	-	(1,408)	837,308
Foundation Masses	160,706	-	-	-	-	160,706
Caritas Jersey Ltd	24,981	6,112	(9,810)	-	-	21,283
	1,027,326	652,483	(558,997)	10,400	(1,408)	1,129,804
	3,109,404	**1,254,891**	**(1,086,289)**	**(162,209)**	**(6,343)**	**3,109,454**



23) Summary of Designated Funds for the Year Ended 31 August 2019

Designated Funds	Balance at 31 Aug 2018	Incoming Resources	Transfers/ Resources Expended	Movement on Investments	Balance at 31 Aug 2019
				£	
MISSION SUPPORT					
Education Fund	47,960	18,252	-	(1,473)	64,739
Insurance Risk Fund	(8,797)	-	-	-	(8,797)
Pastoral Development Fund	674,353	-	451,515	-	1,125,868
Living Our Faith Fund	3,293,849	22,678	(984,869)	(123)	2,331,535
	4,007,365	40,930	(533,354)	(1,596)	3,513,345
LOCAL MISSION					
Living Our Faith Fund	1,389,285	12,509	(118,910)	-	1,282,884
Other Parochial Funds	63,041,106	13,405,615	(12,958,349)	(1,428,802)	62,059,570
	64,430,391	13,418,124	(13,077,259)	(1,428,802)	63,342,454
	68,437,756	**13,459,054**	**(13,610,613)**	**(1,430,398)**	**66,855,799**

23) Summary of the Allocation of Net Assets for the Year Ended 31 August 2019

Allocation of Net Assets	Fixed Assets	Investments	Current Assets	Current Liabilities	Parish Loan Accounts	Total
			£	£	£	£
Permanent						
Endowment Funds						
Mission Support	-	40,426	1,668	-	-	42,094
Local Mission	518,307	128,053	84,952	-	-	731,312
Restricted Funds						
Mission Support	-	3,176,400	(1,196,750)	-	-	1,979,650
Local Mission	-	998,015	131,789	-	-	1,129,804
Unrestricted Funds						
Mission Support	3,313,115	5,366,218	2,510,745	(3,616,305)	(5,182,156)	2,391,617
Local Mission	**38,730,504**	**18,171,044**	**1,756,878**	**(498,128)**	**5,182,156**	**63,342,454**
Total Net Assets	**42,561,926**	**27,880,156**	**3,289,282**	**(4,114,433)**	**£ -**	**69,616,931**



Charity Information

Registered Charity Name	Portsmouth Diocesan Trust
Registered Charity Number	246871
Board of Trustees	Bishop Philip Egan Canon Michael Dennehy Dcn Gerard Dailly Mgr Jeremy Garratt Fr Mark Hogan Fr PJ Smith Rev Canon Simon Thomson Canon Paul Townsend Mr Bernard Davis Mr Mike Elks Mrs Sue Masser Mr Martin McCloskey Mr Anthony Murphy
Bishop of Portsmouth	Rt Rev Philip Egan
Secretary to the Trustees	Hereward Drummond
Chief Operating Officer	Heather Hauschild
Director of Finance and IT	Mark Van Wijk

Registered Office	St Edmund's House Bishop Crispian Way Portsmouth PO1 3QA
Bankers	Lloyds Bank PLC 2-4 Palmerston Road Southsea PO5 3QH
Solicitors	Blake Morgan New Kings Court, Tollgate Chandler's Ford Eastleigh SO53 3LG
Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Investment Advisers	Charles Stanley & Co LTD 25 Luke Street London EC2A 4AR Cazenove 12 Moorgate London EC2R 6DA





Bringing people closer to Jesus Christ through His Church

Registered Charity Number: 246871